

Lancashire Enterprise Partnership Limited

Minutes of the Meeting held on Tuesday 22nd June 2021 at 4.30 pm

Zoom Virtual Meeting

Present

David Taylor (Chair)

Councillor Stephen Atkinson	Andrew Pettinger
Miranda Barker	County Councillor Aidy Riggott
Councillor Alyson Barnes	Councillor Phil Riley
Ann Dean	Councillor Ivan Taylor
Dave Holmes	Annette Weekes
Kam Kothia	Claire Whelan
Amanda Melton CBE	

In Attendance

Andy Walker, Head of Service Business Growth, Lancashire County Council
Angie Ridgwell, Section 151 Officer, Chief Executive and Director of Resources, Lancashire County Council
Anne-Marie Parkinson, Programme Manager, Lancashire Enterprise Partnership
Debbie Francis, newly appointed Board Director and Chair, Lancashire Enterprise Partnership
Hannah Race, Democratic Services Officer, Lancashire County Council
Laura Sales, Company Secretary and Director of Corporate Services, Lancashire County Council
Lisa Moizer, Business Growth Coordinator, Lancashire Skills and Employment Hub
Misbah Mahmood, Senior Democratic Services Officer, Lancashire County Council
Neil Jack, Chief Executive, Blackpool Council
Neil Shaw, Chief Executive, Rossendale Borough Council
Paul Faulkner, Local Democracy Reporter and Journalist
Phil Green, Director of Growth, Environment and Planning, Lancashire County Council
Sarah Kemp, Chief Executive Officer, Lancashire Enterprise Partnership
Stephen Young, Executive Director of Growth, Environment, Transport and Community Services, Lancashire County Council
Sue Roberts, LEP Commercial and Business Support Manager

1. Welcome and Apologies for Absence

The Chair welcomed everyone to the meeting and in particular welcomed Debbie Francis, newly appointed Board Director and successful candidate in the process to recruit a new Chair of the Lancashire Enterprise Partnership.

Apologies were received from Mark Rawstron, Mick Gornall, Tony Attard, Murryam Anwar, Katherine O'Connor and Paul Evans.

2. Minutes of the meeting held on 23 March 2021

Resolved: That the minutes of the Lancashire Enterprise Partnership (LEP) Board meeting held on 23 March 2021 be approved as an accurate record, subject to the following amendments:

3. Matters Arising

David Taylor, Chair, LEP advised Board Members that bimonthly sessions had been ongoing for some time and had been well attended.

5. Town Fund Blackpool

There was now a 12-month period to prepare the business cases, appraise the projects and get them started. Details of each of the 7 projects were provided to Board Members.

3. Matters Arising

Sarah Kemp, LEP Chief Executive, informed the Board that the recruitment process to appoint a new Chair of the LEP Board had been completed and that Debbie Francis had been identified as the best candidate for the role.

Following that, the Company Members were in the process of approving, by written resolution, that Debbie be appointed a Director of the LEP. It was noted that the Company Members' decision had been confirmed but had been delayed slightly by the administrative process.

Resolved: That, subject to final approval by the Company Members to appoint Debbie Francis as a LEP Director, Debbie Francis be appointed to the role of Chair of the LEP Board.

4. Declarations of Interest

It was noted that Miranda Barker had a non-pecuniary interest in item 14 and that Councillor Stephen Atkinson had a non-pecuniary interest in item 17 and would exit the meeting at the appropriate time.

5. Governance and Committees Report

Misbah Mahmood, Senior Democratic Services Officer, Lancashire County Council presented a report which provided an update on LEP Governance and the LEP committee meetings since the last LEP Board meeting.

It was highlighted that, following the County Council Elections in May 2021,

County Councillor Michael Green would no longer represent the county council on the LEP Board. County Councillor Aidy Riggott was the county council's new representative and, subject to Board approval, would sit on the LEP Board, the City Deal Executive Committee, and the Enterprise Zone Governance Committee.

