

## LEP - Joint Scrutiny Committee

### Minutes of the Meeting held on Friday, 18th November, 2022 at 10.30 am in Committee Room 'B' - The Diamond Jubilee Room, County Hall Preston / via Microsoft Teams

#### Present

Mike Leckie (Chair)

Councillor Christopher Dixon  
Councillor James Flannery

Councillor Terry Howarth  
County Councillor Cosima Towneley

#### In Attendance

Debbie Francis OBE, Chair, Lancashire Enterprise Partnership  
Hannah Lysons, Democratic Services Officer, Lancashire County Council  
Andy Milroy, Democratic Services Manager (Companies), Lancashire County Council  
Sue Roberts, Commercial and Business Support Manager, Lancashire Enterprise Partnership  
Andy Walker, Interim Chief Executive, Lancashire Enterprise Partnership

#### 1. Welcome and Apologies

Mike Leckie, Chair of the LEP Joint Scrutiny Committee, welcomed all to the meeting. Apologies were received from Councillor Dave Brookes, Councillor Phil Crowe and Councillor Louise Edge.

#### 2. Declaration of Interests

None.

#### 3. Minutes of the meeting held on 8th March 2022

**Resolved:** The minutes from the last meeting of the LEP Joint Scrutiny Committee held on 8<sup>th</sup> March 2022 were approved as an accurate record and signed by the Chair.

#### 4. Matters Arising

Under Matters Arising, Andy Walker, Chief Executive Officer, LEP, raised a query that had been made regarding the Enterprise Zone at Wharton and stated that there are ongoing discussions with BAE Systems which are subject to a Non-Disclosure Agreement and cannot be discussed in a public forum. It was noted by

the committee that these conversations are ongoing.

In addition, a query was raised regarding committee member attendance at the joint scrutiny committee with members encouraged to attend regularly.

## **5. LEP Update and future operation of the Joint Scrutiny Function**

Andy Walker presented a report (circulated) which provided an update on the LEP currently, and the operation of the Joint Scrutiny Function going forward. They key points were as follows:

- The policy around LEPs at a national level is uncertain, and LEPs have seen downgrading of funds over recent years. Due to this, there has been a re-focus to better align the LEP with nascent aspirations.
- Annual revenue:
  - Work with Sectors £60k
  - Work to support the establishment of National Cyber Force £65k
  - Marketing (events, reports) £72.5k
  - General project funding, consultancy and prof. services £45k
  - Total £202.5k
- The LEP has existing or planned in year costs in respect of Eden Levelling Up Fund case-making (£60k) and the National Cyber Force (NCF) – Samesbury Innovation Hub feasibility (£60k).

It was stated that it is important to have an active scrutiny committee that understands the areas which the LEP are involved in, in order to identify the blocks of activity to scrutinise going forward.

Mike Leckie further noted that it was important that the scrutiny committee functions in a way that it can proactively determine what it want to see from the LEP, and therefore it is important for members to express what they would like to see brought to the committee in the future.

### **Questions and comments were as follows:**

With regards to the Social Value that is being generated from LEP Capital Programmes, it was noted that this is a positive thing and that it would be beneficial to see in further detail how this is being reported, captured, and presented.

**Action Point:** Andy Walker to present a report to the next meeting of the Joint Scrutiny committee in March regarding Social Value and how it is being delivered and measured across the LEP area.

Councillor James Flannery raised a query regarding transparency with regards to auditing of the LEP's ventures, with a request that this be brought to the scrutiny committee as a future item.

Debbie Francis OBE, Chair of the LEP, confirmed that scrutiny and audit of the LEP's programmes are continually happening and that therefore it would be possible to bring a report on audits to the Joint Scrutiny Committee.

**Action Point:** A report which outlines a summary of audits completed within the LEP's programmes to be presented at the next meeting of the Joint Scrutiny committee in March.

In addition, it was queried how the LEP is distributing the sums of money which it is in receipt of with reference to overseas ventures by officers of the LEP as part of its internationalisation efforts.

Andy Walker clarified that the position of the LEP is to support those overseas businesses which are already conducting business within Lancashire to ensure they have as much support as possible, and that conducting overseas ventures via international agents is less common. He further confirmed that the Department for International Trade provides the information and insight to these ventures for the LEP to triage as necessary.

