



Lancashire Enterprise Partnership Limited

Private and Confidential: No

Date: Wednesday, 30 September 2020

Governance and Committees Report

**Report Author: Misbah Mahmood Tel: 01772 530818,
Misbah.Mahmood@lancashire.gov.uk**

Executive Summary

This report extracts the key items considered by each of the Lancashire Enterprise Partnership Board (LEP) 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 its Committees for approval.

Recommendation

The Lancashire Enterprise Partnership Board is asked to note the updates provided in this report in relation to Governance, urgent decisions taken since the last LEP Board meeting and the Committees of the Lancashire Enterprise Partnership as set out.

Background and Advice

This is a standing report which provides an update on governance issues and meetings of committees of the LEP since the last ordinary meeting on 23 June 2020 in accordance with the LEP Assurance Framework dated December 2019, publicly available on the Lancashire Enterprise Partnership website:

<https://lancashirelep.co.uk/about/policies/>

Current LEP Committee Vacancies

A number of LEP Committee vacancies exist within the LEP Assurance Framework as follows:

- 1 x Enterprise Zone Governance Committee Member
- 2 x Performance Committee vacancies for a Chairman and an additional Committee Member
- 1 x Growth Deal Management Board Chairman
- 4 x Skills and Employment Advisory Panel Private Sector vacancies



The LEP Board is asked to **note** the following Committee Member changes that respective organisations have made:

- Edwina Grant, LCC, has joined the Skills and Employment Advisory Panel as a Committee Member
- Andrew Dewhurst has resigned as a Committee Member on the Skills and Employment Advisory Panel. A recruitment process will commence shortly to fill this vacancy
- Justin Kyriakou, ICAEW, has replaced Neil McMillan on the Business Support Management Board

Updates from recent LEP Committee Meetings / Decisions taken by the Urgent Business Procedure of the LEP

1. Urgency Business Procedure Decisions

Growing Places Report – 19 August 2020

The Lancashire Enterprise Partnership Board agreed to:

- (i) Consider and approve the ETC Urban request for a suspension of interest accrual on the loan for a period of 6 months from 23 March 2020
- (ii) Consider and approve the ETC Urban request for a 6 month extension to the loan without penalty charges
Consider and approve the ETC Urban request for the interest payments to come from sales, to be achieved by a letter of variation to the Facility Agreement
- (iii) Consider and approve the Bowker Performance Cars Ltd request to delay the payment of the interest invoice for 2019/20 until 31 December 2020
- (iv) Consider and approve the Bowker Performance Cars Ltd request for the loan to be converted into grant be refused
- (v) Consider and approve the Bowker Performance Cars Ltd request for a suspension of interest accrual for a period of 3 months from 23 March 2020.

Growth Deal Eden Project – 08 August 2020

The Lancashire Enterprise Partnership Board:

- (i) Approved grant funding of £1.200m LGF to the Eden of the North project, subject to; the following conditions:
 - a. Final State Aid Advice is provided which demonstrates compliance; and
 - b. Eden to provide an indemnity or other such mechanism, as agreed by LEP CEO, which satisfies that the LEP is able to seek to recover grant monies, in relation to the capitalisation of Growth Deal grant, in the event the main Eden project does not transpire; and



- (ii) Approved the finalisation and execution by Lancashire County Council (as accountable body for the LEP) under the guidance of the Directors of Economic Growth, Environment and Planning, of a Grant Funding Agreement and other relevant legal documentation as may be necessary to protect the interests of the LEP.
- (iii) Approved that LEP Officers to operate outside the LEP Assurance Framework in respect to, preparation costs and business case aspects, as discussed within this report.

Northlight Call Centre Project – 08 August 2020

The Lancashire Enterprise Partnership Board:

- (i) Approved a grant funding approval of an additional £2.500m LGF (£0.250m previously approved, £2.750m in total) to the Northlight Call Centre project, subject to;
 - a. the conditions as detailed within the report; and
 - b. the finalisation and execution by Lancashire County Council (as accountable body for the LEP) under the guidance of the Directors of Economic Growth, Environment and Planning, of a Grant Funding Agreement and other relevant legal documentation as may be necessary to protect the interests of the LEP.

