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Pennine Lancashire



PLACE JOINT COMMITTEE

Minutes of the Meeting held on Wednesday 19th January 2011

Present:

Cllr Kate Hollern, Blackburn with Darwen Borough Council (Chair)
Cllr Mike Blomeley, Pendle Borough Council (Vice-Chair)
Cllr Charlie Briggs, Burnley Borough Council
Cllr Peter Clarke, Hyndburn Borough Council
Cllr Albert Atkinson, Lancashire County Council
Cllr Michael Ranson, Ribble Valley Borough Council
Cllr Bill Challinor, Rossendale Borough Council

Supporting Officers:

Graham Burgess, Blackburn with Darwen Borough Council
Stephen Barnes, Pendle Borough Council
Steven Rumbelow, Burnley Borough Council
Rob Grigorjevs, Hyndburn Borough Council
Marshal Scott, Ribble Valley Borough Council
Mike Damms, ELCC
Steven Cochrane, PLACE Strategy Unit
Steve Hoyle, Regenerate Pennine Lancashire
Helen Lockwood, Rossendale Borough Council
Brian Bailey, Blackburn with Darwen Borough Council
Mike Cliffe, Blackburn with Darwen Borough Council
Phil Llewellyn, Blackburn with Darwen Borough Council

1	Apologies were received from Andrew Lightfoot (BwDBC), Councillor Tony Swain (RBC), Councillor Geoff Driver (LCC), David Welsby (HBC) and Deborah	

	Ashton (LCC).	
2	<u>Declarations of Interest</u>	
	There were no declarations of interest.	
3	<u>Public Forum</u>	
	No public questions had been submitted.	
4	<u>Minutes of the Last Meeting and Matters Arising</u>	
	Phil Llewellyn circulated an amended page 7 for the minutes of the meeting held on 21 st October 2010, as some of the wording on the fourth bullet point (White Paper on Growth) circulated with the agenda contained corrupted text due to a technical issue.	
	16 – 19 Update (NEET)	
	Mike Damms confirmed that a joint report from Janet Jackson and himself on the best way to better engage with industry and make connection on NEET issues would be brought to a future meeting.	Noted
	The minutes of the last meeting held on 21 st October 2010 were agreed as a correct record.	Approved
5	<u>Pennine Lancashire Transport Update</u>	
	Steve Rumbelow introduced Mike Cliffe, Transport Policy Team Leader, Blackburn with Darwen Borough Council, who delivered a presentation on progress of the development of the Local Transport Plan 3, which outlined the goals and challenges, and the key challenges and issues for each Pennine Lancashire authority.	
	Particular reference was made to the important linkages with Greater Manchester and the Greater Manchester Core objectives and key delivery proposals.	
	Partner authorities were urged to ensure responses were made to the Blackburn with Darwen Borough Council and Lancashire County Council LTP3 consultations, and were requested to continue to push for improvements to the PL transport system through PLACE. Additionally, members needed to continue to	

	push for additional rail rolling stock and the Northern Hub investment, as well as encouraging local MPs to join the All Party Parliamentary Group on Rail in the North.	
	Reference was also made to the revised total outturn figure for the Pennine Reach scheme, which now stood at £39.5m (previously £50m), with the requested DfT contribution now £34.5m (previously £45m), which represented a reduction of £23.4%.	
	Councillor Mike Blomeley outlined concerns from Pendle about the omission of the Colne by-pass in the LCC draft plan, as well as the need to improve links between Pendle and Manchester and connectivity to Yorkshire.	
	Graham Burgess indicated that in the current financial climate it was important to keep programmes in the forefront of planning even if they could not be delivered over the next 3 years.	
	Mike Cliffe advised that responses to both consultations were required as soon as possible, and that LCC would be issuing its detailed implementation plan for LTP3 in the coming weeks.	
	The Joint Committee noted the presentation on progress in the development of the Local Transport Plan 3.	Noted
6	<u>Regional Growth Fund</u>	
	Steven Cochrane updated the Joint Committee on the Government's Regional Growth Fund (RGF) and asked the Joint Committee to endorse the first round project proposal submitted by private sector partners.	
	The Deputy Prime Minister in June 2010 announced the £1.4bn Regional Growth Fund inviting the private sector and public/private partnerships to bid for funding.	
	The RGF had two main objectives:	
	<ul style="list-style-type: none"> To encourage private sector enterprise by providing support for projects with significant potential for economic growth and create additional sustainable private sector 	

