

LEP - Performance Committee

Minutes of the Meeting held on Monday, 16th January, 2017 at 10.30 am at the Room A07 - A Floor, County Hall, Preston

Present

Richard Evans

Edwin Booth
Graham Cowley

Michael Damms
David Taylor

In Attendance

Joanne Ainsworth Subject Matter Expert/Specialist Advisor: Finance, LCC

Heather Gittins, Business Support Officer, LCC.

Kathryn Molloy, Head of Service LEP Coordination, LCC.

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

Holly Tween, Democratic Services officer, LCC.

Andy Walker, Head of Service Business Growth, LCC.

1. Welcome and Apologies for Absence

The Chair welcomed everyone to the meeting and noted that apologies had been received from Cllr Peter Rankin.

2. Declarations of Interest

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

3. Minutes of the meeting held on 22 November 2016

Resolved: That Minutes of the meeting held on the 22nd November 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 10th March 2017 in Room A07, at County Hall, Preston.

8. 2017-18 to 2019-20 LEP Operational Budget

At this point the Performance Committee approved that the meeting move into Part II, Private and Confidential to consider the remaining item 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.

Kathryn Molloy, Head of Service for LEP Coordination, Lancashire County Council, presented a report and talked through the three tables that were included; Table 1 presented a summary of annual running costs for the LEP for 2016-17, Table 2 presented a summary of the LEP's forecast outturn spend for 2016-17 and Table 3 showed the equivalent proposed LEP spend for 2017-18.

The tables included known work priorities, including the independent appraisal of remaining projects in Growth Deal 1, 2 and 3 (subject to Government confirmation). It was requested that a report showing the variations between Table 2 and Table 3 be produced.

It was noted that marketing costs had increased in 2016/17 and that the Committee needed to consider the contributions made to Marketing Lancashire by other public and private sector partners to ensure that the LEP's funding, provided to the organisation to deliver strategic marketing and communications, is being delivered effectively whilst securing match funding support. A report showing this, produced by Marketing Lancashire, would be brought to the next meeting.

It was noted that officers were satisfied with the external PR and marketing support to the LEP and that they hold a list of third parties to the LEP that is reviewed regularly. SKV's contract would be brought to the Board for review before the renewal date in May.

A budget line had been identified in 2017/18 for transport related strategic case making support. It was noted that that as part of the establishment of the

Lancashire Combined Authority (LCA), responsibility for transport and related governance structures will transfer and, in due course, consideration would need to be given by the LCA as to how it intends to resource local transport body related activity. It was agreed that Mr Edwin Booth, Chair of the LEP Board, would have a discussion with the LCA regarding this.

The Committee recognised that there is a requirement to provide match funding for the £250,000 of core funding made available by Government. The Committee had previously been advised that LCC had agreed to provide cash match funding to the value of £250,000 for 2016/17 and 2017/18 only and that the additional funding includes in kind staff contributions and cash contributions to Marketing Lancashire and LEP projects. Discussions had not yet taken place with LCC about match for core funding beyond 2017/18.

Ms Ainsworth explained that the £250,000 can be drawn down in either direct cash or in kind time of staff. The in kind staff contribution could only be included for staff wholly under the direction of the LEP or Board Directors' time on specific projects but not at LEP Governance Meetings.

The Committee agreed that there was a need to consider income generation to support revenue activities. It was commented that it would be useful to look at how and where other areas were generating income. The Committee agreed to hold a separate workshop to discuss this, and to consider commissioning special advice.

The Committee considered Appendix 2 which set out a proposed funding model including proposed staffing. It showed staff currently paid for by the LEP, the contribution to LCC Company Secretarial Services and included the two additional investments posts. The Committee commented that having the two additional posts would assist Lancashire in establishing its inward investment capacity to support the LEP's core activity and it was noted that these additional posts had been built in for a two year period commencing in 2017/18.

The Committee discussed the suggested expenditure and were reassured that the budget for all areas was reasonable, and generally included a contingency amount.

The Committee requested that a report with proposals on income generation and investments be brought to the next meeting.

The Committee thanked officers for pulling the information together.

Resolved:

1. That the information in the report be noted
2. That a report be produced setting out the variations between Tables 2 and 3 of the summary report
3. That a workshop be arranged to discuss income generation for the LEP

4. That Mr Edwin Booth, Chair of the LEP Board, would have a discussion with the Lancashire Combined Authority regarding support to the Local Transport Body
5. That the 2017-18 Operational Budget be circulated to Committee members for comment next week, before presentation to the LEP Board for approval in January
6. That a report with proposals on income generation and investments be brought to the next meeting
7. That the yearly report on the contributions made to Marketing Lancashire by other public and private sector partners be brought to the next meeting of the Committee