

Lancashire Enterprise Partnership Limited

**Tuesday, 22nd June, 2021 to be held virtually as a Zoom Meeting, at
4.30 pm**

Agenda

Part I (Items Publicly Available)

- 1. Welcome and Apologies for Absence**
- 2. Minutes of the meeting held on 23 March 2021 (Pages 1 - 8)**
- 3. Matters Arising**
- 4. Declarations of Interest**
- 5. Governance and Committees Report (Pages 9 - 18)**
- 6. Business Support Performance Overview of 20/21 (Pages 19 - 22)**
- 7. Finance Out-turn Report 2020-21 (Pages 23 - 28)**
- 8. Greater Lancashire Plan**
Presentation, Phil Green
- 9. Programmes Finance Update Report (Pages 29 - 36)**
- 10. Any Other Business**
- 11. Date of Next Meeting**

The LEP Board are asked to formally note / approve the amended programme of meetings for 2021 / 22 as follows:

Tuesday 7 September 2021, 4.30pm
Tuesday 23 November 2021, 4.30pm
Tuesday 18 January 2022, 4.30pm
Tuesday 22 March 2022, 4.30pm

Venues to be confirmed.

12. Exclusion of the Press and Public

The Board is asked to consider whether, under Section 100A(4) of the Local Government Act 1972, it considers that the public should be excluded from the meeting during consideration of the following items of business on the grounds that there would be a likely disclosure of exempt information as defined in the appropriate paragraph of Part I of Schedule 12A to the Local Government Act 1972 as indicated against the heading to the item.

Part II (Items that are Private and Confidential)

13. Programmes Finance Update Report (Pages 37 - 40)

14. BEIS Growth Hub Funding 2021-22 (Pages 41 - 54)

15. Continuation of the Lancashire Careers Hub and Enterprise Adviser Network (Pages 55 - 60)

16. Growing Places Report - Fleetwood FRP Ltd (Pages 61 - 66)

17. Growing Places Report - ETC Urban extension to loan period (Pages 67 - 72)

Lancashire Enterprise Partnership Limited

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

Present

David Taylor (Deputy Chairman)

Councillor Stephen Atkinson
Miranda Barker
County Councillor Michael Green
Dave Holmes
Kam Kothia
Amanda Melton
Anne Dean

Andrew Pettinger
Mark Rawstron
Councillor Phil Riley
Ivan Taylor
Alyson Barnes
Annette Weekes
Mick Gornall

In Attendance

Tony Attard OBE DL, Non-Voting Co-opted Board Member
Phil Green, Director of Growth, Environment and Planning Economic Development, Lancashire County Council
Sarah Kemp, Chief Executive Officer, Lancashire Enterprise Partnership
Michele Lawty-Jones, Director of the Lancashire Skills Hub
Sue Roberts - Commercial and Business Support Manager
Katherine Fletcher, Member of Parliament for South Ribble
Alexandra Siddall, Chief of Staff to Katherine Fletcher, MP
Misbah Mahmood, Senior Democratic Services Officer, Lancashire County Council
Andy Milroy, Senior Democratic Services Officer, Lancashire County Council
Andy Walker, Head of Service, Business Growth, LCC
Anne-Marie Parkinson, Programme Manager, 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
Stephen Young, Executive Director of Growth, Environment, Transport & Community Services
Hannah Race, Business Support Officer, Lancashire County Council
Nicola Hopkins, Director of Economic Development and Planning, Ribble Valley Borough Council
Katherine O'Conner, Senior Ministerial and Policy Manager, Department for Business, Energy and Industrial Strategy
Nick Gerrard, Growth and Prosperity Programme Director, Blackpool Council
Paul Evans, Department for Business, Energy and Industrial Strategy
Paul Smith, Chair, Town Fund Blackpool
Beckie Joyce, Preston City Council
John Chesworth, Chair, Town Fund Preston
David Harland, CEO, Eden Project International Ltd
Joylon Brewis, Architect, Grimshaw Global

1. Welcome and Apologies for Absence

Apologies were received from Antony Lockley.

2. Minutes of the Board meeting held on 8 December 2020

The omission of Councillor Ivan Taylor and Nick Gerrard from the minutes was noted.

Resolved: The minutes of the Lancashire Enterprise Partnership (LEP) Board meeting held on 8 December 2020 were approved as an accurate record.

3. Matter Arising

Sarah Kemp, CEO, LEP provided members with an update on the recruitment process for the Chair of the LEP. The recruitment committee had now met on a couple of occasions and a draft person specification had been drawn up. It was hoped the role would be advertised before Easter. Recruitment consultants Penna had been appointed to manage the recruitment process. Ann Jordon, chair of the appointment committee informed board members that the position would be a paid position and members of the board were encouraged to make suggestions for a candidate from within Lancashire. The role of the deputy chair would also need to be considered in due course.

David Taylor, Chair, LEP advised board members that biweekly sessions had been ongoing for some time and had been well attended. It was noted however that at the last meeting the number of attendees had been low. The Chair asked members to think about the frequency of meetings and whether they should continue as they were or be alternated with board meetings. Following a discussion, the consensus was to move the biweekly meetings to monthly and alternate them with board meetings, they would be extended to 90 minutes to allow more time for a better agenda.

4. Declaration of Interest

There were no declarations of interest.

5. Town Fund Blackpool

Paul Smith, Chair of Blackpool Town Deal Board was welcomed to the meeting and introduced himself to board members.

Nick Gerrard, Growth and Prosperity Programme Director, Blackpool Council provided a presentation to the Board to update members on Blackpool's £1bn plus Growth and Prosperity Programme. Information on each of the major recent investments in Blackpool were shared.

Details were provided on Blackpool's Town Deal timeline since 2017. A Town Deal Board needed to be established in line with the requirements, this was established in February 2020 and provided significant coherency and confidence to move

forward with the bid. The initial bid was submitted in July 2020 for just over £49m for 9 projects. As the bid was over 25m, a national challenge session took place following which £39.5m was approved for 7 projects. A process was then undertaken to allocate the resources to the projects and to agree revised allocations to each project. There was now a 12-month period to prepare the businesses, appraise the projects and get them started. Details of each of the 7 projects were provided to Board Members.

Resolved: The Lancashire Enterprise Partnership Board welcomed the update presentation and expressed its continued support for Town Fund Blackpool.

6. Town Fund Preston

John Chesworth, Chair of Town Fund Preston gave members of the board a presentation to update them on Preston Town Fund. The Town Fund Board was established in November 2019, the board was diverse with members from different sectors.

It was recognised that there was not an update investment plan for Preston and so a longer-term city investment plan over 15 years was developed, within this plan a town investment plan had also been devised. An analysis of the city was undertaken, and an evidence base was developed from surveys resulting in 6 longer term priorities to be identified for the City Investment Plan which were explained. From here projects were prioritised and the principles for local assurance were established.

The Harris Project was the focus of the town fund bid, in particular the emphasis being on culture and leisure which would act as a catalyst and would complement the other projects around the city.