2. Transport for Lancashire Committee

There have been no meetings of the Transport for Lancashire Committee since the last update.

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

The Combined City Deal Executive and Stewardship Board met on 14 July 2020 and considered / approved the following:

Homes England Quarterly Report Q4 – the Board noted the update presentation from Homes England, and noted specifically:

- Preston City Council had granted planning permission in February for 715 new homes at the site of the former Whittingham Hospital
- A planning application had been submitted for the Croston Road North site
- 67 completions had been carried out during quarter 4

Preston Western Distributor – the Board noted the update provided and requested a further report detailing the costs of the project

Affordable Housing in the City Deal Area – the Board noted the update and agreed that a report detailing the current position should be provided to a future meeting



City Deal Review – a private and confidential report was received regarding City Deal Review. Following consideration the resolutions were as follows:

- i. Approved the release of £1.07m from the A582 Scheme allocation in the Infrastructure Delivery Fund in order to progress the Business Case for £50m of MRN funding for the A582 Dualling Scheme (topped up by £440,000 (to £1.51m) from DfT which it reserves the right to re-claim if the scheme does not get delivered).
- ii. Confirmed its funding commitment of £1.6m from the Cottam Parkway allocation in the Infrastructure Delivery Fund, in order to provide the local contribution required to deliver the £24.4m New Cottam Parkway Railway Station as part of the Transforming Cities Programme and note that the drawdown of this funding will be made in 2023.
- iii. Approved the release of £47,500 in order to deliver urgent bus provision/public realm works for health and safety reasons in Bamber Bridge, as outlined in the report.
- iv. Noted the future City Deal funding commitments, in particular, the Harris Quarter Cinema Scheme and full cost of the A582 Widening Scheme, required to be determined in Oct 2020 in line with current programme.
- v. Noted that the potential risks to the City Deal arising from the Covid 19 pandemic cannot be fully quantified at this stage, but further assessment of the implications will be undertaken as they become more fully understood.
- vi. That a meeting would take place within the next three weeks, between the Leaders of Lancashire County Council, Preston City Council and South Ribble Borough Council, Steve Fogg and Mark Rawstron, in order to discuss future funding arrangements and terms.

Homes England – Business and Disposal Plan Update – a private and confidential report was received. Following consideration the resolutions were as follows:

- i. Noted the progress towards the successful delivery of the 11 Homes England City Deal sites;
- ii. Noted Homes England's current and future investment into the City Deal; and
- iii. Endorsed the updated Business and Disposal Plan (BDP) setting out the site milestones and financial forecasts to March 2023.

Infrastructure Delivery Performance Monitoring Report – the Board received a private and confidential report, which was noted

City Deal Finance Monitoring Report Q4 – the Board received a private and confidential report which was noted

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 21 July 2020 and considered / approved the following:



Growth Deal Programme and Project update – the committee received an update report on the programme and resolved:

- i. LEP Officers to complete variations to project GFAs as required, in order to meet the requirements of the government review
- ii. the Futures Park project GFA be amended, following receipt and agreement of the change request by the Technical Team, to allow retention of the full allocation
- iii. the GFAs for the Engineering and Innovation Centre Drone Command & Control Centre, Lomeshaye Industrial Estate Extension Phase 1, and the Blackpool Airport Enterprise Zone would be circulated for approval via written resolution

Eden of the North project – the committee received a private and confidential report outlining the project proposal. Following debate, the committee:

- i. Recommended to the LEP Board an allocation of £1.200m Growth Deal funding to the Eden of the North project
- ii. Noted that a further report will be circulated via written resolution in relation to the funding recommendation, including a response to the due diligence matters as detailed within the report

