

LEP - Performance Committee

Minutes of the Meeting held on Tuesday, 22nd November, 2016 at 2.00 pm at the Cabinet Room 'C' - The Duke of Lancaster Room, County Hall, Preston

Present

Richard Evans (Chairman)

Graham Cowley
Michael Damms

David Taylor

In Attendance

Joanne Ainsworth, Specialist Advisor, Finance, LCC.

Kathryn Molloy, Head of Service LEP Coordination, LCC.

Andy Walker, Head of Service Business Growth, LCC.

Laura Sales, Director Legal, Democratic and Governance, Governance Finance and Public Services, LCC.

Holly Tween, Democratic Services officer, LCC.

Heather Gittins, Business Support Officer, LCC.

1. **Welcome and Apologies for Absence**

The Chair welcomed everyone to the meeting and noted that apologies had been received from Edwin Booth, Cllr Peter Rankin and Martin Kelly.

2. **Declarations of Interest**

No declarations of interest were made in relation to items on the agenda.

3. **Minutes of the meeting held on 10 October 2016**

Resolved: That Minutes of the meeting held on the 10th October 2016 are confirmed as an accurate record and signed by the Chair.

4. **Matters Arising**

There were no matters arising.

5. Reporting to Lancashire Enterprise Partnership Board

Items to be referred to the LEP Board were discussed as part of item 8.

6. Any Other Business

There was no other business.

7. Date of Next Meeting

It was noted that the next scheduled meeting of the Performance Committee was 10.30am on the 16th January 2017 in Room A07, at County Hall, Preston.

Part II (Private and Confidential)

At this point the LEP Board approved that the meeting move into Part II, Private and Confidential to consider the remaining items which contained exempt information provided in confidence as defined in the Freedom of Information Act 2000. 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.

8. LEP Operational Plan and Budget 2017/18

Kathryn Molloy, Head of Service, LEP Coordination, Lancashire County Council presented a report which considered the LEP's workings, finances and budgets. It was noted that a revised draft budget would be circulated to the Performance Committee in December for 2017/18 and the two subsequent years. This draft budget would be formally considered by the Committee at its meeting in January for presentation to the January LEP Board meeting for sign off.

It was highlighted that the LEP's focus had been on core funding priorities and commitments which have been agreed with Government, such as independent appraisal of Growth Deal Schemes, economic and analysis, Local Transport Body support, sector and skills development, business intelligence, strategic marketing and communications activity, investor management, monitoring and evaluation activity and support to private sector Board Champions.

It was confirmed that the LEP would continue to receive £250k funding from Lancashire County Council for 2016/17 and 2017/18 but the position beyond this was not clear. It was expected that the government's position on funding would be clearer after the Autumn statement. There was general agreement that the LEP should begin planning for different eventualities and considering how best to utilise their assets to ensure sustainability. It was commented that the LEP's impartiality was important and there was a need to be mindful of this when considering commercial routes.

It was noted that the LEP recognises the need to support and further develop its own capacity and that of the LEP's partners to ensure continued development of

a robust strategic project pipeline, and that there was a need to ensure assets were used effectively. It was noted that the Growth Hub may present opportunities in the future.

The Performance Committee recognised that the LEP has been very successful at marshalling existing and new resource with a growth plan valued at almost £1bn to promote the growth of Lancashire. It was highlighted that the LEP must continue to be open and transparent about what it does for Lancashire.

The Lancashire Combined Authority was discussed. It was felt that the LEP should work closely with the Combined Authority once formed to maximise capacity and avoid duplication.

Two working papers setting out the position of the LEP's budget and commitments were circulated.

Kathryn agreed to produce a more detailed spend report to come back to the LEP Performance committee showing actuals against commitments, and predicted out turn. It was requested that a column be added showing annualised figures from 2013/14 to 2016/17.

In addition the Committee also requested a more detailed breakdown of the staffing figures for the LEP including a breakdown of grades, jobs and costs.

The Committee discussed the SEP refresh. It was suggested that an action plan showing targets could be added at the end.

It was noted that the LEP will continue to review actual and projected spend and activity against its core funding priorities as well as identifying opportunities for support going forward using currently unallocated core funding from its agreed priority areas and strategic funding which it has received. This will ensure that the LEP remains alert to emerging opportunities for core funding support, including proposals to support the development of an evidence base in relation to potential Combined Authority/Devolution Deal case making and in the wider support of Lancashire's economic growth objectives including those of the County Council in support of its economic development activity.

The Committee discussed income and models of LEP funding and it was raised that in future years the LEP will need to access other potential income streams linked to its key economic initiatives and other national initiatives announced by government which might be routed through LEPs.

It was mentioned that a number of LEPs have or are considering moving to a membership fee structure to cover all or some of their costs. It was commented that within Lancashire a LEP model driven by subscription could displace or cause unnecessary competition with other local business bodies. More information on subscription was requested.

It was noted that although it is still at an early stage the Lancashire Combined Authority's Devolution Deal with Government would look to secure additional core

co-funding support for the LEP and key delivery infrastructure, including Marketing Lancashire.

The Committee discussed how to begin to engage with the Combined Authority regarding ongoing work. Martin Kelly would be approached on this matter.

It was agreed that the Performance Committee meeting on 16 January 2017 would be a special meeting to consider the Operational Plan and Budget.

Resolved:

1. That a revised budget including figures and salary costs for staff resources that contribute to the LEP be circulated in December for comments ahead of the Committee meeting on the 16 January 2017
2. That a detailed spend report come back to the LEP Performance committee showing actuals against commitments, and predicted overrun
3. That annualised figures from 2013/14 to 2016/17 be included in the Core Funding resource commitments table
4. That further information on the subscription-driven LEP model be provided
5. That an action plan including targets is produced to go at the back of the SEP
6. That the Director of Economic Development engage with the Combined Authority, as appropriate, regarding the Operational Plan.
7. That the Performance Committee meeting scheduled for 16 January 2017 be a special meeting to consider the Operational Plan and Budget