

## Lancashire Enterprise Partnership Limited

### Minutes of the Meeting held on Monday, 11th July, 2022 at 5.00 pm held virtually using Microsoft Teams

#### Present

Debbie Francis OBE

Graham Baldwin  
Miranda Barker OBE  
Councillor Alyson Barnes  
Ann Dean  
Kam Kothia OBE DL

Mick Gornall  
Mark Rawstron  
County Councillor Aidy Riggott  
Alison Robinson  
Claire Whelan

#### In Attendance

Paul Evans, Assistant Director, Area Lead, Dept for Business, Energy and Industrial Strategy  
Nick Gerrard, Growth and Prosperity Programme Director, Blackpool Council  
Phil Green, Executive Director of Growth, Environment and Transport  
Michele Lawty-Jones, Director of Skills and Employment Partnership, Lancashire County Council  
Andy Milroy, Democratic Services Manager (Companies), Lancashire County Council  
Anne-Marie Parkinson, Programme Manager, Lancashire Enterprise Partnership  
Angie Ridgwell, Section 151 Officer, Chief Executive and Director of Resources, Lancashire County Council  
Sue Roberts, Commercial and Business Support Manager, Lancashire Enterprise Partnership  
Laura Sales, Company Secretary and Director of Corporate Services, Lancashire County Council  
Catherine Stott, Democratic Services Officer, Lancashire County Council  
Andy Walker, Acting Director - Growth, Environment and Planning, Lancashire County Council

#### 1. Welcome and Apologies for Absence

The Chair, Debbie Francis OBE, welcomed all to the meeting. Apologies for absence were presented from Councillor Ivan Taylor, Dave Holmes and Andrew Pettinger.

#### 2. Minutes of the meeting held on 23 November 2021 and note of the inquorate meeting held on 22 March 2022

**Resolved:** That the minutes of the meeting held on 23 November 2021, and the note of the inquorate meeting held on the 22 March 2022 are confirmed as an

accurate record.

**3. Matters Arising**

None

**4. Declarations of Interest**

None

**5. Updated Annual Plan and Budget (2022-23)**

The Chair, Debbie Francis OBE, introduced a report (circulated) which provided an updated Annual Plan and Budget for the LEP for 2022/23.

The Chair confirmed that the three local authority company members have agreed their match funding amount and this is reflected in the grant amount contained within the report, with it noted that this represented an overall reduction.

Some staffing costs taken out that were planned but not yet incurred. Prepare and update budget with plans for how to operate. There is another opportunity to submit an updated budget to BEIS in November.

noted that, in wake of the significant budget reductions and plans to appoint a new CEO the board would need to provide a new budget for November (following on from the previous budget submitted in July).

Paul Evans (BEIS) informed the board that with regard to paragraph 6.1 in the report that the annual LEP review has now finished and governance issues need to be resolved as a matter of urgency. The Chair noted that this issue will be addressed in the Part II section of the meeting.

**Resolved:** The Lancashire Enterprise Partnership Limited Board:

- (i) Noted that the ongoing Government review of LEPS may have a material impact on the role and responsibilities of the LEP and the Board.
- (ii) Noted the revised financial settlement with Government for 2022/23.
- (iii) Approved the planned expenditure for 2022/23 as summarised in this report, based on the income to be received plus the use of reserves, noting that confirmation of funds provided by Members and Government sponsors had been received; and
- (iv) Noted the forecast end of year position on LEP reserves and the highlighted risks and challenges.

## 6. LEP Governance and Committees Report

Andy Milroy, Democratic Services Manager (Companies), Lancashire County Council presented a report (circulated) containing Governance and Committee meeting updates with the Board asked to note the report including the urgent decisions taken by the Board, via the Urgent Business procedure, since the last meeting.

It was also reported that there are two current vacancies on the LEP Enterprise Zone Governance Committee.

Andy Walker, Acting Director – Growth, Environment and Planning, Lancashire County Council, raised that the UK Shared Prosperity Fund was discussed at the LEP Skills & Employment Board, and the Business Support Management Board, resulting in both Boards sending letters to their respective Secretaries of State, raising concerns around the new funding arrangements.

**Resolved:** The Lancashire Enterprise Partnership Board:

- (i) Noted the updates provided in the 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; and
- (ii) Noted the update and subsequent letters sent to the Secretaries of State regarding the UK Shared Prosperity Fund.

