

Lancashire Enterprise Partnership Limited

Minutes of the Meeting held on Tuesday, 23rd November, 2021 at 4.30 pm held as a Virtual Zoom Meeting

Present

Debbie Francis OBE (Chair)

Councillor Stephen Atkinson
Miranda Barker
Councillor Alyson Barnes
Ann Dean MBE DL
Dave Holmes OBE
Kam Kothia

Amanda Melton CBE
Andrew Pettinger
Mark Rawstron
County Councillor Aidy Riggott
Councillor Ivan Taylor
Annette Weekes

In Attendance

Sarah Kemp, Chief Executive Officer, Lancashire Enterprise Partnership
Angie Ridgwell, Section 151 Officer, Chief Executive and Director of Resources, Lancashire County Council
Laura Sales, Company Secretary and Director of Corporate Services, Lancashire County Council
Nicola Hopkins, Director of Economic Development and Planning, Ribble Valley Borough Council
Nick Gerrard, Growth and Prosperity Programme Director, Blackpool Council
Paul Evans, Department for Business, Energy and Industrial Strategy
Phil Green, Director of Growth, Environment and Planning Economic Development, Lancashire County Council
Michele Lawty-Jones, Director of the Lancashire Skills Hub
Sue Roberts, Commercial and Business Support Manager, Lancashire Enterprise Partnership
Andy Milroy, Democratic Services Manager (Companies), Lancashire County Council
Matthew Pixton, NDA (Item 5 Only)
Rachel Roffe, NDA (Item 5 Only)

1. Welcome and Apologies for Absence

The Chair, Debbie Francis OBE, welcomed all to the meeting. Apologies for absence were presented from LEP Director Mick Gornall.

2. Minutes of the meeting held on 7th September 2021

Resolved: That the minutes of the Lancashire Enterprise Partnership (LEP) Board meeting held on 7th September 2021 be approved as an accurate record.

3. Matters Arising

None

4. Declarations of Interest

A number of Directors and Officers declared a conflict of interest in Item 14 – Samlesbury Enterprise Zone – Memorandum of Understanding as follows:

- LEP Director, County Councillor Aidy Riggott
- LEP Director, Councillor Stephen Atkinson
- Section 151 Officer, Angie Ridgwell
- Company Secretary, Laura Sales
- Lancashire County Council Officer, Phil Green
- Ribble Valley Borough Council Officer, Nicola Hopkins

All advised they would leave the meeting for this item along with any other officers present from Lancashire County Council or Ribble Valley Borough Council.

5. Radiowaste Management

Matthew Pixton and Rachel Roffe from the Nuclear Decommissioning Authority (NDA) gave a presentation to the LEP Board on Radioactive Waste Management.

It was highlighted to the Board that a Geological Disposal Facility (GDF) is a permanent facility deep underground to dispose of the UK's higher activity radioactive waste. It is a major infrastructure project that is a catalyst for transforming the socio-economic vitality of a community. It provides an opportunity to invest over the long term in infrastructure, and support the creation of hundreds of jobs and skills over a 100 year period.

In addition, the technical processes involved in constructing and operating a GDF were explained to the Board.

Board Members clarified a range of points including supply chains, supplier contracting, skills and employment opportunities and environmental implications.

Resolved: The Lancashire Enterprise Partnership Board received and noted the presentation providing feedback and points of clarification on technical aspects of Radiowaste Management.

6. LEP Governance and Committees Report

Andy Milroy, Senior Democratic Services Officer, Lancashire County Council, presented a report (circulated) which provided the Board with an update on LEP Governance matters and updates from recent LEP Committee meetings.

It was highlighted that the report was a standing item on each LEP Board agenda. In addition it was acknowledged that the Board may wish to consider the future dormant status of the company accounts moving forward in light of other reports and advice to be considered, however, the dormant accounts attached to the report were for the period that had just ended at the end of September 2021 and it was recommended that dormant accounts be approved for this period as they are historical.

Resolved: The Lancashire Enterprise Partnership Board

- (i) Noted the resignations of Lorna Green and Pete Lee from the LEP Innovation Board and approved the appointment of Mike Kenny and Matthew Spinks as their replacements on the LEP Innovation Board.
- (ii) Noted the resignation of Lynne Livesey from the LEP Skills and Employment Advisory Panel and approved the appointment of Professor Wendy Robinson (Lancaster University) as her replacement.
- (iii) Approved the dormant company accounts for the year ending 30 September 2021 and authorised the Chair to sign the accounts on behalf of the Board.
- (iv) Approved the recommendation from the Skills and Employment Advisory Panel that that the Lancashire Skills and Employment Framework remains as is, and that the refresh is put on hold and that the position is reviewed at the end of March 2022 with this referred to the LEP Board for further approval; and
- (v) Noted the updates contained within the report, including the Committee vacancies.

7. Any Other Business

Sarah Kemp, LEP Chief Executive, provided an update on the LEP Review is pending the Government 'levelling up paper' but notification had been received confirming a further 6 months of funding for the LEP subject to completion of an application for funding.

County Councillor Aidy Riggott provided an update on Community Renewal Funds and that Government announced Lancashire County Council had been successful in receiving £3.5m and wider Lancashire approximately £5m. It was confirmed that if LEP Board Members wished to receive further details a note could be circulated from the county council's Director of Growth, Environment and Planning.

Councillor Stephen Atkinson requested clarification on Northern Powerhouse Rail. Miranda Barker and Mark Rawstron provided updates with it noted that Transport for the North (TfN) was scheduled to meet the day after the LEP Board and the matter will be raised there. It was agreed to add formal comments from

the LEP to a letter to Government which will be circulated to LEP Board members in advance for comment.