	employment; and	
	<ul style="list-style-type: none"> To support in particular those areas and communities that were currently dependent on the public sector making the transition to sustainable private sector led growth and prosperity. 	
	The RGF would be a challenge fund spread over three years. The number of bid rounds was uncertain (at least three), with the first round open now and closing on 21 st January 2011.	
	For the first round of funding, four projects had emerged based on discussions with local authorities and business leaders. The four projects were:	
	<ul style="list-style-type: none"> Burnley Bridge Blackburn Cathedral Quarter Brierfield Mill Valley Centre Project (Rossendale) 	
	It was important to embed future programme submissions into wider government policy approaches eg Work Programme; national and regional business and sector support programmes; reform of FE and skills (particularly apprenticeships). As well as identifying 'match' funding from other sources, such as ERDS, LTP3, Homes and Communities Agency etc.	
	£250m of RGF would be distributed in the first round, and PL would be bidding for £22m of Grant, which, if received, would be matched with £120m of private sector investment with an aim to create 3,000 jobs.	
	It is recommended that:	
	1) Members note the contents of this report;	Noted
	2) Members endorse the approach taken and note that bids must be private sector led;	Approved
	3) Members support the projects prioritised for RGF submission, which will be led by the respective developers and which have all previously been identified as strategic priorities in previous Pennine Lancashire investment plans:-	Approved
	a) Burnley Bridge	
	b) Blackburn Cathedral Quarter	

	c) Brierfield Mill	
	d) Valley Centre project (Rossendale)	
	4) Members note that the Regenerate Board at its meeting on Monday January 17 endorsed these projects for submission as a strategic partner;	Noted
	5) Members note that the Business Leaders Forum at its meeting on Tuesday January 18 endorsed these projects for submission as a strategic partner; and	Noted
	6) Members note that East Lancashire Chamber of Commerce support these projects as priorities for submission to the RGF.	Noted
7	<u>Pennine Lancashire Cultural Plan 2011 - 2014</u>	
	Helen Lockwood reported on the Pennine Lancashire Cultural Plan, which was submitted for approval along with the associated Action Plan.	
	The Pennine Lancs Cultural Plan set the strategic context to enable Pennine Lancashire as a body to move forward and develop the Culture, Leisure & Sports in PL further.	
	The Arts Council had been very supportive and were particularly keen to develop the entrepreneurial culture project with Pennine Lancashire and the private sector. When this project had been fully worked up it would be submitted to the Joint Committee for endorsement.	
	It was recommended that the Joint Committee approve the Pennine Lancashire Cultural Plan 2011 – 2014 and associated Action Plan.	Approved
8	<u>Pennine Lancashire Food Offer</u>	
	Mike Damms verbally reported on the food offer in Pennine Lancashire.	
	Pennine Lancashire had the basis of an excellent food offer, however this was underdeveloped, with thousands of jobs less than comparable areas. A private sector meeting had been held with local colleges, and three working groups had emerged, focussing on products, retailers and education. These	