## 7. Availability of Finance in Lancashire

Sue Roberts, Commercial and Business Support Manager, Lancashire Enterprise Partnership, presented a report (circulated) which provided an update on how Access to Finance and the University of Central Lancashire (UCLAN) Investment Readiness Programme are working together to provide a clearer picture of the services business will be able to provide after their ERDF funding ends in 2023, including the commercial prosperity fund.

Board Members raised the issue of simplifying how easily businesses are able to access the various financial services available to them, suggesting the set up of a portal or similar tool to streamline access to services. Sue Roberts informed the board that Lancashire County Council are conducting a finance simplification programme to address this.

Board Members also noted that the same issue concerning ease of access has been raised in the manufacturing sector group.

In addition, Board Members sought clarification on how long it would take to deliver such a programme. Sue Roberts informed the board that this is dependent largely on resources. The piece of work that will take the longest is the application for Equity Funding.

The Board also suggested that the portal system is tailored so that it can be built on as the work progresses. Sue Roberts noted her intention to engage with the Local Authorities on an individual basis to gain a better understanding of what services are required.

**Resolved:** The Lancashire Enterprise Partnership Board:

- (i) Reviewed and approved the Executive Summary and Action Plan as set out; and
- (ii) Noted that regular updates on progress against the Action Plan will be brought to the LEP Board and oversight will be provided by the Business Support Management Board.

## 8. Lancashire Digital Strategy

Kam Kothia, LEP Director, presented a report (circulated) which provided an update on Lancashire Digital Strategy, highlighting the following:

- The UK's tech economy has grown rapidly in recent years, standing as the third largest in the world. The West Midlands is cited as the UK's fastest growing tech region, expected to deliver 52,000 roles in tech by 2025, while Manchester is sighted as the top digital 'tech city'
- Lancashire has strong tech capability that requires a new strategy to fully exploit its potential – attracting inward investment and supporting new business start-ups.
- A new strategy could increase employment from 23,500 to 50,000 by 2025
- The Department for Digital Culture, Media and Sport have just announced a £20m digital growth fund to be delivered over the next 5 years, which could be a key source for funding.
- If the strategy is approved, then a 'Task and Finish' group will be formed to deliver the strategy.

Board Members commented that the technology sector lacks representation from the colleges and this should be addressed in the strategy.

The Chair queried how the Task and Finish group will be formed and who will be included. Kam informed the board, if approved, they will look to existing stakeholders for its membership, but further outreach will be conducted once the board is formed.

Annette Weekes reinforced support of the manufacturing and health sector for the Digital Strategy and expressed an interest in involvement in the Task and Finish group. Annette also informed the board that both Burnley College and Blackburn College have expressed interest in being involved in the digital hub.

Board Members also stressed the need to cooperate with existing digital hubs and queried where the funding to deliver the strategy would come from.

Kam informed the board of the plan to model Lancashire's strategy using existing digital hubs, conducting research into their sources of funding. Annette Weekes raised Lancashire's existing partnership with BAE and other organisations, agreeing that funding may be available from various sources.

**Resolved:** The Lancashire Enterprise Partnership Limited Board:

- (i) Approved the Lancashire Digital Strategy; and
- (ii) Approved the formation of a Task and Finish group to develop a detailed implementation and investment plan, overseen by the Digital Sector Group.

## **9. Lancashire's Internationalisation Strategy and Action Plans**

Sue Roberts presented a report (circulated) which updated the Board on Lancashire's Internationalisation Strategy and Action Plans, highlighting the following:

- Further work has been conducted on the export plan, identifying Ireland as a good starter market with strong export potential.
- An executive summary is being drafted with the aim of simplifying the full report, noted as potentially unengaging due to its length.

Board Members raised the issue of the length of the report and stressed the need to make any messaging around the report relevant and engaging to all audiences and supported the need for simplification of support and queried whether it could be condensed to focus on key sectors.

Board Members also commented that the report was useful as a resource for a variety of different groups and stressed its importance in connecting local business with international trade.

In addition in answer to a query regarding who the key players were involved in the delivery of the report recommendations, Sue Roberts informed the Board that currently one member of staff oversees export operations and there is one account manager paid for by the Department for International Trade (DIT). Other operations are managed between herself, Andy Walker and others from DIT with it confirmed that until more funding is sourced, this set up will continue.

Miranda Barker noted the businesses previously funded by European Structural Funding and the Department of International Trade as a useful resource for accessing funding.