It was noted that the Transport for Lancashire Committee had not met for a significant amount of time and was no longer required.

Resolved: That

- i) The updates provided in the report in relation to Governance, urgent decisions taken since the last LEP Board meeting, and the decisions taken by committees of the LEP be approved;
- ii) The appointment of County Councillor Aidy Riggott to the LEP Board, the City Deal Executive Committee, as nominated by the county council's leader and the Enterprise Zone Governance Committee be approved;
- iii) The appointment of Liz Tapner, CEO of Social Enterprise Lancashire Network (SELNET), and Damian Waters, Regional Director of CBI North West, to the Business Support Management Board be approved;
- iv) The updated Terms of Reference for the Business Support Management Board, as presented, be approved; and
- v) The dissolution of the Transport for Lancashire Committee be approved.

6. Business Support Performance Overview of 20/21

Andy Walker, Head of Service Business Growth, Lancashire County Council presented a report which provided the Board with a summary of the delivery and performance of publicly funded business support activities which attracted central government funding.

It was highlighted that:

- The report, which formed the basis of an annual report to BEIS to demonstrate how funding had been used during the previous financial year, had already been approved by the LEP's Business Support Management Board.
- BEIS' contribution to Lancashire's Growth Hub, Boost, under grant fund Agreement to the LEP, was usually circa £350,000 per year. However, as a result of the unprecedented challenges faced by Lancashire's businesses during 2020-21, Boost had received additional grants for Covid-19 activity, additional grants for the monitoring and reporting on the impact of Brexit, and a further £1.1m in ERDF Covid-19 grants. £450,000 had also been received to

run Peer to Peer networks, a BEIS support measure which had been accelerated in response to the pandemic.

- In 2020-21, the Growth Hub had dealt with twice as many businesses as it would in a typical year. It had generally provided more specific advice to smaller businesses and directed businesses to local support measures for the pandemic; and
- The Peer to Peer Business Support Groups had been hugely successful over the last year. Lancashire had the largest Peer to Peer cohort in the country and a 97% satisfaction record.

Resolved: That the Business Support Performance Overview, as presented, be noted.

7. Finance Out-turn Report 2020-21

Sarah Kemp, LEP Chief Executive, presented a report summarising the LEP's operating outturn budget for 2020-21.

It was highlighted that savings had been made in several areas during the financial year and that additional income had been received that was not originally forecast. It was noted that the reserves position had decreased from £2.474m at the start of the year to £2.175m.

In response to a question, it was clarified that the medium-term financial forecast had been noted by the Board at its meeting on 23 March 2021. The budget approved by the Board had included a detailed budget for year 1 (2021-22) and an outlook for years 2 and 3. The LEP's three-year budget to be brought to the Board in March of each year.

Resolved: That the LEP's 2020-21 outturn, as presented, be noted.

8. Greater Lancashire Plan

Phil Green, Director of Growth, Environment and Planning, Lancashire County Council gave a presentation to provide the Board with an update on progress made with the Greater Lancashire Plan (GLP).

The following points were highlighted:

- The GLP would set out the overall vision and strategy for Lancashire and provide a policy framework for all future plans and policies. It would be based on existing research, recent work carried out with Paul Scully MP, and a number of commissions, all of which would ensure the GLP was based on robust, independently tested evidence.
- The various workstreams would be overseen by an Independent Panel of

experts who, based on the evidence collected and analysed, would offer insight and advice to local leaders to inform the GLP.

- Metro-Dynamics had been commissioned to carry out an Independent Economic Review, which would provide an economic evidence base and investigate a range of sectors, including internationalisation in partnership with the LEP and OCO Consulting. The Independent Economic Review was intended to provide a thorough and holistic view of Lancashire's economy.
- The Environment Commission comprised four key pieces of work and would be carried out by two partners, Jacobs and Atkins.
- The timing of the GLP's workstreams was intended to align with the Government's White Paper on Levelling Up, however it was currently unclear how soon the White Paper would be published; and
- The prestige, credibility and networks of the Independent Panel members were intended to serve Lancashire and encourage agreement. It was hoped that, following the Independent Panel's recommendations to leaders, the GLP would be published in early 2022.