	groups would be looking at the scale of the task in the coming months, and linkages would be made with existing food festivals and events.	
	Rather than a big marketing exercise it was felt important that this economic development opportunity was built up and developed properly, and a report would be brought to a future meeting on this topic.	
	It was recommended that the update be noted.	Noted
9	<u>Pennine Lancashire Housing Update</u>	
	The Joint Committee received an update from Steven Cochrane on housing in Pennine Lancashire and were asked to endorse the current approach contained in the document submitted entitled "Pennine Lancashire Housing Strategy 2009 – 2029 Refresh".	
	In March 2010 Pennine Lancashire signed a Local Investment Agreement (LIA) with the Homes and Communities Agency, endorsing the Local Investment Plan for the area, and setting out a commitment to invest over £64m across a range of funding streams in 2010/2011, including Housing Market Renewal. Despite in year budget cuts the LIA has placed PL well to continue to draw down funding in an increasingly competitive environment.	
	It was important as a partnership that PL was able to react to opportunities as they arose and this type of approach would become more common over the forthcoming years. The Comprehensive Spending Review brought to an end separate funding for the HMR programme, and introduced a number of new housing initiatives, eg New Homes Bonus, Affordable Rent Model, Empty Homes Fund, as well as a greater emphasis on using existing assets and working in closer partnership with the private sector and Registered Providers.	
	Following a meeting with Henry Cleary, Deputy Director, CLG, it was agreed that a review would be carried out to identify HMR liabilities/commitments which will extend beyond the current funding period. Concerns about the effectiveness and fit of new Government policies/initiatives within a Pennine Lancashire market context were also raised and clarification was also sought on the use of Regional	

	Growth Fund for housing and regeneration projects in light of the mixed messages coming from Ministers and Civil Servants.	
	As previously agreed at the Joint Committee, the Pennine Lancashire Housing Strategy had undergone a refresh to reflect the changing policy and funding position. The Strategy set out the overarching vision for Pennine Lancashire – and longer term changes needed to rebalance the PL offer to support its economic aspirations.	
	Concerns were expressed at the meeting about the impact of end of HMR on projects that had to be halted and on the effects on local employees, and the benefits lost in terms of health, education and wellbeing of our residents.	
	It is recommended that the Joint Committee notes the content of this report and endorses the approach being taken, including:	Noted & Approved
	<ul style="list-style-type: none"> Review the HMR programme and identify the minimum requirement to bring the programme to an orderly conclusion. 	
	<ul style="list-style-type: none"> Continue to work with the HCA to identify funding from a range of sources including: New Homes Bonus, Affordable Rent Model, Empty Homes Fund, Regional Growth Fund etc. 	
	<ul style="list-style-type: none"> Work with HCA, private sector partners and Registered Providers to support the development of new and existing delivery/investment vehicles. 	
	<ul style="list-style-type: none"> Agree the Housing Strategy refresh. 	
	Graham Burgess verbally updated the meeting on the following:	Noted
	<ul style="list-style-type: none"> The successful bid for £4.2 million funding for HMR and Social Housing that had just been confirmed. 	
	<ul style="list-style-type: none"> The need to launch a campaign for funding from the various Government new housing initiatives that had been announced. 	

	<ul style="list-style-type: none"> • That Steven Cochrane would bring a report back to a future meeting of the Joint Committee on the different vehicles available for funding housing in Pennine Lancashire now that the Comprehensive Spending Review had brought an end to separate funds to the HMR programme. 	
10	<u>The Aerospace Sector in Pennine Lancashire</u>	
	Steve Hoyle submitted a report which updated the Joint Committee on the status of the Pennine Lancashire aerospace industry in the context of recent job losses at British Aerospace and the Strategic Defence Review. The report had been produced in consultation with the North West Aerospace Alliance.	
	The report highlighted the significance of the aerospace sector in Pennine Lancashire, with over 10,000 people directly or indirectly employed.	
	The Strategic Defence Review would have an impact on the regional aerospace defence industry, and in December 2010, BAe Systems confirmed it intended to cut almost 1,400 jobs following the Government's defence review, which axed the Harrier and Nimrod aircraft. The local impact of this would be the loss of a further 668 jobs at Warton and 119 at Samlesbury, following earlier job losses in September 2010.	
	Irrespective of any negative impact of the Strategic Defence Review there was a strong likelihood that decline in employment at BAe would result from the fact that the Typhoon contract was 'last of its generation' and the company would no longer require the jobs engaged in 'front end' design activities. This was likely to start to impact around the middle of 2011.	
	There were however two key contracts that had a substantial economic impact in Pennine Lancashire. These were (a) The Joint Strike Fighter contract which ran until 2035 and (b) the Eurofighter Typhoon contract, and although decisions on tranche 3b of Typhoon numbers were still unclear, there was sufficient confirmed work and ongoing support requirements for existing aircraft to ensure significant employment for many years to come.	
	The sector was experiencing rapid structural change	

