



Company Number: 07388600

Lancashire Enterprise Partnership Limited

Tuesday, 8th December, 2020 in Zoom Meeting, at 4.30 pm

Agenda

Part I (Items Publicly Available)

- 1. Welcome and Apologies for Absence**
- 2. Minutes of the Board meeting held on 30 September 2020 (Pages 1 - 6)**
- 3. Minutes of the Special Board meeting held on 20 October 2020 (Pages 7 - 8)**
- 4. Matters Arising**
- 5. Declaration of Interests**
- 6. Lancashire Skills and Employment Strategic Framework 2021 Refresh (Pages 9 - 42)**
- 7. Growing Places Fund - Lancashire 2025 (Pages 43 - 48)**
- 8. LEP Strategic Economic Framework (Pages 49 - 66)**
- 9. LEP - Programmes Update Report (Pages 67 - 110)**
- 10. LEP Board Financial Update - October 2020 (Pages 111 - 116)**
- 11. Governance and Committees Report (Pages 117 - 124)**
- 12. LEP Joint Scrutiny Committee (Pages 125 - 130)**
- 13. Any Other Business**

14. Date of Next Meeting

The next Lancashire Enterprise Partnership Board meeting is scheduled to be held on 2nd February 2021 at 4:30pm, venue TBC.

15. 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)

16. Samlesbury Aerospace Enterprise Zone - Update

PowerPoint Presentation

17. LEP Programmes Finance Report (Pages 131 - 138)

18. Growing Places Report - Ormskirk Court Hotel (Pages 139 - 144)

Lancashire Enterprise Partnership Limited

Minutes of the Board Meeting held on Wednesday, 30th September, 2020 at 4.30 pm as a Zoom Virtual Meeting

Present

Steve Fogg (Chairman)

Councillor Stephen Atkinson	Amanda Melton CBE
Miranda Barker	Mick Gornall
Councillor Alyson Barnes	Mark Rawstron
Ann Dean MBE DL	Khalid Saifullah MBE DL
County Councillor Geoff Driver CBE	David Taylor CBE DL
Dave Holmes OBE	

In Attendance

Tony Attard OBE DL, Non-Voting Co-opted Board Member
Andrew Pettinger, Non-Voting Co-opted Board Member
Sarah Kemp, Chief Executive Officer, 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
Katherine O'Connor, Senior Policy Manager, Cities and Local Growth Unit, BEIS
County Councillor Michael Green, Cabinet Member for Economic Development, Environment and Planning, Lancashire County Council
Anne-Marie Parkinson, Programme Manager, Lancashire Enterprise Partnership
Stephen Young, Executive Director of Growth, Environment, Transport & Community Services
Phil Green, Director of Growth, Environment and Planning Economic Development, Lancashire County Council
Michele Lawty-Jones, Director of the Lancashire Skills Hub
Kerry Harrison, Digital Skills Coordinator, Lancashire Skills Hub
Nick Gerrard, Growth and Prosperity Programme Director, Blackpool Council
Neil Shaw, Chief Executive, Rossendale Borough Council
Nicola Hopkins, Director of Economic Development and Planning, Ribble Valley Borough Council
Misbah Mahmood, Senior Democratic Services Officer, Lancashire County Council
Andy Milroy, Senior Democratic Services Officer, Lancashire County Council

1. Welcome and Apologies for Absence

Apologies were received from Councillor Ivan Taylor, Kate Shane, Claire Whelan, and Councillor Phil Riley.

11. 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.

12. Getting Building Fund (For information)

Miranda Barker, Chief Executive, East Lancashire Chamber of Commerce declared an interest in this item as one of the parties that had submitted an application to the Getting Building Fund.

Houndshill Extension Scheme

Nick Gerrard, Growth and Prosperity Programme Director from Blackpool provided a private and confidential presentation regarding the Houndshill Extension Scheme.

Resolved:

- (i) The Lancashire Enterprise Partnership Board welcomed the presentation and expressed its support for the Houndshill Extension Scheme.
- (ii) The Board agreed to hold virtual themed workshop sessions to focus on the strategic plans for towns across Lancashire for Members to get up to speed on town centre plans and strategies for increasing town centre activity during the current climate.

Abingdon Street Market

Nick Gerrard, Growth and Prosperity Programme Director from Blackpool provided a private and confidential presentation regarding Abingdon Market.