Details of the projects that were being funded was provided, it was noted that not everything that was applied for was grant funding. The main project was the Harris Project, and this was being funded to a value of £4.1m. The Youth Zone was an exciting project as Preston had been trying to establish a Youth Zone for a significant period.

The project had a 6-year timescale and 1 year had already passed. It was noted that by May 2022 business cases needed to be prepared, appraised, and approved locally and signed off by the government. Preston Town Fund was keen to continue learning from the LEP on the Growth Deal in terms of appraisal and evaluation.

Significant progress had been made over the past 12 months, but it was noted there was still much more to do.

It was requested that as projects progressed and approached delivery stage that consideration be given to local impact, local supply chains and that procurement was used to best advantage and embed these factors into supply chains.

Katherine Fletcher, Member of Parliament for South Ribble asked if any consideration had been given on joining up transport infrastructure and whether

there was anything that could be worked on together, for example the Levelling Up Fund. The Chair confirmed this was something that needed to be considered, not just for transport but also for culture and entertainment. It was agreed this would be picked up and colleagues kept in the loop.

As there had been several useful presentations recently it was suggested that these could be shared at the LEP annual meeting to share with a wider audience of colleagues.

Resolved: The Lancashire Enterprise Partnership Board welcomed the update presentation and expressed its continued support for Town Fund Preston.

7. Programmes Update Report

Anne-Marie Parkinson, LEP Programme Manager, presented a report which provided the Board with a high level update for each of the LEP programmes including Boost, City Deal, Enterprise Zones, Getting Building Fund, Growing Places, Growth Deal, Lancashire Skills and Employment Hub and Social Value.

It was noted that a review of each of the programmes was currently being undertaken to baseline each programme and establish where it started at, where it was up to and where it hoped to end. Support was being provided from each programme lead and sub-committee chair. The findings would be reported at a future meeting of the LEP board.

The inward investment activity report at Appendix J was a new report to the board and feedback on the update was welcome.

Regarding Social Value, there was some useful updates on this, it was now possible to show how Social Value was being created, not just how it was being captured.

Tony Attard raised concerns about the 19,000 homes that were being built across Lancashire in regard to local flooding issues and surface water. It was confirmed that SUDS (Sustainable Urban Drainage Systems) would be used and this ensured that the runoff would not be greater than before the development was in place. The county council was the lead flood authority and they would be dealing with this.

It was highlighted that the amount of money against the inward investment projects was a truly significant amount and it was questioned whether the figures were accurate. It was confirmed the figures were correct, however Anne-Marie Parkinson would check these again. Regarding marketing these success stories, over the next year there would be a greater focus on communication and marketing.

Resolved: The Board noted the contents of the report.

8. LEP Strategic Communications Report

The Chair, David Taylor informed board members that since the report had been

written, several issues had arisen which required further discussion between the LEP and Marketing Lancashire. A session to discuss this would take place next week, following this a summary update would be provided. For now, board members were asked to note the report.

Mark Rawstron requested that the language used for marketing reflected the fact that the LEP was providing support as part of a community that helped and collaborated, rather than being responsible for driving economic growth as the LEP only supported the process.

Resolved: The Lancashire Enterprise Partnership (LEP) was asked to note the report for the time-being.

9. Governance and Committees Report

Andy Milroy, Senior Democratic Services Officer presented a report which contained LEP Governance updates and updates from all the LEP Committee meetings since the last LEP Board meeting.

It was noted that the LEP Joint Scrutiny Committee would have its first meeting on 23 March 21, the Terms and Reference of the committee were attached for information at Appendix A. An update was requested on the independent chairman for the Scrutiny Committee. It was noted a chairman had not yet been appointed, members had been asked to submit any recommendations they had in mind. For the first meeting the committee had been asked to self-nominate a chair. It was hoped a chair would be appointed ahead of the next meeting in September.

Recommendation: The Lancashire Enterprise Partnership Board was asked to:

- (i) Note the updates provided in this 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.
- (ii) Note that the LEP Joint Scrutiny Committee has now been established and in accordance with the decision taken previously by the LEP Board, note the Terms of Reference attached at Appendix 'A' and that the LEP Performance Committee will now be disestablished with immediate effect.
- (iii) Approve the appointment of Mike Gibson, Managing Director, Miralis Data Limited, Judson Smythe, Technical Director, MGS Plastics Limited and Melissa Conlon, Commercial Director, AMRC (NW) as members of the LEP Innovation Board; and
- (iv) Approve the dormant company accounts for the period ending 30th September 2020 as presented at Appendices 'B' and 'C' for filing at Companies House.

10. AOB

The Chair extended thanks to Sarah Kemp and the team for their hard work and

effort in particular due to recent changes.

11. Date of Next Meeting

The next LEP Board meeting was scheduled to be held on 22 June 2021 at 4.30pm, venue to be confirmed.

In addition, the LEP Board formally approved the programme of meetings for 2021/22:

- 22nd June 2021
- 7 September 2021
- 8 December 2021
- 23 March 22

All meetings would start at 4.30pm, venues would be confirmed.

12. Exclusion of the Press and Public

At this point the Lancashire Enterprise Partnership Board approved 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 of Part I to schedule 12A to the Local Government Act 1972 as set out in each report or presentation. It was considered that in all the circumstances of the case the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

13. Eden North – Update Presentation

David Harland, Chief Executive, Eden Project and Joylon Brewis, leading architect from Grimshaw Global provided a private and confidential presentation regarding the Eden North Project.

Resolved: The Lancashire Enterprise Partnership Board welcomed the update presentation and expressed its continued support for the Eden North project.

14. Annual Business Plan and Operating Budget (2021/22)

Sarah Kemp, Chief Executive, LEP gave Board members a private and confidential update regarding the Annual Business Plan and Operating Budget (2021/22).

Recommendation: The Lancashire Enterprise Partnership Board agreed to:

- (i) Approve the Annual Operating Plan and Budget for 2021-2022, subject to confirmation of funds provided by Members and Government sponsors.
- (ii) Note the forecast end of year position (2020/21) on LEP reserves and the highlighted risks and challenges of the Operating Budget.

- (iii) Approve remuneration of the Chair's post at the point of appointment of a new Chair, of £24k per annum.
- (iv) Note that a Government review of LEPS in 2021/22, may have a material impact on the form and function of the LEP and may require a mid-year review of both organisational structure and the Operating Budget; and
- (v) Note the carry forward of financial provision made in 2020/21 for certain elements of the 20-21 budget which are delayed due to Covid or not yet complete.

The Board were asked by the Chief Executive to note that the Operating Plan and budget would be published on the LEP's website.

15. Growing Places Fund

Sue Roberts, Commercial and Business Support Manager, LEP provided a private and confidential update report on Growing Places Fund, Ormskirk Court Hotel.

Resolved: The Lancashire Enterprise Partnership Board agreed to:

- (i) Approve the Heads of Terms; and
- (ii) Delegate authority to the LEP CEO in consultation with the Section 151 Officer and LCC's Director of Corporate Services to negotiate, approve and enter into the legal documentation required to protect the LEP's interest in respect of this loan.