	and the local authorities in their capacities as economic development agencies together with Regenerate (and emerging the LEPs) needed to understand and help to plan for these structural changes. This would need to involve closer working links with NWA and support for their activities. The key issues around this were outlined in the report submitted.	
	Particular reference was made to the need for support for the Aerospace Alliance in terms of staffing, and of the need for support from local MPs for the Aerospace sector in Pennine Lancashire.	
	It is recommended that:	
	1) Members approve the report and support the industry drive for increased competitiveness, diversification and innovation; and	Approved
	2) A letter be sent to local MPs and the Business Department on an all party basis, asking for support, with any responses being reported at the next meeting.	Approved
11	<u>Pennine Lancashire Funding Update</u>	
	Brian Bailey presented a report which updated the Joint Committee on the progress of the funding streams contained within the Pennine Lancashire Joint Investment Plan (JIP) as follows:	
	<u>Rural Development Programme for England</u>	
	Following the announcement of the intention to abolish the Regional Development Agencies (RDAs), Defra Ministers had been considering the appropriate arrangements for the continued delivery of the Rural Development Programme for England (RDPE) socio-economic elements (Axis 1, 3 and 4) for the remainder of the programme period (2007 – 2013).	
	Responsibility for ongoing delivery of the RDPE socio-economic elements would transfer to Defra. Defra would shortly be providing further clarity on the budgets available for the remainder of the programme period once the full implications of the Spending Review were confirmed.	

	In order that budget allocations could be protected and spend maximised within Pennine Lancashire as much as possible, a sub-group of the local Authority LAG members and the chairman had been established to help assist with the funding application and appraisal process as well as identifying and encouraging new funding applications to be brought forward.	
	The Axis 1 and 3 elements of RDPE in Pennine Lancashire would deliver a £3.2 million programme, which included £2.7 million in direct grant aid with the balance to cover other elements of the programme to include such things as staffing, research and project development costs.	
	<u>European Regional Development Fund – Future Management</u>	
	With the demise of NWDA in 2012 work had been ongoing to agree arrangements for securing the future management of the current ERDF programme for the North West region. The ERDF NWOP (North West Operational Programme) had three more years to run, with significant funds for economic growth still to be allocated.	
	After 2013 it was likely that the region would secure a further ERDF allocation. It was therefore important to agree arrangements which will ensure full compliance with EU regulations whilst retaining funding allocations and economic benefit within the region.	
	An ERDF Regional Transition Group had been working to generate proposals for future arrangements.	
	There was a clear resonance between the Transition Group proposals and the DCLG consultation. Both proposed to split functions with DCLG taking management and compliance functions to ensure the smooth running of the programme with Brussels, and this to be balanced by the creation of a local decision-making body (a Local Management Committee) which would ensure that decisions on projects and delivery in the region would be taken locally. Partners have no issues with this high level split, although there are issues with some details.	
	Partners were mindful of the need to agree the way	

	forward quickly to ensure that all funds within the current programme were spent and projects delivered, and the PLACE team would be instrumental in this.	
	<u>Cohesion Policy</u>	
	The Joint Committee was updated on the future direction of travel of EU funds, for cohesion and officers were lobbying to retain the funding – there would still be a programme in place – albeit smaller.	
	<u>Evergreen/JESSICA</u>	
	As the traditional regeneration grant funding of one-off projects was over, the private sector was being encouraged to play a greater role by incentivising development through joint ventures and partnerships and via the tax system. The JESSICA initiative was in this mould. It was a European programme designed to create a “revolving door” of sustainable loans to fund business development and economic and transport infrastructure.	
	Evergreen was the name of the North West Urban Investment Fund which would deliver the programme in the region. Unlike one-off project funding, Evergreen, would be self-sustaining.	
	£50m of ERDF and £50m of public assets (from NWDA funds and land) had been matched to create a £100m North West Urban Investment Fund – the Holding Fund.	
	The report outlined how the Evergreen and JESSICA process worked and how it would be managed across the region.	
	In terms of timescales and next steps an Operational Agreement was planned to be signed off by Fund Members in January 2011 during the inaugural Board meeting. A date has yet to be fixed. Evergreen would go live in April 2011.	
	It is recommended that PLACE Members note the contents of this report.	Noted
12	<u>Head of Strategy Report</u>	
	Steve Cochrane presented an update on a number of	