Northlight Call Centre project Funding Recommendation – the committee received a private and confidential report outlining the project appraisal. Following debate, the committee resolved that the Growth Deal Management Board recommend to the LEP Board a grant funding approval of an additional £2.500m LGF to the Northlight Call Centre project be subject to:

- i. The conditions as detailed in the appraisal report
- ii. The finalisation and execution by Lancashire County Council (as accountable body for the LEP) under the guidance of the Directors of Economic Growth, Environment and Planning of a Grant Funding Agreement and other relevant legal documentation as may be necessary to protect the interests of the LEP
- iii. Heads of Terms and a pre-let agreement being agreed with the named end occupier, before funds were released

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 update.

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 Advisory Panel

The Lancashire Skills and Employment Advisory Panel met on 03 June 2020 and considered / approved the following:



Impact of covid-19 on Skills and Employment – the panel received an update on emerging risks and priorities, and made a number of comments to be included in the report to the LEP Board

Digital Skills Landscape Research – the panel received a presentation on the key headlines from Lancashire's digital sector research, and commented on the priority list

Skills and Employment Advisory Panels – the panel received an update giving background and progress against the government's requirements. The panel noted the planned use of the Skills Advisory Panel grant in 2020/21 and agreed to recommend to the LEP Board that the £75,000 grant offered by the Department for Education be accepted.

Expansion of the Lancashire Careers Hub – the panel received a private and confidential report highlighting that funding had been allocated by Department for Education (DfE) to the Careers and Enterprise Company (CEC) to enable the continuation and expansion of the existing Lancashire Enterprise Adviser Network and Careers Hub. An options paper, supported by the LEP Chair and Interim Chief Executive had been submitted to the CEC. The preferred option was to roll out the Careers Hub from Blackpool, Burnley and Pendle to the whole of Lancashire.

The Panel met again on 9 September 2020, and considered the following:

Careers Hub expansion – the panel received a presentation from Mark Bowman, CEO – Inspira, and Kay Vaughan – Careers Hub Lead, on the expansion of the Careers Hub, outlining the journey so far, current progress against the average benchmarks, support available during Covid-19 restrictions and plans for the next term.

Impact of Covid - The Panel received a presentation from Joe Mount, Skills & Economic Intelligence Officer highlighting the latest insights on the impact of Covid-19, and specifically updating on furlough rates and claimant counts by district, age, gender and sector, a comparison of the north west to the UK as a whole and the take up of the Self Employed Income Support Scheme. There was also an update on the Skills Swap, Skills for Work, Redundancy Task Force, Post-16 Officers Group, Digital Skills and Devices, Digital Careers Journey and online stakeholder engagement.

The 'Lancashire Keep Learning' social media campaign, aimed at providing 16-24 year olds with information and encouragement to remain in or return to education, had appointed an agency with experience in reaching this age group to develop creatives for Snapchat, TikTok and Instagram. £15,000 had been allocated to the campaign, though it was intended to request partners to contribute to allow expansion.

Lancashire Skills and Employment Strategic Framework - It had been agreed at the July committee meeting that the framework should be refreshed for a one year period, taking into account the unique environment resulting from COVID-19, the development of the LEP's Strategic Economic Framework and the Greater Lancashire Plan, and the requirements of Department for Education for a Local Skills



Report. The panel discussed the draft Strategic Framework and agreed to a light touch consultation

Full agendas and minutes for the Lancashire Skills and Employment Advisory Board meetings can be accessed here:

<http://council.lancashire.gov.uk/ieListMeetings.aspx?CommitteeID=1011>

7. Performance Committee

There have been no meetings of the Performance Committee since the last update.