Resolved: The Lancashire Enterprise Partnership Board welcomed the presentation and expressed its support for the Abingdon Street Market.

M55 Transport Scheme

Neil Stephens, Highways Development Control Manager, Lancashire County Council provided a private and confidential presentation regarding the M55 Transport Scheme.

Resolved: The Lancashire Enterprise Partnership Board welcomed the presentation and expressed its support for the M55 Transport Scheme.

Hillhouse International Scheme

Mark O'Brien, NPL Group Director, Energy Projects gave a private and confidential presentation regarding the Hillhouse International Scheme.

Resolved:

- (i) The Lancashire Enterprise Partnership Board welcomed the presentation and expressed its support for the Hillhouse International Scheme.
- (ii) Mark O'Brien to share with Board Members details of the speed of Superfast Fibre broadband network.

REDCAT

Miranda Barker, Chief Executive, East Lancashire Chamber of Commerce gave a private and confidential presentation regarding the REDCAT – Lancashire's Centre for Alternative Technologies.

Resolved:

- (i) The Lancashire Enterprise Partnership Board welcomed the presentation and expressed its support for REDCAT.
- (ii) Miranda Barker and Sarah Kemp to organise a net zero workshop for Board Members to work through the topic covering areas such as skills, investment and standards for procurement.

13. Lancashire Digital Skills Partnership – Lancashire's Digital Skills Landscape Research and extension of the Lancashire Digital Skills Partnership funding

Michele Lawty-Jones, Director of the Lancashire Skills Hub and Kerry Harrison, Digital Skills Coordinator, LEP provided a private and confidential update report on Lancashire's Digital Skills Landscape Research and extension of the Lancashire Digital Skills Partnership funding.

Resolved:

The Lancashire Enterprise Partnership Board:

- (i) Noted achievements to date.
- (ii) Noted the findings and recommendations from the research; and
- (iii) Approved the receipt of further funding (£75k) from DCMS to support the LDSP, should this be approved by DCMS.

2. Minutes of the meeting held on 23 June 2020

Resolved: The minutes of the Lancashire Enterprise Partnership Board meeting held on 23 June 2020 were approved as an accurate record.

3. Matters Arising

In regards to establishing a Task Group to review the LEP Assurance Framework and LEP Committee structures it was noted that the group had met but the work was not yet complete, an update would be provided to a future meeting of the Board.

4. Declaration of Interests

Miranda Barker, Chief Executive, East Lancashire Chamber of Commerce declared an interest in respect to Item 12 on the agenda.

5. LEP - Programmes Update Report

Anne-Marie Parkinson, LEP Programme Manager, presented a report (circulated) 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.

An update was provided on the social value indicators, these indicators had been embedded into every programme since 2015 and had started predominately with the Growth Deal programme. The team had developed a social value toolkit which had a number of key performance indicators that have been developed in line with national social value mechanisms and practices of ways of working. The long term objective was that social value was embedded in pre-project identification and pre-procurement, where projects are developed in acknowledgment of what the social value aims are and what can be achieved out of them.

Board Members were asked to consider the KPI's, dashboard and infographics and if any Member had further feedback to email Anne-Marie Parkinson directly. It was suggested that social value could be extended to social and economic value and a further KPI that could be captured within the region was profit generation within local firms that were appointed as part of procurement exercises, not just employment and local labour utilisation.

Resolved: The Lancashire Enterprise Partnership Board agreed to:

- (i) Note the updates contained in the report;
- (ii) Note the forthcoming decisions; and
- (iii) Approved of the reporting structures for future reports and agreed that any further feedback in regards to KPI's be fed directly to Anne-Marie Parkinson.

6. Report of the LEP Chief Executive

Sarah Kemp, Chief Executive, presented an update report (circulated) providing the LEP Board with an overview of activity carried out in the previous period and planning for the next period.

It was highlighted that work was ongoing with the Strategic Framework to develop it into a delivery plan and a work planning session would take place in November for Board Members to set key priorities. A consultation exercise was proposed with all key partners as part of that process to make sure the LEP was aligned to the strategic objectives of partners.

