

**Lancashire County Council**

**Environment, Economic Growth and Transport Scrutiny Committee**

**Minutes of the Meeting held on Monday, 11th March, 2024 at 10.30 am in  
Committee Room 'B' - The Diamond Jubilee Room, County Hall, Preston**

**Present:**

County Councillor Rob Bailey (Chair)

**County Councillors**

S Rigby	J Oakes
G Dowding	A Schofield
J Gibson	J R Singleton JP
A Hosker	K Snape

**1. Apologies**

Apologies were received from County Councillor Sean Serridge and Jenny Purcell.

**2. Disclosure of Pecuniary and Non-Pecuniary Interests**

County Councillor Rob Bailey declared a non-pecuniary interest in agenda item 5 - Value for Money - Potholes as he was employed by the Association for Public Service Excellence (APSE).

**3. Minutes of the Meeting Held on 25 January 2024**

**Resolved:** That the minutes of the meeting held on the 25th January 2024 be approved as an accurate record.

**4. Lancashire Economic Recovery and Growth (LERG) Programme update and  
Aerospace Watchtower Case study**

The Chair welcomed to the meeting County Councillor Aidy Riggott, Cabinet Member for Economic Development and Growth, Andy Walker, Head of Service Business Growth, and Steve Burns, Head of Service Strategic Development.

The committee was presented a report on the county council's contribution towards the £12.8m Lancashire Economic Recovery and Growth programme towards post-Covid 19 economic recovery. The report also provided information on the pan-Lancashire Aerospace Watchtower Growth Accelerator project as a case study.



A presentation was provided during the meeting, and a copy can be found within the minutes.

Comments and questions raised by the committee were as follows:

- Some of the challenges the area faced was the ability of manufacturers to effectively use digital technologies they had. For instance, some companies would purchase an Enterprise Management System with considerable capabilities, but they might only use it for managing the financial and logistics elements. What some of this work had found was that these companies could put relatively low cost monitoring systems on machining equipment, to help with productivity gains. In addition, it was highlighted that repair and maintenance schedules should also be put in place to minimise unforeseen outages.
- It was noted that for Lancashire the evidence was suggesting that digital wasn't displacing jobs but complementing them. Businesses were not reducing jobs but using digital to supplement the work and processes.
- The concept of how cyber interacted with the physical world would be an important factor for the Lancashire area. It was felt this could be an opportunity for the area to lead on this sector nationally and potentially worldwide.
- The £12.8 million Lancashire Economic Recovery and Growth (LERG) fund was approved by Cabinet in September 2021. Whilst some funding was still available, officers were reassessing budget positions before allocating funds towards additional projects due to an increase in costs. Further conversations with District Councils were expected to take place to establish the most effective way to allocate funding.
- On the £5m additional Levelling Up Fund, £1m of match funding was offered to those district councils who could evidence £2 million of local match funding (Tier 1) and £500,000 offered to successful Tier 2 bids. With funds remaining, it was reported some district councils were reviewing some of their plans.
- It was noted that the Growth Accelerator Programme was a sector intelligence led steering group and did not necessarily include companies who were looking to benefit from the programme itself. The group provided an opportunity to share high level intelligence with companies further down the supply chain to deliver programmes around innovation and diversification.
- It was confirmed that officers would carry out checks with those companies who had received interventions to check they had sustained any employment increases. Officers explained that engagement could continue with businesses and organisations involved in the Growth Accelerator Programme with repeat audits taking place on a revolving 6 month cycle up to 2 years after the awarding of funds to analyse the company's increase in productivity, sales and exports.
- It was highlighted that Apprenticeship Grants were delivered through the Skills Hub Team, with companies offered a small financial incentive to take on new apprentices. Whilst the apprenticeship levy was available to larger organisations such as the county council. It was reported that there had been some efforts in Lancashire to pool levy where it had not been spent and for



this to be deployed within supply chains. Apprenticeship Grants was a more discrete programme that helped businesses with adaptations and provided assistance to apprentices with equipment or uniform that would be needed to fulfil their role. The targeting of this programme was aimed at those companies who had not taken on an apprentice for the last two years or hadn't taken on any at all.