Amanda Melton raised the topic of County Deal activity and if the LEP need to consider what an "ask" might look like from an economic perspective.

8. Date of Next Meeting and Programme of Meetings for 2022/23

It was proposed from the Chair that the LEP Board change frequency of Board meetings from 6 per year to 4 (quarterly) whilst retaining the regular informal Board meetings that also take place. Of the 4 meetings, it was proposed that 2 of those meetings take place physically and 2 virtually. The Chair stressed the importance of Board members attending the 2 physical meetings in person.

The proposal was approved by the Board with it noted that therefore the 18th January 2022 Board date was **cancelled**.

In addition it was noted that the next Board meeting would therefore be held on **22nd March 2022 at 4:30pm and this will be a physical meeting to be held at the Lancaster Health Innovation Campus**.

The cycle of meetings will be adjusted with further Board meetings for 2022/23 arranged for June 2022, September 2022, December 2022 and March 2023 with a revised programme of dates to be provided at the next LEP Board meeting.

9. Exclusion of the Press and Public

Resolved: 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 in Part I to schedule 12A to the Local Government Act 1972.

It was considered that in all the circumstances the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

10. Growing Places Report - Fleetwood FRP Ltd - Heads of Terms

Sue Roberts, Commercial and Business Support Manager, LEP, presented a private and confidential report (circulated) which sought approval to the Heads of Terms for a Growing Places Loan to Fleetwood FRP Ltd.

Following a period of debate the LEP Board approved a revised resolution as set out below:

Resolved: The Lancashire Enterprise Partnership Board

- (i) Approved the Heads of Terms to lend Fleetwood FRP Ltd £2.45m over 30

months with a final repayment date of 31 December 2024 at 4.5% over base subject to due diligence; and

- (ii) Delegated authority to the LEP Chief Executive Officer in consultation with the Section 151 Officer and LCC's Director of Corporate Services, acting in their capacity as LEP Company Secretary to negotiate, approve and enter into the legal documentation required to protect the LEP's interest in respect of this loan.

11. Growing Places Report - Heap Developments Ltd - Heads of Terms

Sue Roberts presented a private and confidential report (circulated) which presented the LEP Board with the Heads of Terms for a Growing Places Loan for Heap Developments Ltd for approval.

Following a period of debate the LEP Board approved an amended resolution as follows.

Resolved: The Lancashire Enterprise Partnership Board

- (i) Approved the Heads of Terms to lend Heap Developments Ltd £1.5m over 5 years at 4% over base subject to due diligence; and
- (ii) Delegated authority to the LEP Chief Executive Officer in consultation with the Section 151 Officer and Lancashire County Council's Director of Corporate Services, in their capacity as LEP Company Secretary to negotiate, approve and enter into the legal documentation required to protect the LEP's interest in respect of this loan.

12. Growing Places Report - PEARL 2 Brierfield Mill

Sue Roberts presented a private and confidential report (circulated) regarding a proposed Growing Places regarding extending the Facility Agreement for PEARL 2 / Brierfield Mill.

Resolved: Following a period of debate, the LEP Board agreed to **not** approve the resolutions at this stage and requested that further due diligence checks are undertaken by the LEP Chief Executive Officer with the outcome to be reported back to the LEP Board for further consideration.

13. Growing Places Report - Ormskirk Court Hotel - Change to Security Package

Sue Roberts presented a private and confidential report (circulated) which requested a change to an existing Growing Places loan terms and conditions regarding Ormskirk Court Hotel.

Two options were presented to the LEP Board, one to retain the existing terms and conditions and the other to vary the terms and conditions to incorporate securities from other properties,

Resolved: Following a vote, the Lancashire Enterprise Partnership Board approved by majority **Option 1 – to retain the existing terms and conditions** for the Ormskirk Court Hotel Growing Places loan.

14. Samlesbury Enterprise Zone - Memorandum of Understanding

At this point of the meeting all Directors and Officers that identified they had a conflict of interest previously as per Item 4 – Declarations of Interests left the meeting.

Sarah Kemp, LEP Chief Executive Officer, presented a private and confidential report regarding Samlesbury Enterprise Zone – Memorandum of Understanding.

During the private and confidential discussion, Board members were made aware of independent legal advice requested by the Board in respect of the proposed Memorandum of Understanding with Lancashire County Council.

With regard to the proposals regarding the Samlesbury Enterprise Zone – Memorandum of Understanding, the Board stated that they were supportive of proposals contained within the Memorandum of Understanding and that were content to approve that the LEP Chief Executive Officer enter into the Memorandum of Understanding on behalf of the LEP with a request that further independent legal advice be taken prior to entering into a legal binding agreement.

Resolved: The Lancashire Enterprise Partnership Board

- Noted that Phase 2b infrastructure costs are anticipated to be £20.8m in respect of completion of infrastructure works to site, to be met by prudential borrowing by Lancashire County Council, in addition to £14.35m of prudential borrowing incurred to-date.
- Noted that the Enterprise Zone Governance Committee have considered the works and costs associated with Phase 2b and recommend to the Board, the ongoing commitment of business rates to complete infrastructure requirements.
- Noted that the Agreement will also meet an outstanding Growth Deal Grant Funding condition for Phase 2a with respect to the apportionment of any net proceeds between LCC and the LEP.
- Noted that the LEP has taken independent legal advice in respect of the proposed Agreement, as summarised in the private and confidential report.
- Agreed that the LEP Chief Executive Officer be authorised to enter into the Memorandum of Understanding as set out now with a request that a

Forward Plan be created and further independent legal advice be sought regarding the legally binding agreement.

- Subject to satisfactory receipt of independent legal advice as set out in the point above, the LEP Board approved that the LEP Chief Executive Officer be authorised to execute and sign the legally binding agreement on behalf of the LEP Board.