**Growth Deal Management Board (GDMB)**

**Report to LEP Performance Committee 24th May 2016**

**Background**

The £251m Growth Deal funding allocated to Lancashire was granted to kick-start over 30 major initiatives across the county linked to economic growth, infrastructure, jobs, skills and regeneration. In the process it would help to create 8,000 new jobs, 3,000 new homes and would further generate £280m of new public and private investment.

**Growth Deal Management Board**

The primary focus of the GDMB when established in 2014 was to oversee the preparation of the Growth Deal Implementation Plan and the Monitoring and Evaluation Framework documents. These two key documents, which were submitted to Government in April 2015.

Since April 2015 the role and remit of the Growth Deal Management Board has been agreed in Terms of Reference approved by the LEP in June 2015.

The primary responsibility is to ensure the implementation of the Growth Deal and to make strategic recommendations to the LEP Board in this regard.

**Growth Deal Programme**

Within the Growth Deal Programme there are four key priorities:

**1. Releasing Growth Potential**

Create the right conditions for business and investor growth, and unlock new development and employment opportunities across Lancashire by strengthening transport connectivity to create jobs and enable housing development.

**2. Renewal of Blackpool**

Focus on addressing Blackpool's unique characteristics which require a specific focus, to create economic opportunities for its local communities.

**3. Growing the local Skills and Business base**

Realise the full potential of Lancashire's competitive economic strengths and business base and refocussing Lancashire's approach to skills provision, ensuring it is responsive to business needs and demands.

**4. Innovation and Manufacturing Excellence**

Maximise the economic value of Lancashire's centres of research and innovation excellence and globally competitive business clusters.

**Current Position**

Projects

There are currently 39 projects within Lancashire's Growth Deal programme across the 4 priorities as detailed above.

Of the 39 projects (see Appendix A):

* 29 projects have received LEP Approval
* 15 projects have Grant Funding Agreements in place
* 14 projects are currently progressing their Grant Funding Agreement
* 10 projects will be presented to future Growth Deal Management and Lancashire Enterprise Partnership Boards within relevant timescales

Finance

£251m Growth Deal funding was awarded to Lancashire. All funding has been allocated to projects, with the exception of £2.09m unallocated under the skills priority.

Monitoring & Evaluation

A Growth Deal Monitoring & Evaluation Sub Group was established which reports to the GDMB. Its primary responsibility is to ensure the implementation of the Growth Deal Monitoring & Evaluation Framework, and to provide progress updates to the Growth Deal Management Board in the respect to programme and project activity, whilst supporting the GDMB in the implementation of the programme

*Performance* – Currently the programme and projects within it are delivering in accordance with the programme profile targets – there are no significant issues to report. Future reports will contain performance data, for each project, and the Growth Deal programme as a whole. In addition the report will also advise re the findings of the external consultants appointed to evaluate the programme, in order to highlight opportunities and best practice.

*Monitoring* – The projects are monitored in accordance with the Monitoring and Evaluation Framework, via claims and site visits. Frequently of monitoring reflects both the complexity and opportunity of each project. Currently the programme and projects within it are delivering in accordance with programme profile.

*Social Value* - The GDMB are committed to maximising the Social Value benefits of the individual projects that form part of the Growth Deal Programme.

In order to progress towards realising this aspiration a "Toolkit for Wider Economic and Social Benefits for Growth Deal Projects in Lancashire has been developed. The Social Value template is now distributed to both existing and new projects in order to capture the additional outcomes the projects deliver which are not collected via the standard metrics.

*Evaluation* - A tender exercise was undertaken after recommendations from the GDMB that stipulated an external consultant must be found to undertaken the evaluation of the Growth Deal. The contract was formally awarded to Warwick Economics and Development Ltd in January 2016 with a contract start date is April 2016.

Warwick Economics and Development Ltd are due to attend the next meeting of the Growth Deal Monitoring and Evaluation Sub-Group to take place on 18th May 2016, during which delivery arrangements will be concluded.

*Growth Deal Management Board* - At its next meeting to be held on Wednesday the 8th June 2016, the GDMB will consider 3 further schemes, which if recommended will be presented at the next LEP Board Meeting on the 14th June 2016.

Further Discussion Points:

* Co-ordination with City Deal
* Unblocking projects such as M55
* Clawback principle for non-performance
* Perceived independence of LEP compared to County Council
* Current financial projection, ongoing risk of slippage
* Perception of Government
* Lack of officer bandwidth