- On whether the visitor economy had improved as a direct result of grants being awarded, the committee was informed that Marketing Lancashire had an established methodology in place to measure the impact of grant funding within the tourism sector. This was based on the STEAM (Scarborough Tourism Economic Activity Monitor) tourism economic impact model which was designed to provide a structured framework to develop a wider range of tourism input data. Smaller grants used the methodology of the national and rural business funds and previously European rural business funds which track new customers as the principal measure, whilst measuring increases in turnover and employment.
- It was noted that in Lancashire, tourism had not quite reached the levels that were seen before the COVID-19 pandemic in 2020. Some of the rural tourism offer was still struggling to reach previous levels.
- On how funding would be utilised to invest in the continuing development of projects, it was clarified that the funding provided for newly commissioned projects was on the basis that the project would be credible and sustainable over time and enabled companies to develop a future business and funding plan.
- Officers commented that future investment into projects could be more aligned around the county council's economic, environment and transport strategies, with new funding for transport, regeneration and levelling up projects to be considered as well. Projects which had the best chance of success were those that could provide the best outcomes and value for money in terms of investment back into the county.
- With regard to the Aerospace Watchtower Programme, low carbon goods and services were areas for potential diversification and there was considerable synergy in terms of the skillset that was readily available that could be transferred into other companies. Collaboration with colleagues at East Lancashire Chamber of Commerce was underway to explore this further. However, there was no discrete project for this in terms of the programmes that were picked up by the LERG programme.
- Officers confirmed that there was significant support on offer for businesses looking to expand into the low carbon sector, an example was the programme from the Northwest Net Zero Hub which was effectively the Department for Energy Security and Net Zero (DESNZ) working on a regional basis providing funds and officers to work as part of the county council's Business Growth Team to encourage low carbon sector development.
- It was reported that the county council was at the point of making some grant awards for piloting new energy reduction activities within the business space in Lancashire. It was highlighted that there was additional officer resource focussing support around green finance for businesses transitioning towards low carbon technology.



- On ensuring that newly created jobs were not redeployed or reallocated from other areas, officers confirmed that there was an established methodology in place where a baseline was taken from businesses. Any jobs that were classed as at risk of redundancy were categorised as safeguarded, whilst any net additional jobs above this threshold were classed as newly created jobs.
- It was suggested that an update on Lancashire BOOST programme be added to the work programme.

**Resolved:** That, an update on the Boost programme, Lancashire's Business Growth Hub be considered for potential inclusion on the 2024/25 work programme at the next work programming session for the committee in June 2024.

## 5. Value for Money - Potholes

The Chair welcomed to the meeting County Councillor Rupert Swarbrick, Cabinet Member for Highways and Transport, John Davies, Head of Service Highways Management Service, Kirstie Williams, Highways Group Manager – Countywide projects, Paul Binks, Asset Manager (Highways – Principal Engineer) and Rebecca Makinson, Highway Asset Principal (Capital Programme and Projects Development).

The committee was presented a report which provided information on the Transport Asset Management Plan (TAMP) and how Lancashire County Council intended to manage highways assets efficiently and effectively. A presentation was provided during the meeting, and a copy can be found within the minutes.

On the duration taken for requests received from county councillors for work to be carried out under the Local Deterioration Fund, it was confirmed that all the data was analysed up to three times per year, with any requests that came through from the middle of the year being added onto the next tranche of LDF schemes. On the weightings/factors used to determine the prioritisation of work, it was reported that a document had been signed off by the former Cabinet Member for Highways and Transport which set out how the Capital Programme was allocated. A copy of the document would be circulated to the committee.

Comments and questions raised by the committee were as follows:

- It was confirmed that a summary of how the Transport Asset Management Plan (TAMP) operated would be provided on the Lancashire County Council website and on the Local Deterioration Fund (LDF).
- It was noted that approximately £40m worth of schemes had been submitted. With £15m of schemes costed up and an available budget of £4.6 million for the 2023-24 financial year to carry out repairs to road surfaces. It was clarified that the service did not have £15m in the budget to deliver those schemes in 2023/24.
- Officers highlighted that the reactive maintenance and repair works for highways assets was only available for smaller, localised repairs for the 2023-24 financial year. It was highlighted that they did not have the budget to commission repairs to larger patches. In these instances, officers were



making requests via the LDF pot to carry out that work. However, officers were in the process of reviewing and trialling new methods for repairs to larger patches.