Lancashire Enterprise Partnership Limited

Private and Confidential: NO

Date: Tuesday, 22 June 2021

Governance and Committees Report

(Appendix 'A' refers)

**Report Author: Misbah Mahmood, Senior Democratic Services Officer,
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Executive Summary

This report extracts the key items considered by each of the Lancashire Enterprise Partnership Board (LEP) Committees at their recent meetings and, where applicable, and if not considered elsewhere on the Board's main agenda, contains decisions referred to the Board by its Committees for approval.

Recommendation

The Lancashire Enterprise Partnership Board is asked to:

- i. Note the updates provided in this 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.
- ii. Approve the appointment of County Councillor Aidy Riggott to the LEP Board, City Deal Executive Committee and the Enterprise Zone Governance Committee.
- iii. Approve 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.
- iv. Approve the updated Terms of Reference for the Business Support Management Board (see Appendix A).
- v. Approve the dissolution of the Transport for Lancashire Committee.

Background and Advice

This is a standing report which provides an update on governance issues and meetings of committees of the LEP since the last ordinary meeting on 30 September 2020 in accordance with the LEP Assurance Framework dated December 2019, publicly available on the Lancashire Enterprise Partnership website:

<https://lancashirelep.co.uk/about/policies/>



Current LEP Committee Vacancies

A number of LEP Committee vacancies exist within the LEP Assurance Framework as follows:

- 1 x LEP Board Chairman
- 1 x Enterprise Zone Governance Committee Member
- 1 x Growth Deal Management Board Chairman
- 1 x Lancashire Local Authority Leaders nominated Leader on Skills and Employment Advisory Panel (a new nominee has been requested from Lancashire Leaders)

Elections

Following the local elections, the Lancashire County Council member nominated to sit on the LEP Board, City Deal Executive Committee and the Enterprise Zone Governance Committee is County Councillor Aidy Riggott. The Board is asked to formally **approve** these appointments.

The Board are requested to note that County Councillor Michael Green will now resign as a LEP Director.

Business Support Management Board appointments

The Business Support Management Board has recommended that the following two candidates be appointed as members of the Business Support Management Board:

Liz Tapner, CEO of Social Enterprise Lancashire Network (SELNET)

Damian Waters, Regional Director of CBI North West

The Board is asked to formally **approve** these appointments.

Updates from recent LEP Committee Meetings / Decisions taken by the Urgent Business Procedure of the LEP

1. Urgency Business Procedure Decisions

Appointment of Skills and Employment Advisory Panel member – 27 April 2021

The Lancashire Enterprise Partnership Directors approved the appointment of Alison Robinson to the Skills and Employment Advisory Panel.

2. Transport for Lancashire Committee

The Transport for Lancashire Committee has not met for a long time now and is no longer required to fulfil the mandate for which it was originally established. It is recommended that the LEP Board formally remove this Committee from the governance structures of the LEP and update the Local Assurance Framework accordingly.

The Members of the Company will be notified and requested to reflect this amendment in the Articles of the Company in due course.



3. City Deal Executive and Stewardship Board

There have been no meetings of the Combined City Deal Executive and Stewardship Board since the last update

Full agendas and minutes for the Combined City Deal meetings can be accessed here: <http://council.lancashire.gov.uk/ieListMeetings.aspx?CommitteeID=1072>

4. Growth Deal Management Board

There have been no meetings of the Growth Deal Management Board since the last update.

The reports and minutes for Growth Deal Management Board meetings can be accessed here:

<http://council.lancashire.gov.uk/ieListMeetings.aspx?CommitteeID=1218>

5. Enterprise Zone Governance Committee

There have been no meetings of the Enterprise Zone Governance Committee since the last update.

Full agendas and minutes for the Enterprise Zone Governance Committee meetings can be accessed here:

<http://council.lancashire.gov.uk/ieListMeetings.aspx?CommitteeID=1171>

6. Lancashire Skills and Employment Advisory Panel

The Lancashire Skills and Employment Advisory Panel met on 26 May 2021 and considered / approved the following:

Update from the Lancashire Skills & Employment Hub – the committee noted the update, particularly the following:

- The DfE have offered a further grant of £75,000 in 2021/22 as per previous years to help support SAPs local analytical capability and meet SAP requirements. The LEP Chair and CEO would be approached to accept the SAP Grant.
- The Careers and Enterprise Company had amended the targets for progress against the Gatsby Benchmarks for the Careers Hub due to the restrictions resulting from the pandemic. An update on progress was provided, including the provision of virtual encounters and experiences. A further 5 Enterprise Advisers had also been recruited
- Another Teen Tech festival was being planned for 2022, based on the success of the first festival which engaged over 850 young people
- The work of the Post 16 Officers group was referenced and the focus on supporting the transition of young people from school to their Post 16



destination, with improved data sharing to enable providers to support students and improve retention

- It was noted that G4S had secured the contract for 'Restart' across the Northwest Contract Package, and that discussions were underway to integrate provision across Lancashire, working with the Adult and Employer Skills Forums
- It was noted that £31.1m of social value had been generated through the Growth Deal programme, as of the end of March 2021
- The Skills & Employment Hub were working with Wilmott Dixon and L&Q/Trafford Housing Trust to develop an ambitious social value programme for the D'Urton Lane development
- the Lancashire Skills and Employment Strategic Framework incorporating the Local Skills Report was re-published at the end of March:
<https://www.lancashireskillshub.co.uk/strategies/strategic-framework/>. It received positive feedback from the department and was one of the first presented to the Skills and Productivity Board as an example of good practice.
- The dashboard approach to providing local Labour Market Intelligence was referenced and the increased use by partners of the Skills & Employment Hub evidence base pages – thanks were passed to Joseph Mount, Skills and Economic Intelligence Officer for his work and from the college principals present for the provision of presentations to college staff to support business and curriculum planning
- It was noted that 83 businesses had signed up to the Lancashire Skills Pledge

Health Focus – the committee received two presentations, one from Prof StJohn Crean outlining the work of the LEP Health Sector Group, and one from Adrian Leather (CEO Active Lancashire) outlining Building Blocks ESIF project. Further updates would be brought to a future meeting.

Apprenticeship Action Plan – the refreshed action plan 2021-23 was approved, and it was noted that an application had been put to Lancashire County Council's Lancashire Economic Recovery Grant (LERG) to provide financial incentives to Lancashire businesses to recruit apprentices aged 16-24.

Lancashire Careers Hub and Enterprise Company (CEC) – the committee received a private and confidential report outlining the funding allocated by Department for Education to the Careers and Enterprise Company (CEC) to enable the continuation of the existing Careers Hub and Enterprise Adviser Network, and match from local partners. The paper referenced two competitive opportunities from CEC to bid for funds to undertake test and learn projects. A separate paper would be brought to the LEP Board recommending acceptance: of the grant funding offer for the Lancashire Careers Hub and Enterprise Adviser Network; the grant funding offer for the CEC research and evaluation projects should they be successful; the grant funding offer from the Blackpool Opportunity Area Twinning Funds.