In response to questions from the Board, the following points were clarified:

- The Independent Panel recognised Lancashire's rural context and the nature of its subregional economy, which differed from economies with cities at their centres. Lancashire's geography had already been captured by the research carried out so far.
- A plan of the scale and nature of the GLP would benefit from widespread consultation and agreement. It was for local leaders to determine how to agree and implement the GLP, but the more stakeholders driving it the better.
- The GLP's commission on public sector reform, which would complement the Independent Economic Review and the Environment Commission, was on hold until the Government's White Paper on levelling up, devolution and subregional economies had been published.
- The LEP's Sector Groups would be helpful to gather research and evidence to identify the economic opportunities in Lancashire, for example to supply the global decarbonisation effort.
- The GLP would allow Lancashire to set out an agenda and priorities to address the county's regional differences and skills shortages, and to engage Government in serious conversations about areas and sectors that had been overlooked; and
- Some of reports produced, particularly in relation to health, education and early years, would provide tough reading, which was to be expected from independent reports. These reports would identify the challenges facing different parts of Lancashire.

Board members noted that it would be important to measure the outputs of funding received and for the GLP to serve all areas of Lancashire.

The Chair highlighted that once the GLP was completed, the LEP and its partners needed to advertise the opportunities within, and unique selling points of, Lancashire. There were a range of projects across the county that the LEP could support.

Resolved: That the update on progress made with the Greater Lancashire Plan be noted.

9. Programmes Finance Update Report

Sarah Kemp, LEP Chief Executive, presented a report which provided the Board with finance updates for each of the LEP programmes.

Particular attention was drawn to the section of the report on Enterprise Zones, which detailed the LEP's repayment of the infrastructure costs, now confirmed as £21.07m, of the Salmesbury site, a differential due to inflation and cost uncertainty. In September 2014, the LEP Board approved an envelope of infrastructure costs estimated at £18.5m which had been met by the county council through PWLB, to be repaid by the LEP using the business rate uplift which is to be collected by the LEP. More information confirming the position on outstanding capital debt, interest owed and business rates collected over the years would be provided to the Enterprise Zone Governance Committee and the LEP Board in due course.

In response to a question about the repayment of business rates for the Salmesbury and Warton Enterprise Zones, it was agreed that County Councillor Riggott and Sarah Kemp would discuss a point of difference between the LEP report and a county council report taken to Cabinet in recent weeks separately.

Special thanks were given to Joanne Ainsworth, Principal Accountant, Lancashire County Council who played a key role in producing the finance updates.

Resolved: That the finance updates presented in the report be noted.

10. Any Other Business

Miranda Barker raised a point on behalf of the Advanced Manufacturing Research Centre (AMRC) Steering Committee, asking the LEP Board to positively support the committee's request for complete control of the recruitment and employment of staff who would be running locally-based projects.

The Board was informed that the current set-up gave Sheffield University control over this process and was holding back the proper delivery of the AMRC's projects in the North West. Whilst the AMRC was successfully wielding funding

opportunities for the benefit of Lancashire, this change would help to reap the maximum benefit from projects for the Lancashire economic community.

The Chair expressed a willingness to lead the LEP's response, making use of his contacts to support more devolved powers for the AMRC in the North West.

It was noted that conversations needed to be had via the appropriate channels in order to articulate the LEP's requests. It was agreed that the Chair, Miranda Barker and David Holmes would arrange a meeting with the Commercial Director of AMRC North West to initiate conversation.

11. Date of Next Meeting

The Chair recommended that, although the venues of future Board meetings were currently unknown, the LEP Board should meet at different venues around the county when face-to-face meetings were possible again.