8. Business Support Management Board

The Business Support Management Board met on 21 May 2020 and considered / approved the following:

Boost – use of BEIS Grant in 2020/21 – the committee received a report outlining the proposals for the BEIS funding as follows, and agreed to recommend this to the LEP Board for approval:

- A. Growth Hub Delivery ERDF Match - £220,000
- B. Executive and Performance Management cost, performance, compliance and quality assurance activities (including ERDF compliance) - £50,000
- C. Evolutive CRM Maintenance and licences - £30,000
- D. Purchase of Business Data, including (Beauhurst) - £18,000
- E. Events, Marketing and Printing - £10,000

The panel also requested the Head of Service Business Growth, Director of Growth, Employment and Planning at Lancashire County Council and the LEP Chief Executive to draw up proposals for the supplementary funding of £208,500, reflecting the need to respond to challenges to Lancashire Businesses as a result of COVID-19

Covid-19 Business Impact and Responses in Lancashire – the committee received a presentation on the support activity for businesses during the COVID-19 crisis, covering national business support offers, a breakdown of Boost enquiries, data from the Chamber of Commerce, cash flow and reserve data and key actions. They also received a proposal on a piece of research undertaken by the Centre for SME Development at UCLan on the impact of COVID-19 on SMEs in Lancashire, expected to take place over the next 18 months. It was resolved that the committee:

- i. Request the strapline work around recovery be circulated to the Business Support Management Board for review and comment
- ii. Support the bid submission from the Centre for SME Development to the UK Research & Innovation (UKRI) for coronavirus research funding
- iii. Support the Centre for SME Development's request to play a role in helping analyse or coordinate responses to various surveys, or to send out a separate survey

The committee also met on 27 August 2020 and considered the following:



Covid-19 Recovery Grants – the committee received a report on the Covid Recovery Grants and the intention for Lancashire to draw down and distribute £1,544,072 of European Regional Development Fund resources to deliver Recovery Grants. It was agreed that officers continue to share detailed progress and contact the members of the committee who had offered support

Peer to Peer Business Support – the committee discussed the report on the Peer to Peer Business Support announced by government in July. Lancashire had been allocated £345,000 to deliver 23 Peer Network cohorts, to be delivered by the end of March 2021. It was noted that given that following a usual procurement practice to select and award contracts to partners could delay the delivery of this initiative by up to three months, and the short window to deploy these funds, the Growth Hub is seeking approval from the Lancashire County Council Cabinet for an alternate, truncated award process to advance delivery of this initiative.

Phoenix Research Project - the committee received a presentation on the Phoenix Research project, outlining the research package and pathway, outputs and timelines. It was noted that the project had been unsuccessful in its bid for funding, despite being given very positive feedback, as it was deemed to be not national enough. Sue Smith and colleagues at UCLAN planned to continue the project but could only continue on a skeletal basis without some form of funding support. The aspiration for the project was to inform policy and practice. It was agreed that Sue Smith link with the members of the Chambers of Commerce to consider the Quarterly Economic Survey data and potential to add supplementary questions, and that Andy Walker raise it as an item of interest to the NP11 Growth Hub group

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

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

9. Innovation Board

The Innovation Board held its first meeting on 24 July 2020.

The Board received a private and confidential report on the overview of the work done to date in relation to the delivery of the Innovation Plan, and agreed that officers develop specific proposals in relation to the following, for further consideration by the Board:

- a) The identification of key 'Lancashire' distinctiveness within the 6 key Pillars of Growth in the Lancashire Enterprise Partnership Strategic Framework which will be the main focus for the Innovation Board in relation to economic opportunity and challenge.
- b) Arrangements for the monitoring the wider innovation programme of work, as set out in the Action Log, via the 'Observatory' and the establishment of Key Performance Indicators for measuring success.
- c) The development of a pipeline of potential future projects which will enable the Board to respond quickly when future opportunities to submit bids arise.
- d) The final proposed Marketing Strategy for approval



- e) Specific arrangements for 'Lancashire Innovation Month in October 2020 and how Innovation Ambassadors/Champions will be utilised to promote innovation in the future.

List of Background Papers

Paper	Date	Contact/Tel
none		

Reason for inclusion in Part II, if appropriate

n/a