**Resolved:** The Lancashire Enterprise Partnership Board:

- (i) Considered and noted the next steps and approve for publishing the Internationalisation Strategy at Appendix 'A' (to the report).
- (ii) Considered and noted the next steps and approve for publishing the Export Action Plan at Appendix 'B' (to the report).
- (iii) Considered and noted the next steps and approve for publishing the Foreign Direct Investment Action Plan at Appendix 'C' (to the report).
- (iv) Considered and noted the next steps and approve for publishing the Capital Investment Action Plan at Appendix 'D' (to the report).
- (v) Considered and noted the next steps and approve for publishing the Innovation Action Plan at Appendix 'E' (to the report); and
- (vi) Considered and noted the next steps and approve for publishing the Visitor Economy Action Plan at Appendix 'F' (to the report).

**10. Any Other Business (Part I)**

None

**11. Date of Next Meeting**

The next meeting will be held on 13th September 2022 at 4:30pm as planned, with the venue / type of meeting to be confirmed at the Informal LEP Board meeting but with a preference for a face-to-face meeting.

**12. 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.

**13. Proposal for the Leadership of the LEP for the forthcoming 12 months**

*Andy Walker left the meeting at this point while the Board deliberated.*

The Chair, Debbie Francis OBE, presented a report (circulated) which informed the Board of the need to appoint a CEO for the next 12 months. It was noted that following discussion with the Company Members, the Board have been asked to

consider employing an interim Chief Executive, with Andy Walker, the current Acting Director for Growth, Environment and Planning at Lancashire County Council proposed to act as Interim LEP Chief Executive.

It was noted that the Department for Business, Energy and Industrial Strategy (BEIS) have been consulted on and approved the recommendation set out in the report on the grounds it is set up as a secondment arrangement. The Chair recommended that the position should be reviewed at six and twelve months. It was noted that the post would be allocated as two days a week.

Board Members sought clarification on the working arrangements of the post being allocated as two days a week but accepted this was unavoidable given current limitations.

The Chair informed the board that the position would not be advertised permanently unless a further review of the arrangements was undertaken and deemed it necessary to appoint permanently.

Board Members expressed a view that it was a sensible decision to bring in someone with knowledge and experience of the LEP and therefore supported the proposal at this stage.

**Resolved:** The Lancashire Enterprise Partnership Limited Board approved the recommendations as set out in the report and therefore approved the appointment of Andy Walker as Interim Chief Executive Officer of the LEP.

#### 14. Any Other Business (Part II)

*Andy Walker re-joined the meeting at this point.*

##### **Dormancy Status**

The Chair provide an update on the company's dormancy status highlighting the following

- Following further advice from Pinsent Masons it is now recommended that the LEP files active accounts.
- An auditor and accountant will need to be appointed if the Board agrees to submit active accounts.
- Further advice will be sought from Pinsent Masons.

**Resolved:** The Lancashire Enterprise Partnership Limited Board:

- (i) Approved that the company begins the process of filing active accounts with officers authorised to make arrangements as necessary taking further advice from Pinsent Masons as required.
- (ii) Approved that a small task and finish group be formed by officers to assess

potential auditors with Ann Dean and Mark Rawstron volunteering to be part of the task and finish group.

- (iii) Requested that the Interim LEP Chief Executive, Andy Walker, obtain advice regarding tax liabilities.

### **LEP Compliance – BEIS Review**

The Chair also provided an update on the situation regarding the LEPs non-compliance following a review with BEIS. The two areas of concern were noted to be:

- 1) The appointment of an independent secretariat
- 2) The LEP's account submission process going forward

BEIS have requested that a Governance Champion be appointed to oversee the transition with it requested that LEP Director Andrew Pettinger be appointed.

It was noted that the Board must appoint an independent secretariat by the end of September 2022, with it noted this could be adopted as a secondment position.

**Resolved:** The Lancashire Enterprise Partnership Limited Board approved that the company seek to comply with the BEIS requirements and appoint an independent secretariat by the end of September 2022 with the Interim LEP Chief Executive requested to engage with this process.

### **LEP Director Resignation**

The Chair informed the board of Councillor Steven Atkinson's resignation and that as he was nominated by the Lancashire District Leaders Group, the Group would be consulted to nominate a replacement.

**Resolved:** The Board acknowledged the resignation and that a replacement nomination will be sought.