Resolved: That

- i) The date of the next LEP Board meeting, Tuesday 7 September 2021 at 4.30pm, be noted; and
- ii) The revised 2021-22 programme of Board meetings, as presented, be approved.

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. Programmes Finance Update Report

Sarah Kemp, LEP Chief Executive, presented a private and confidential report which provided the Board with further finance updates for each of the LEP programmes.

Special thanks were given to Sarah Parry, City Deal Programme Manager, Lancashire County Council for her work on the report.

Resolved: That the finance updates presented in the report be noted.

14. BEIS Growth Hub Funding 2021-22

Andy Walker, Head of Service Business Growth, Lancashire County Council presented a private and confidential report which detailed a request for the use of BEIS Growth HUB funding for Lancashire for 2021-22.

Resolved: That the recommendations set out in report, as follows, be approved:

- i) To endorse the proposed allocations of BEIS LEP grant funding for 2021-22 for Boost in respect of its Core Funding and for Peer Networks, as set out in the report; and
- ii) To approve receipt of the grant funds and proposed budget.

15. Continuation of the Lancashire Careers Hub and Enterprise Adviser Network

Lisa Moizer, Business Growth Coordinator, Lancashire Skills and Employment Hub presented a private and confidential report which provided an update on the funding opportunities available which would enable the continuation and expansion of the Enterprise Adviser Network and Careers Hub pilots.

Resolved: That the recommendations set out in the report, as follows, be approved:

- i) Acceptance of the grant funding offer (c. £540,000) received from the Careers and Enterprise Company for the Lancashire Careers Hub and Enterprise Adviser Network, subject to review of the final grant offer and associated terms and conditions by the Chief Executive and Section 151 Officer and that the associated contract with Inspira is extended;
- ii) Acceptance of grant funding for the Careers and Enterprise Company research and evaluation projects, should they be successful, subject to review of the grant offers and associated terms and conditions by the Chief Executive and Section 151 Officer and any related procurement considerations; and
- iii) Acceptance of the grant funding from the Blackpool Opportunity Area Twinning Funds (c. £55,000) to enable further joint activity between Blackpool and Lancashire to share good practice, and continue to build the approach with localised employer networks, subject to review of the final grant offer and associated terms and conditions by the Chief Executive and Section 151 Officer.

16. Growing Places Report - Fleetwood FRP Ltd

Sue Roberts, LEP Commercial and Business Support Manager, presented a private and confidential report which detailed the Fleetwood FRP Ltd request for a Growing Places Loan.

It was noted that comments from Mark Rawstron, LEP Director, would be passed on and that a more detailed paper would be presented to the LEP Board for approval following negotiations.

Resolved: That the recommendations set out in the report, as follows, be approved:

- i) To consider the Fleetwood FRP Ltd request for a Growing Places Loan of £2,450,000 for two and a half years (30 months) at an interest rate of 4.5% over base subject to due diligence;
- ii) To approve the LEP Chief Executive entering into discussions regarding Heads of Terms with the developer and in consultation with the Accountable Body and Section 151 Officer; and
- iii) To bring the Heads of Terms to the LEP Board for approval.

17. Growing Places Report - ETC Urban extension to loan period

Sue Roberts, LEP Commercial and Business Support Manager, presented a private and confidential report which detailed the request from ETC Urban for the LEP to extend its loan period.

Resolved: That the recommendations set out in the report, as follows, be approved:

- i) An extension to the loan period with a review in 9 months and the option to extend for a further 3 months; and
- ii) A reduction of 0.25% in the interest rate, now due within the terms of contract from 6.5% to 6.25%.

Before the meeting closed, the Board thanked Ann Jordan and the team involved in the process to recruit the new LEP Chair for their work and Miranda Barker provided a brief update on the work of the Low Carbon related submissions and Community Renewal Fund going to Government.