Full agendas and minutes for the Lancashire Skills and Employment Advisory Board meetings can be accessed here:

<http://council.lancashire.gov.uk/ieListMeetings.aspx?CommitteeID=1011>

7. Business Support Management Board

The Business Support Management Board met on 20 May 2021 and considered / approved the following:

Business Support Performance Overview 2021 – the committee considered the report providing a summary of delivery and performance for the publicly funded business support activities which attract central government funding. These included Boost, Peer to Peer to Peer Business Support Groups, Access to finance services and inward investment. It was agreed that Sarah Kemp organise a meeting to discuss a business angel network in east Lancashire.

BEIS Growth Hub Funding 2021-22 - the committee received a private and confidential report outlining the proposed allocation of funds for business support activities, and the BEIS funding for Boost for 2021-22. The committee endorsed the allocations of the BEIS LEP grant funding for 2021-22 for Boost, in respect of its Core Funding and Peer Networks, as set out in the report and would recommend the LEP Board approve receipt of the grant funds and proposed budget.

Design and Commissioning of Boost 3.5 Service Offer – the committee received a private and confidential report outlining the design of Boost 3.5, now to be underpinned by national government resource, following the termination of European Structural Funds. It outlined delivery components and ideas for adaptation and improvement. It was noted that providers' contracts would expire in December 2021, and an OJEU procurement process would take place July-November.

Full agendas and minutes for the Business Support Management Board meetings can be accessed here:

<http://council.lancashire.gov.uk/ieListMeetings.aspx?CommitteeID=1220>

8. Lancashire Innovation Board

The Innovation Board met on 7 June 2021 and considered/approved the following:

Lancashire Innovation Festival – the committee received a report on the current action plan for the festival planned for 4-8 October 2021.

Lancashire Innovation Observatory – the committee received a report on the development of the Innovation Observatory and agreed to continue to engage with the research being undertaken.

Presentations on the National and regional policy on innovation and clusters – the committee received presentations from the innovation Directors of NP 11, The NW Regional Head of innovate UK and a Materials Consultant on national/regional and local opportunities around innovation.



Local Industrial Strategy – innovation chapter review – the committee received a report on the draft innovation chapter for inclusion in the LIS and an Innovation Plan on a Page to support work alongside the LEP Sector groups and agreed to discuss both in more detail at an informal meeting of Board members to be arranged.

Full agendas and minutes for the Lancashire Innovation Board can be accessed here:

<https://council.lancashire.gov.uk/ieListMeetings.aspx?Committeeld=1678>

9. Joint Scrutiny Committee

The first meeting of the Joint Scrutiny Committee took place on 24 March 2021 and considered / approved the following:

Terms of Reference – the Terms of Reference, which had been approved by the LEP Board, were considered, and would be brought back to the next meeting of the Joint Scrutiny Committee following a further review of the membership

Getting Building Fund - the committee received a presentation outlining the Fund and the allocation process

Refresh of the Lancashire Skills and Employment Strategic Framework – the committee received a report and presentation outlining the Framework, achievements to date and the process up to publication

Boost Business Lancashire – the committee received a report outlining the operation of Boost and specifically the response to the Covid pandemic.

Full agendas and minutes for the Joint Scrutiny Committee meetings can be accessed here:

[Browse meetings - LEP - Joint Scrutiny Committee \(lancashire.gov.uk\)](#)

List of Background Papers

Paper

None

Reason for inclusion in Part II, if appropriate

n/a

LANCASHIRE BUSINESS SUPPORT MANAGEMENT BOARD **Governance Structure and Terms of Reference**

Composition

1. Unless otherwise agreed by the Lancashire Enterprise Partnership, the Business Support Management Board shall comprise a minimum of 4 members and a maximum of 10.
2. The Members of the Business Support Management Board shall be appointed by the Lancashire Enterprise Partnership and shall draw members be drawn from business, business representative organisations, business support providers and business finance specialists.
3. The proposed members of the Business Support Management Board, as at the date of adoption of these Terms of Reference, are as follows:

Ann Dean (Chair)	LEP Director
Justin Kyriakou	Institute of Chartered Accountants in England and Wales (ICAEW)
Miranda Barker	East Lancashire Chamber of Commerce and LEP Director
Paul Foster	Federation of Small Business
Geoff Mason	North & Western Lancashire Chamber of Commerce
Frank McKenna	Downtown in Business Lancashire
Sue Smith	Centre of SME Development, UCLAN
Liz Tapner	SELNET
Stuart Thompson	Lancashire IOD
Damian Waters	CBI North West

Members can nominate substitute representatives, with written notification provided to the Clerk in advance of the meeting. Substitutes will be counted towards the quorum and will be entitled to vote. The use of substitutes shall be by exception rather than rule.

4. The Business Support Management Board may invite any persons it sees fit to attend meetings as observers. Observers shall be subject to the LEP Assurance Framework protocol on observer attendance at meetings.
5. When considering the appointment of additional members to the Business Support Management Board, perceived gaps in knowledge / experience, together with sectoral and geographical coverage will be taken into account.

Chair and Deputy Chair

6. The Lancashire Enterprise Partnership shall appoint the Chair.
7. The Chair shall not have a casting vote.
8. The Business Support Management Board may appoint one of its number to act as Deputy Chair ("Deputy Chair").

Quorum

9. The quorum for Business Support Management Board meetings shall be 3
10. If within fifteen minutes from the time appointed for the holding of a Business Support Management Board meeting a quorum is not present, the meeting shall be adjourned. The Secretary shall arrange for the meeting to take place within two weeks.

Secretary

11. The Company Secretary of the Lancashire Enterprise Partnership (or their nominee) shall serve as the Secretary ("The Secretary") to the Business Support Management Board.
12. The Secretary shall produce minutes of all meetings of the Business Support Management Board and will maintain a list of conflicts of interests. Future Business Support Management Board agendas will include a standard item requiring declarations to be made in relation to specific items of business.
13. The Secretary shall produce and maintain an action list of all outstanding Business Support Management Board matters, a copy of which shall be circulated to meetings of the Business Support Management Board.

Meeting Frequency

14. The Business Support Management Board shall meet according to operational need.

Decisions in Writing

15. A resolution in writing signed by the majority of the members of the Business Support Management Board for the time being shall be as valid and effectual as if it had been passed at a meeting of the Business Support Management Board.

Remit

16. The Business Support Management Board's primary responsibility is to consider how business support activities are best aligned with the wider strategic and economic ambition across the LEP geography and make recommendations on the same to the relevant bodies. In doing so, the Business Support Management Board shall:
 - a. Develop and promote business support strategy, initiatives and programmes aligned with agreed priorities, as part of the LEP's Strategic Economic Plan;
 - b. Seek to co-ordinate and commission a publicly funded business support offer which is clear, fit for purpose and which complements both commercial and national offers.
 - c. Commission and maintain an evidence-base to help understand key business support demands in the LEP area;

- d. Identify and work with other LEP areas on business support issues of strategic and cross-boundary significance; and
- e. Advise on the deployment of business support funding directly accessed or influenced by the LEP and make best use of public investment in this policy area.