- Members of the committee felt disenfranchised with how reported highways defects were prioritised, and the TAMP appearing to be fully driven by a remote computer system. The ability for councillors to have some influence over this was not in place at Lancashire whereas other local authorities allocated around 80% through the modelling process and the remaining 20% driven by councillor engagement. Officers explained that with pothole repairs it was difficult to obtain member involvement, as this type of repair was done on a reactive basis. It was also explained that without using the TAMP process, the county council would have lost over £3m per year because the county council wouldn't have been following the well managed highways process and the requirements posed by the Department for Transport. A balance was needed and having member involvement could potentially lose that money because the county council might not be demonstrating that it was following good practice. Although, it was acknowledged the LDF perhaps provided some flexibility and a mechanism for councillor involvement in Lancashire.
- It was noted that schemes needed to be under 2000 square metres for consideration as part of the LDF. The prioritisation of schemes on the LDF did not relate to strategic importance and was based on accepted customer complaints and the number of repeat visits to potholes to help reduce the burden on revenue spend.
- It was confirmed that over a period of 7 years, an indicative allocation of £494m from the previously earmarked funding for HS2 could be given to Lancashire County Council. The allocation would be back loaded in that less funding would be given in the first two years, with more funding provided in the remaining five years. However, guidance was awaited on how much of this could be allocated to maintenance programmes. Once the guidance was received, there would be a requirement for the county council to submit a plan for the first two years of funding detailing how this would be distributed. At this stage the amount of funding to be provided in the first two years was not known.
- It was suggested that a review of the TAMP to determine if it's working effectively should take place.
- On footways it was acknowledged that the county council didn't achieve what it set out to do in Phase 1 of the TAMP. It was highlighted that further repairing of footways within Lancashire could only take place if additional funding and resources was made available.
- It was suggested that a decision making process would be beneficial for members when submitting requests through the Local Deterioration Fund.
- It was noted that 48% of repairs carried out on potholes across Lancashire were done within 10 days, with a variation in timescales for pothole repairs depending on the location and its depth. It was confirmed that potholes were sealed, however there were circumstances where this was not possible in areas where there was significant deterioration. It was acknowledged that there was a backlog of potholes that needed repairing following the winter period.



- It was suggested that more formal feedback be provided from Highways Officers following the conclusion of the quarterly District Briefing meetings involving members.
- Concerns were raised that the only way to report defects to the county council was through the Love Clean Streets App. However, it was queried whether an equality impact assessment had been undertaken prior to the roll out of the App. Whilst, officers were not aware of any policy change and agreed to check this point, it was suggested that an urgent review of the defect reporting system be conducted to confirm that there were other methods to report potholes including via the call centre.
- It was felt that clarification on the workings of the Transport Asset Management Plan (TAMP) and the Local Deterioration Fund (LDF) be provided to the committee.
- Some concern was expressed on how defects were being identified through the highway inspection process in that repeat visits had been made to particular locations whereupon second opinions eventually determined that work was actually required to resolve those matters. It wasn't clear if pothole depths were being estimated from a drive-by or whether officers were parking up and walking to physically inspect and measure given the number of cases one councillor had been involved with. It was suggested that a review of the highways safety inspection process be undertaken.

**Resolved:** That; the Cabinet Member for Highways and Transport gives consideration to;

- (i) Conducting an urgent review of the defect reporting system and to confirm that there are other methods to report potholes via the call centre.
- (ii) Providing clarification on the workings of the Transport Asset Management Plan (TAMP) and the Local Deterioration Fund (LDF) with a view to enhanced member engagement in the LDF.
- (iii) Reviewing the highways safety inspection process.

## 6. Work Programme 2023/24

A copy of the committee's work programme for 2023/24 which contained an update on progress with responses to the committee's recommendations on the Love Clean Streets App Review was presented.

**Resolved:** That;

- (i) The Environment, Economic Growth and Transport Scrutiny Committee work programme for 2023/24 be noted.
- (ii) The formal response from the Cabinet Member for Highways and Transport to the committee's recommendations on the Love Clean Streets App Review be noted.



**7. Urgent Business**

There was no urgent business.

**8. Date of Next Meeting**

The next meeting of the Environment, Economic Growth and Transport Scrutiny Committee would be held on Thursday 25th April 2024 at 10:30am in Committee Room B – The Diamond Jubilee Room, County Hall, Preston.

H MacAndrew  
Director of Law and Governance

County Hall  
Preston