	items relating to PLACE as follows:	
	Skills Policy	
	In November 2010 department for Business, Innovation and Skills published its skills strategy <i>Skills for Sustainable Growth and Further Education – New Horizon</i> , a skills investment strategy. The government were clear in that they wanted an education and skills system that supported sustainable growth.	
	It was reported that funding would be prioritised and loans would be introduced for those aged 24 or over studying at Level 3 from 2013. There would also be no charges for people with very low levels of literacy and numeracy skills. Young people 19 – 24 years first full level 2 and 3 from 2012. Unemployed people claiming Jobseekers Allowance or the Employment support Allowance. Job-outcome payments for Colleges and training organisations would be piloted.	
	The following key points were outlined:-	
	<ul style="list-style-type: none"> • Courses for English for speakers of other languages (ESOL) would be free and co-funded for those who are settled here. 	
	<ul style="list-style-type: none"> • Bureaucracy in colleges and training organisations would be reduced and they would have freedom and flexibility to respond to the needs of employers and individuals. A new single Adult Skills Budget would be created by combining a number of existing budgets. 	
	<ul style="list-style-type: none"> • There would be greater requirement for collaboration across providers to minimise duplication and ensure alignment to the needs of the economy. 	
	<ul style="list-style-type: none"> • Train to Gain would be abolished and Government would co-fund workplace training in SME's (up to 250 employees) at level 2 and adult apprenticeships. Government would continue to support Union learn. There needed to be clear and convincing evidence of the return of that co-investment. 	
	<ul style="list-style-type: none"> • A Growth Innovation Fund would be introduced to support employer-led innovation. Businesses 	

	would be expected to co-fund training costs to boost performance and increase the uptake of apprenticeships. More emphasis would be placed on level 3 apprenticeships with clear progression routes to higher education.	
	<ul style="list-style-type: none"> • Adult and Community learning would be reformed to reduce complexity and bureaucracy which could impact on the future role local authorities. 	
	<ul style="list-style-type: none"> • From April 2012 there will be an all age Careers Service support for young people to make successful transition into adulthood and a focus on lifelong learning. It would be built on the best of Next Step and Connexions which would end. 	
	<ul style="list-style-type: none"> • Collaboration needed to be encouraged around bidding for other funding such as ESF which will be competitive and targeted. 	
	<ul style="list-style-type: none"> • An overarching role for the Employment and Skills Board to ensure that provision met needs, was consistently high quality and duplication was minimised. 	
	North West Regional Improvement and Efficiency Partnership (NWIEP)	
	The project was well underway with a number of schemes already in place. It was expected that this funding from NWIEP to purchase energy equipment would have a positive impact on each council's carbon footprint and energy bills.	
	Third Sector Board	
	The Third Sector Board met on November 17, a copy of the minutes of the meeting were attached for information. Key items discussed were – representation of the third sector on the different groups within the PLACE structures; spatial guide and RGF. In the future the group would be called the Social Economy Board.	
	It was recommended that the Joint Committee note the contents of the report.	Noted
13	Lancashire-wide Health Scrutiny Committee	

	Under Any Other Business, Graham Burgess referred to the Lancashire-wide Health Scrutiny Committee that had recently been established and asked for a Pennine Lancashire nominee from a District Council to sit on the new Committee.	
	Councillor Charlie Briggs nominated Councillor Margaret Lishman from Burnley Borough Council.	Approved
14	Date of Meeting	
	Graham Burgess advised that the next meeting of the Joint Committee was due to be held in only three weeks time on February 10 th 2011 (due to the rearrangement of today's meeting) and advised that the meeting would be rescheduled to still be held at Ribble Valley, but on the next scheduled meeting date (April 14 th 2011) instead of the February date.	Noted and Approved