Governance Relationship with the LEP

- 17. The LEP is responsible for agreeing the Terms of Reference of the Business Support Management Board and has the power to vary the same.
- 18. The Business Support Management Board shall review its Terms of Reference from time to time as necessary and report their findings to the LEP.
- 19. Minutes of Business Support Management Board meetings shall be submitted to the LEP Board at the LEP's request and significant action points will be reported as part of a Chair's Update.
- 20. The Chair shall provide update reports to the LEP Board at the LEP's request.

Relationship with Lancashire County Council

- 21. Lancashire County Council shall provide administrative and legal support to the Business Support Management Board.
- 22. Lancashire County Council shall maintain an official record of the Business Support Management Board proceedings and a library of all formal Business Support Management Board documents.

Publication of Papers

- 23. The agendas and papers of the Business Support Management Board will be published on the LEP's website in accordance with the LEP's Assurance Framework.



Lancashire Enterprise Partnership Limited

Private and Confidential: No

Date: Tuesday, 22 June 2021

Business Support Performance Overview of 20/21

**Report Author: Andy Walker, Tel: 01772 535629,
andy.walker@lancashire.gov.uk**

Executive Summary

This paper provides the LEP Board with a high-level summary of delivery and performance for those publicly funded business support activities which attract central government funding.

Grant to the LEP for Growth Hub activity provides a contribution to a wider local funding pot which sustains Boost – Lancashire's Business Growth Hub. This money was also used to part fund the Access to Finance Service, an integral but separately commissioned element of the Boost offer.

In 20/21 this was extended to bring forward the delivery of Peer to Peer business cohorts, co-ordinated by Boost, but delivered by partners across the local business support eco-system.

The LEP also received funds from the Department for International Trade's Northern Powerhouse Team. These provide funding for post to support and work with foreign owned companies and more latterly, a co-ordination resource to maximise business access to trade support.

Recommendation

LEP Board are recommended to note this report and accompanying presentation. This will form the basis of a formal return to BEIS submitted later in the year.

Background and Advice

Lancashire is able to boast a significant, publicly funded business support offer which is well aligned with the regions strategic objectives, key sectors and ambition for growth. This support network is funded from a range of sources, complementing the private sectors offer locally and maximising engagement in national programmes.

Some elements of this funding are awarded via the LEP for specific purposes, these include Boost – Lancashire's Business Growth Hub, match funding for services like the Access to Finance team and earmarked funding from the Department of International Trade for posts to work with Foreign Owned Companies and to co-ordinate and focus trade support.

It should be remembered that in the financial year 2020/21, these local public funds were dwarfed by national policy interventions, introduced to support business through the COVID-19 pandemic in the form of tax deferrals, loans and grants. Nevertheless, local services provided a key component of the overall response.

BEIS Funding in 2020-21 Financial Year

Moving from a position where Growth Hubs had simply been in receipt of a single core operating grant in previous years, the last financial year was significantly more complex with a succession of earmarked, activity grant coming in through the course of the year. Obviously, this was partially driven by specific events such as COVID-19 and BREXIT, but it may also reflect a growing recognition of the value added by the growth hub network and their ability to act as a local delivery mechanism for national policy instruments.

The BEIS awards to Boost are set in Table 1 below. Arriving throughout the year, the team quickly mobilised delivery partners appropriate to each commission and drew down grant against a programme of activities signed off by BEIS and with Lancashire County Council as Accountable Body.

Table 1. BEIS Funding of Boost in 20/21			
Purpose of Funds	Value	Spend	Award Date
Core Growth Hub Grant	£328,000	£328,000	April 2020
Growth Hub Supplementary (COVID)	£208,500	£208,500	June 2020
EU Transition Grant	£136,050	£123,800	Nov 2020
Peer to Peer Network Delivery	£450,000	£432,444	Sept 2020

Boost achievements

Boost – Lancashire's Business Growth Hub is part of a network of 38 English Growth Hubs which are generally co-terminus with their LEP geography. Boost was one of the first Growth Hubs to be established, partially filling the space left by Business Links, but without the equivalent level of resource.

Boost has now been operational since 2013 and typically has a budget of around £2m per annum to support business engagement, early stage support, and mentoring services. The majority of this resource has come from European Regional Development Funds, which typically have contributed between 60% and 50% of the annual budget. This is matched by local match from Lancashire County Council with a balance of around 12% coming from these BEIS/LEP funds. The remainder of BEIS LEP funds match aligned provision including the Access to Finance service delivered



by The Growth Company and support for decarbonising businesses delivered by East Lancashire Chamber.

From June 2013 to the end of 2020, Boost has helped Lancashire businesses to create over 3,000 jobs, helped establish almost 1,000 new start businesses and increased wages and profits in the local economy by more than £112million.

In the last financial year 2020/21, Boost has been at the centre of the local public sector response to the impacts of COVID-19 on business. From day one of the pandemic Boost dropped its focus on working predominantly with growth orientated businesses, and refocussed as a universal service, built around a social media campaign centred on the phrase #AskForHelp. In July this transition to new messaging #BoostYour Recovery, reflecting the opportunities which businesses were finding increasingly despite the COVID pandemic.

Over the year calls and emails to Growth Hub resulting in short advice and triage type activities doubled amounting to almost 3,000 individual pieces of business support, advice or signposting. Web traffic for 6 months of the year amounted 25,185 visits to the website compared with 12-month figure for the previous financial year 33,284.

In addition to general advice, the Growth Hub also received additional BEIS funding for COVID resilience work and tracking the local impact of BREXIT. This provision was commissioned across a breadth of local providers including Chambers of Commerce and local sector lead organisations.

Finally, Boost secured and distributed an additional £1.1million of COVID Business Adaptation grants within 9 months, supporting over 300 businesses.

Peer to Peer Business Support Groups – A COVID Resilience Response

Midyear 21/22, the Department for Business Energy and Industrial Strategy brought forward plans to fund Peer to Peer business groups as a tool that had proved to be cost effective and impactful in terms of engagement and enduring business impact.

Boost bid into a competitive national pot and due to reticence on the part of many other Growth Hubs was able to secure funding for 30 cohorts of between 12 and 8 businesses. The lead organisations and groups included sector lead organisations, women only cohorts and geographically based groups. By year end, 31 cohorts had completed, covering 327 participants with a 97% satisfaction record.

Access to finance service

BEIS growth hub funds are also used to provide match funding to the Lancashire Access to Finance team. The last 12 months have been particularly challenging for Lancashire's SME businesses due to the impact of the COVID-19 pandemic and subsequent lockdowns. This has impacted the way in which the Access to Finance Service has been able to engage with businesses, but despite this the team have worked with over 200 businesses supporting them with broad-ranging needs from



cashflow management to assisting with funding applications. During this period Access to Finance Specialists have helped businesses to apply for over £9m of funding including Coronavirus Business Interruption Loans, Grants and Equity Investment.

BBLS		CBILS		Other		Totals	
No	£'s	No	£'s	No	£'s	No	£'s
25	£921,800	24	£3,885,000	24	£4,310,000	73	£9,116,800

The team have identified that there is a need for equity investment to fuel post pandemic growth and have introduced a new 'Equity Funding for Early Stage Businesses' to raise awareness. This has also included the development of a ground-breaking Early Stage Valuation tool which will help owners to better understand the value of their business and more confidently negotiate with investors.