Sue Roberts also clarified that the partnership with the Department for International Trade is a collaborative one, aimed at creating propositions in Lancashire. She also further clarified that the Internationalisation strategy will involve establishing which markets to go into and approaching known participants in that area including taking advantage of the Department for International Trade's overseas posts.

In addition, it was clarified there was an ongoing effort to proactively promote Lancashire in a direct way wherever possible.

The importance of understanding the Rural economy's impact on the operations of the LEP was raised by Councillor Towneley and was noted by the committee. Andy Walker confirmed that activity in the relevant sectors is currently taking place.

Debbie Francis also confirmed that vacancies for LEP Board members which target these sectors are currently being recruited, and that this will have a positive impact on the work of the LEP in these economies going forward.

It was suggested that, following the completion of the sector studies, a task and finish working group could be created to review these economic areas. Mike Leckie confirmed that a further discussion will be held with the LEP Chief Executive regarding the Committee's use of task and finish working groups.

**Action Point:** A report which details the Rural Economy Sector Studies to be presented at the next meeting of the Joint Scrutiny Committee in March.

**Resolved:** The LEP Joint Scrutiny Committee noted and commented on the report as presented, including consideration of areas of LEP activity to further explore under the committee's remit.

## **6. Growing Places Fund Process**

Sue Roberts presented a report which outlined the Growing Places Fund and the process which is undertaken in order to assess the suitability of applicants, approval of loans, and the drawdown and repayment of those loans. The key points were as follows:

- In 2012 the LEP was allocated £19,378,944 million in two tranches.
- The purpose of Growing Places Fund is to grow the economy of Lancashire by bringing forward development on marginal schemes which would not have come forward if left to market forces
- The funding is for development sites which include housing, infrastructure, commercial or industrial buildings.
- The fund is managed by the LEP in consultation with its Accountable Body, via a stage process
  - a) stage one assesses initial expressions of interest and market interest;
  - b) stage two focuses on the management of successful funding applications and agreement of funding agreement;
  - c) stage three concerned with on-going monitoring and performance of the investment.
- The Growing Places Fund has successfully brought forward development continuously since 2012 and has been fully recycled.
- As of 15 November 2022, the Growing Places Fund has delivered the following outputs:
  - Number of completed schemes 10
  - Number of schemes on site 1
  - Value of loans £39,328,361
  - Value of loans repaid £37,745,982
  - Private sector investment £107,301,465
  - Interest received on loans £2,177,036
  - Square Foot/Square Metres developed 2,125,128 Sq Ft (201,563 sqm) buildings plus 215,278 sq ft (20,000 sqm) public realm
  - Jobs created 2,135

- Housing units delivered 776

**Questions and comments were as follows:**

It was noted that the way in which the Growing Places Fund is structured will allow many businesses to thrive, particularly in an uncertain economic climate, and that this presents a great deal of Social Value which will benefit enterprises across Lancashire.

It was further noted by the committee the success that the Growing Places Fund has had in recycling the funds which were allocated to the LEP through the structure of the way that the funds are distributed.

Councillor Howarth clarified the amount of private sector leverage gained by each scheme and if Growing Places funding was instrumental to generating that additional private sector funding.

**Action Point:** A further report regarding Growing Places private sector leverage to be presented the LEP Scrutiny Committee meeting in March.

**Resolved:** The LEP Joint Scrutiny Committee noted the report as presented.

**7. Any Other Business and Date of Next Meeting**

**Resolved:** It was noted that the next LEP Joint Scrutiny Committee meeting is scheduled to be held as a Hybrid meeting at 2pm on 8th March 2023 in County Hall, Preston / via Microsoft Teams.

In addition, the Committee discussed future topics to be brought to the LEP Joint Scrutiny Committee and agreed that the following items be added to the Committee's work programme and brought to the March 2023 meeting:

- Dashboard of Audit Activity (which will become a standing item for future Committee meetings)
- Growing Places Fund – Further update on private sector leverage
- Social Value – How it is being delivered and measured across the Lancashire LEP area.
- Rural Economy Sector Studies – Activity in the LEP area and how to LEP is supporting this sector.