Highlights also include support to Len Wright Salads (based in Tarleton, West Lancashire) which has created substantial jobs over the past 12 months and means that the team have delivered 246 new jobs against a contract target of 164.

Inward Investment

The growth hub team also host two posts funded by the Department for International Trade and Investment. We have now had resource for a Key Account Manager for Foreign Owned companies for three years. This post supports a range of engagement with key investors providing monitoring and intelligence and identifies and facilitates new investment projects from Lancashire's international business community. In the last year the officer responsible hit her target of supporting six new investments, which have already resulted in 300 new jobs and £30m of capital expenditure in the local economy.

The International Trade Manager post, funded via the same route, only assumed their duties in the last quarter of 20/21. Despite this, she is already making a significant difference to the planning, priorities and delivery of trade support services in Lancashire.



Lancashire Enterprise Partnership Limited

Private and Confidential: No

Date: Tuesday, 22 June 2021

LEP - Finance Out-turn Report 2020-21

(Appendix A refers to 2021 Final Out-turn statement)

**Report Author: Sarah Kemp, Tel: 01772 531885,
Sarah.Kemp@lancashirelep.co.uk**

Executive Summary

This report requests that the Lancashire Enterprise Partnership Board notes the outturn budget for 2020/21.

Recommendation

The Lancashire Enterprise Partnership Board is recommended to note the 2020/21 outturn as summarised in this report.

Background and Advice

Introduction

This report summarises the operating budget outturn for 2020/21. The key points to note are that in overall terms:

- less money was spent than budgeted for in 2020/21
- additional income beyond that budgeted was received by way of interest on Growing Place Loans, Funds help on account and programme support costs
- the reserves position decreased from £2.474m to £2.175m

the resultant effect, is a greater carry forward to 2021/22 than was budgeted for. This means that the LEP can create the necessary organisational infrastructure and development to deliver its core objectives.

1.0 2020/21 Outturn Position

1.1 The outturn position for 2020/21 is shown on Appendix A attached.



1.2 Income

All budgeted income was received as expected. In addition, during the year there have been several significant receipts which total £464.8k made up as follows:

- loan interest receipts from the Growing Places £286,899
- interest for LEP Funds held on account £90,399
- Additional BEIS Funds to administer the Getting Building Fund £87,500

1.3 Expenditure

Staffing – Overall, there has been a c£60k saving on staffing costs from those budgeted. This largely reflects the time taken to appoint a new Head of Strategic Communications and Programme Support Manager.

Core running costs – This includes the rent of the LEP offices and costs of subscriptions and expenses plus general administration costs. Despite not being able to use the LEP offices due to Covid, which delivered a small saving, a new charge has been introduced of £15,200 for Treasury Management Fees.

Project Support – £1.302m was allocated for Project Support and a saving of £1.02m was made. This was intentional, achieved by allocating Growth Deal Funds to Eden Project, saving £500k from the operating budget and making operational savings across several other budgeted areas. This to create headroom in the 2021/22 budget to create sufficient staff capacity and capability to operate effectively and respond to numerous opportunities as they present; particularly for capacity in strategy, policy and investment.

Projects supported included County of Culture and Pride of Place Blackpool and a small amount towards Festival of Making for the latter of which, most costs will be carried forward to 2021/22 as a result of delays due to Covid. New items of project support expenditure not anticipated at the start of the year include further Local Industrial Strategy support and development of the Strategic Framework.

Marketing & comms –£120k was budgeted in total. All anticipated costs were met, delivering a small saving of c£4k

Fees and Charges the budget of £260k was exceeded by c£18k, mainly attributable to the costs of temporary consultancy to fill gaps in strategic capacity.

Restructure – the budget of £180k was applied to consultancy support to provide temporary capacity. This temporary capacity was terminated within the year, pending appointment of new in-house staff. A new provision for staff indemnities of £100k was applied as a one-off item and in-year recruitment costs were minimal. A saving of c£57k was achieved.

1.4 Reserves

The impact of the above has been to decrease the reserves held by the LEP from £ 2.474m as at end March 2019 to £2.175m at close of the financial year.



List of Background Papers

Paper	Date	Contact/Tel
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insert details

Reason for inclusion in Part II, if appropriate

insert details

Appendix June 21 LEP Board 20/21 Financial Out-turn Statement		
Lancashire Enterprise Partnership		
Medium Term Financial Forecast 2021/2022 to 2023/2024		
	2020-2021	
	Actuals	
Income		
DCLG income - strategic	250,000	
DCLG income - core	250,000	
LCC / Partner contributions	250,000	
Growing Places Interest received	286,899	
Interest received on funds	90,366	
BEIS - programme support	87,500	
Total Income		1,214,765
Expenditure		
<i>Staffing</i>		
CEO and interim CEO Costs	177,164	
LEP core staff	297,933	
LEP contribution to Skills Hub staff	94,485	
		569,583
<i>Core Running Costs</i>		
Accommodation	17,032	
Treasury management costs	15,200	
Accountable Body Support Agreement		
Running costs	14,616	
		46,848
Strategic Framework Delivery		
Local Industrial Strategy		
Sector Support	49,000	
Finance for Business		
Manufacturing Sector Group		
Internationalisation Strategy		
GLP Independent Economic Review	50,000	
		99,000
<i>Project Support</i>		
County of Culture support (19-20 provision)	92,000	
Festival of making	5,000	
LEP programme consultancy and assurance	47,353	
Pride of Place Support	50,000	
LIS production	55,718	
Strategic Framework Delivery plan	26,000	
General Project Funding	5,000	
Appraisals , M&E Reports		
Match for Careers Hub and Enterprise Advisors Network		
LevyTransfee Network		
Extension of Export Plan advisor		
	-	
		281,071
<i>Marketing & communications activity</i>		
Specific agreed marketing projects	116,078	
	-	116,078
<i>Marketing & communications commissions</i>		
Annual Conference and annual publications		-
<i>Fees and charges</i>		
Legal Support	43,669	
Company Secretary	43,000	
Temporary Consultancy Support	191,189	
		277,858
<i>LEP Restructuring Budget</i>		
Consultancy and professional support	17,983	
Recruitment costs	4,445	
Provision for staff indemnity liabilities	100,000	
		122,428
Total Expenditure		1,512,866
Net P&L	-	298,101
Reserves		
LEP account balance brought forward, including Growing Places interest		2,473,009
Balance of P&L above	-	298,101
Total LEP funding available		2,174,908



Lancashire Enterprise Partnership Limited

Private and Confidential: No

Date: Tuesday, 22 June 2021

LEP - Programmes Finance Update Report

**Report Author: Sarah Kemp, Tel: 01772 531885,
Sarah.Kemp@lancashirelep.co.uk**

Executive Summary

This report provides the Lancashire Enterprise Partnership (LEP) Board with high level finance updates for each of the LEP programmes. To note the LEP Board also receives Programme Update Reports at regular intervals on the performance of the LEP Programmes in terms of outputs and impact.

Recommendation

The Lancashire Enterprise Partnership (LEP) is asked to:

1. Note the updates contained in this report
2. Provide feedback in terms of changes / additional content for future reports.

1.0 Background and Advice

The purpose of this report is to provide Members of the Board with a single high-level programme finance report, including an update on each of the LEP programmes, with the aim to:

- Provide regular and consistent updates across all programmes, which can be used when Members are promoting / engaging / conducting LEP business.
- Allow members to make individual programme decisions in the context of the complete portfolio of Programmes.
- Assurance of the financial performance of individual programmes for which the LEP is accountable to government for.
- Identify any risks and agree remedial actions.

2.0 Programme Reports



2.1 Boost

The Boost Programme provides the Lancashire Business Growth Hub and is currently in its third programme. BEIS provide an annual grant of £328k (£536k in 2020/21) which is used for support activities and is claimed quarterly in advance from BEIS. Claims are submitted with evidence of previous quarters spend.

Overall c£4.2m business support (including none ERDF) is currently funded 57% by LCC (£2.4m) and 43% ERDF/Government (£2m core Boost funding is 60%ERDF (£1.2m) 40% match (£800k LCC/BEIS grant to LEP). Boost operates pan-Lancashire.

The *Boost* Business Growth Hub, and other partners, were awarded BEIS funding to undertake more strategic activity based around Covid resilience and the impact of Brexit. *Boost* further secured and distributed an additional £1.1m of *Covid Business Adaptation* grants which helped support over 300 businesses through *#BoostYourRecovery* and *Kickstart Tourism Lancashire* grants. *Boost* also successfully bid for Covid-response funding from BEIS £432k to develop and deliver a series of peer-to-peer business groups.

Financial risks include claims not being paid in full to ineligible expenditure or incorrect supporting evidence; this risk is carried by LCC as the delivering partner and accountable body. This is mitigated by use of experienced staff in the management and delivery of the programme and the auditing and submission of the quarterly claims. No claims to date have been rejected.

A further risk to the programme would be a lack of engagement by the business community, this would result in not meeting targets and could have implications for future year's Growth Hub support grants. However, the BOOST Growth Hub is performing well in this regard.

The Board are requested to note that approval to receive the 2021 grant award will also be requested at the June 21 LEP Board.

2.3 Growth Deal

The Lancashire Growth Deal was originally awarded in July 2014 with £233.900m, this followed by a further award of £17.200m in January 2015 and finally a Growth Deal 3 award totalling £69.760m which was made in February 2017 taking the total Lancashire Growth Deal to £320.860m.

The breakdown of these awards is as follows:-

- | | |
|---|--------------------------------------|
| • Local Growth fund project allocations | £ 204.169m |
| • Heysham Link DfT Tail funding (monitored under original DfT scheme) | £ 40.931m |
| • Standen housing Loan fund | £ 6.000m (HCA facility not taken up) |
| Growth Deal 3 | <u>£ 69.760m*</u> |

£ 320.860m

The £273.929m* Local Growth Fund Monies are paid to Lancashire County Council (LCC) as the Accountable Body for the Lancashire Enterprise Partnership (LEP).

Spend to 31st March 2021

The total payments relating to the first five full years that have been paid to date are in the table below.

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	Total
	£m	£m	£m	£m	£m	£m	£m
Payments made to GD Projects	30.510	25.622	32.232	31.399	39.247	97.573	256.583
Temporary payments to other schemes	8.840	27.781	12.487	3.457	17.377	-52.595	17.347
Total Payments in year	39.350	53.403	44.719	34.856	56.624	44.978	273.930
Total cumulative payments to GD projects	30.510	56.132	88.364	119.763	159.010	256.583	
Percentage of the £273.929m LGF actually paid to projects	11.14%	20.5%	32.26%	43.72%	58.05%	93.67%	

By March 2021, the initial completion date for the 6 year programme, £256.583m of funds are now paid out to projects based on the agreed intervention rate and defrayed spend. A further £17.347m (6.33%) has been paid to other capital projects on a temporary basis whilst slippage on approved projects has occurred. This means that by the initial target completion date, and in midst of the Covid 19 pandemic all of the £273.930m has been incurred on capital projects through the Lancashire region.

The remaining £17.347m is due to be paid to projects in 21-22 as a consequence of delays to expenditure on these projects. This is in relation to 6 of the total 52 individual projects.



2.4 Getting Building Fund

The funds awarded of £34.1m are formalised with S31 grant offer letters to 10 projects. The projects will commence draw down of funds following completion of contract and subsidy control matters, from May 21.

Whilst the first £17.5m of funding has been received from government, the remaining tranche has yet to be received, though it is expected in late May 2021.

There is a risk that if the second tranche is not received, commitments to projects will not be able to be met, but this is not anticipated to be the case, but Government have issued a Grant Funding Award to the LEP for this amount.

Where the flow of funds is ahead of project expenditure requirements, we have been requested by MHCLG to use accountable body flexibilities as we do with Growth Deal to ensure the money is expended in year. LCC as Accountable Body has agreed to these arrangements. Payments are forecast to complete on time for all projects by March 2022.

2.5 Growing Places

Growing Places is a fund of £19.379m originally provided in 2012 to provide loan capital, the repayment of which provides a fund to be recycled. To date loans of £34.055m have been agreed with £27.888m having been repaid.

Interest is payable on the loans advanced and is calculated on a daily basis as agreed in each advance agreement, with a premium calculated if the loan goes into default. The interest earned on these loans (£1.983m to date) is for the LEP to commit. Currently it is used as part of the reserves supporting the operating budget and reported in the balance sheet as a reserve available. This is the only additional income the LEP receives above grant funds awarded.

Risks to the programme are the default on loans – which would reduce the funds available for future advances. This risk is mitigated to a large extent by security charges agreed against the loans. Also, the non-payment of interest would reduce the amount of cash available to support LEP activity. This risk is mitigated by the prudent forecasting in the operating budget of interest received so that resources are not committed before interest is received.

The Board are also asked to note that for some loans, the Board has extended payment terms and suspended interest payments to support businesses impacted by the restrictions of Covid.

There is presently £9.7m funds available for loans and 3 schemes in the pipeline. The Board are asked to note that a further scheme will be presented for approval at the June 21 LEP Board, and further extension of payment terms to an existing scheme.



2.6 Enterprise Zones X 4

The Enterprise Zones are designated by Government, by into two categories in respect of who has control and determination of business rates:

Samlesbury & Warton - the Business rates retained locally, are by legislation to flow to the LEP for investment in economic priorities within the LEP area. There are legal agreements in place with the rates collecting authorities for income above the baseline and retained locally, to be paid over to LCC as the accountable body for the LEP.

A LEP board resolution (September 2014) approved the business rates would first be applied to an estimated £18.5m infrastructure costs provided on the sites, funded by LCC through PWLB borrowing plus the relevant interest charged once expenditure defrayed. As such LCC carries the highest risk in respect of repayment of debt.

Current forecasts are for income of £20.773m are forecast to be generated from the units with planning permission on the site to the end of the life of the EZ in 2037. Any new occupiers will increase the levels of income via business rates, and therefore levels of capital debt and interest to be repaid over time, but this cannot be forecast at this time.

The key risk to the LEP of reduced or delayed occupier-led development is that interest accrued for this period, is charged to the LEP. This may negatively impact on future potential income to the LEP, to invest into further economic priorities.

In the first phase of infrastructure development, the County Council constructed a public highway through the EZ site with single access points on the A59 and A677, often referred to as the spine road. Phase 1 also included ecology works on and off site, site segregation from BAE core operations site and Phase 1 surface water drainage and lighting, required for the road itself. The County Council also made a contribution of £1m towards revenue costs, which could not be met by capital debt. Total costs of Phase 1 were £10.27m – all expenditure is now incurred and PWLB drawdown for £10.27m has been made.

The County Council's PWLB borrowing, both capital £10.27m and interest £1.037m to-date) will be repaid using income received from business rates growth on the EZ, initially from the first two new facilities on site.

Phase 2 Infrastructure is currently active and/or in process of final design and/or future implementation. It includes:

- LCC Plot Preparation for AMRC
- Utilities and new road Site wide utility provision
- Research and Development plot preparation to create serviced development plots.
- Phase 2 surface water drainage. (This will complete the primary drainage infrastructure)
- Initial Zone C (partial earthworks to facilitate drainage and broader works)
- Detailed design and delivery of Foul Water Drainage system
- Electricity North West investment in primary sub-station

The total cost estimate for this phase of works is £10.8m. Together with Phase 1, the total costs of committed infrastructure works is therefore £21.07m. This is broadly in line with the *estimated* costs of £18.5m and now confirmed as *actual* costs, impacted by inflation and any uncertainty of cost at the time. These costs will be met by the following:

- Growth Deal £6.725m
- LEP (business rates) £14.345m capital debt not including Interest

There are two further occupiers due to contribute shortly to business rates - which brings estimated annual business rates collection to approximately £640k. Future plots when occupied, could generate a further £42.506m based on the likely occupiers and potential uses over the life of the EZ, however these returns will only be generated on occupation of each plot.

Blackpool Airport & Hill House – as part of the second wave of Enterprise Zones the business rates are retained locally. Blackpool Council, as the accountable body for these sites are forecasting that all rates retained will be needed to provide the infrastructure to develop the sites.

2.7 Skills & Employment Hub

The LEP currently pays for 50% of the Skills Hub core staff. The core staff drive and support the work of the Lancashire Skills and Employment Advisory Panel, and lead the projects in the Skills Hub, with activity being funded by grant income with match coming from a range of sources. The City Deal Skills and Employment Coordinator is fully funded by LCC and supports the embedding of social value across both the Growth Deal and City Deal programmes.

Lancashire Careers Hub and Enterprise Adviser Network

The Careers Hub and Enterprise Adviser Network (EAN) are co-funded by the Careers and Enterprise Company (CEC) with match from local partners, including LCC, the LEP, and the unitary authorities. LCC contract with the Skill's Hubs delivery partner, Inspira, who employs the team of 11 staff working across the Lancashire area.

Termly contract reviews are undertaken with Inspira to review financial performance and progress against targets, with claims submitted on a termly basis to the Careers and Enterprise Company for staff salaries and associated costs. This is claimed in arrears based on evidenced spend, with expenditure cash flowed by LCC.

This academic year (September 2020 – August 2021) there have also been a number of other pots of funds aligned with the Careers Hub:

Transition Fund - £20k grant awarded by the CEC to support the transition of last year's Year 11 and 13. Funds were directed towards the expansion of the 'Start in Blackpool' platform, to enable roll out to the whole of Lancashire. 'Start in Lancashire'



was launched in January. All funds have been claimed and spent in-line with the proposal.

SEND Community of Practice and Innovation Fund - £1,500 and £3,000 grant respectively from the CEC to support work with SEND schools. Funds were received up-front and are currently being spent on activity and detailed in termly claims to the Careers and Enterprise Company. All funds will be spent by the end of the academic year (end August 2021).

Careers Hub Central Fund and EAN Sustainability Fund - £154,000 and £34,942 grant from CEC to support the work of the Hub and the EAN. Funds were received up-front at the beginning of the academic year. The Central Hub funds have been allocated to clusters of schools and the colleges to support progress against the Gatsby Benchmarks. Activity is underway this term, and funds are expected to be fully spent by the end of the academic year (end August 2021). Any funds that are not spent will have to be returned to CEC – at present this forecast to be nil or minimal. For the Sustainability Funds, there has been minimal spend due to the limitations from the pandemic, for example, holding the annual conference on-line. It has been confirmed by CEC that these funds can be carried forward in August 2021 to the next academic year.

Blackpool Opportunity Area - £34,600 and £30,000 grant for careers activities and twinning activity with employer networks respectively. The funds were received up-front and are expected to be spent on activity as per the agreement by the end of the academic year (end August 2021). Regular progress reports are provided to the Blackpool OA Partnership Board.

The CEC have confirmed funding for next academic year (September 2021 to August 2022) – a separate paper is provided detailing the offer and associated match funds, and other funds, for approval by the board.

Skills and Employment Advisory Panel

The Department for Education (DfE) have confirmed a grant of £75k for this financial year, mirroring the allocation made last year. The Skills and Employment Advisory Panel have recommended the acceptance of the grant, to fund analytical work and the provision of local labour market and the development of the Local Skills Report – which is incorporated into the Lancashire Skills and Employment Strategic Framework. A MoU was submitted to the DfE at the end of May, and the funds will be received as a Section 31 grant in July.

To note, in agreement with DfE, £17,562 was carried forward from the previous year, due to delays in commissioning employer facing research due to the pandemic and stakeholder engagement costs were lower than forecast as a result of events being conducted online. There is a plan in place to spend the full grant and carry forward this financial year.



It is unclear whether further funds will be received from DfE for future years.

Lancashire Digital Skills Partnership

The Department for Digital, Culture, Media and Sport (DCMS) awarded a Section 31 grant to support the work of the LDSP, including the post of Digital Skills Partnership Coordinator. £37,500 was received in January 2021, followed by £37,500 in May 2021. Funds will be spent over the coming financial year.

It is unclear whether further funds will be received from DCMS for future years, which poses a risk to partnership. Sustainability models are being considered with LCC, linked to the development of Fraser House in Lancaster.

List of Background Papers

Paper	Date	Contact/Tel
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Reason for inclusion in Part II, if appropriate

N/A

Agenda Item 13

(NOT FOR PUBLICATION: By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972. It is considered that all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information)

Document is Restricted

Agenda Item 14

(NOT FOR PUBLICATION: By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972. It is considered that all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information)

Document is Restricted

Appendix A

(NOT FOR PUBLICATION: By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972. It is considered that all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information)

Document is Restricted

Agenda Item 15

(NOT FOR PUBLICATION: By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972. It is considered that all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information)

Document is Restricted

Agenda Item 16

(NOT FOR PUBLICATION: By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972. It is considered that all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information)

Document is Restricted

Agenda Item 17

(NOT FOR PUBLICATION: By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972. It is considered that all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information)

Document is Restricted