Clarification was sought on the proposed review of all current economy-related Strategy, Plans, Policy and Programmes to determine strategic fit and identify gaps in the Framework and whether this was intended for just the LEP or whether this would be county-wide. Sarah Kemp, Chief Executive clarified that the Framework and the review was considered more of a system of the whole of the economic functioning of Lancashire including an understanding of the context of what was already being delivered on the ground and not seeking to duplicate or replicate it but to enhance it. This was not a formal review process of partner programmes, it was more about acknowledging that they were already there and the impact they were having.

In regards to the Review of Form and Functionality detailed in the report and the 4 core functions of the LEP and key policy areas, it was highlighted that the current form of wording made it appear that the LEP was responsible for many different policy areas which were the responsibility of local authorities or other partner organisations. Sarah Kemp, Chief Executive noted the point in regards to the wording and clarified that this was about setting out the broad economic framework for Lancashire. In addition it was stated that the framework was about bringing together the private sector with the public sector in those policy areas providing an opportunity for the private sector to input into the advice and strategic input alongside the public sector and was not about overlooking the statutory responsibilities of local authorities and other partners.

Appendix A contained the Corporate Risk Register which covered the strategic risks, existing controls and a proposed action plan. Board Members were asked to provide any feedback directly to Sarah Kemp.

Resolved: The Lancashire Enterprise Partnership Board noted the contents of the report.

7. LEP Financial Update - September 2020

Sarah Kemp, Chief Executive, presented an update report (circulated) providing the LEP Board with an update on LEP finances since the last Board meeting in June 2020.

Following discussions it was suggested that in relation to point (iv) of the report recommendation this should be approved and not just noted by the Board.

Resolved: The Lancashire Enterprise Partnership Board noted the following:

- (i) The August position on income and expenditure of the LEP's Operating Budget and changes to forecast and actuals.
- (ii) An end of year forecast of an in year deficient of £1,686,666 based on the use of retained reserves to fund delivery of the agreed budget.
- (iii) The current position of the Income and Expenditure Account for the current financial year to date surplus of £148,651 compared to a surplus to date in July of £154,901

In relation to recommendation (iv) of the report, it be approved as set out below:

- (iv) The Section 151 officer commentary on the operating budget position and recommendation that a medium term financial strategy be developed alongside the strategic framework.

8. Governance and Committees Report

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

The Chairman, Steve Fogg, informed the Board that with the agreement of Mark Rawstron he had decided to change roles on the City Deal so that Steve Fogg would become the Deputy Chairman and Mark Rawston would become the Chairman of the City Deal Executive and also the LEP Strategic Lead for Economic Development on the City Deal Stewardship Board.

Resolved: The Lancashire Enterprise Partnership Board noted the updates provided in the 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 in the report.

9. Any Other Business

None

10. Date of Next Meeting

It was noted that the next meeting of the Lancashire Enterprise Partnership Board is scheduled to be held on 8 December 2020 at 4:30pm via Zoom.



Lancashire Enterprise Partnership Limited

Minutes of the Special Board Meeting held on Tuesday, 20th October, 2020 at 12.00 pm as a Zoom Virtual Meeting

Present

Steve Fogg (Chairman)

Councillor Stephen Atkinson
Miranda Barker
Councillor Alyson Barnes
Ann Dean MBE DL
County Councillor Geoff Driver CBE
Dave Holmes OBE

Amanda Melton CBE
Mick Gornall
Mark Rawstron
Khalid Saifullah MBE DL
David Taylor CBE DL
Claire Whelan

In Attendance

Sarah Kemp, Chief Executive Officer, Lancashire Enterprise Partnership
Anne-Marie Parkinson, Programme Manager, Lancashire Enterprise Partnership
Angie Ridgwell, Section 151 Officer, Chief Executive and Director of Resources, Lancashire County Council
Jo Ainsworth, Principal Accountant, Lancashire County Council
Victoria Critchley FRICS, Head of Commercial Development, ABP Property Development
Kate Ingram, Strategic Head of Economy and Growth, Burnley County Council
Melissa Conlon, Commercial Director, University of Sheffield, AMRC North West
Rachel Salter, Service Lead (Development and Business), Chorley Council
Victoria Pemberton, Executive PA, Lancashire Enterprise Partnership

1. Welcome and Apologies for Absence

Apologies for absence were received from:

Directors - Councillor Phil Riley and Councillor Ivan Taylor.

Non-Voting Co-opted Board Members - Tony Attard OBE DL and Andrew Pettinger.

Officers – Laura Sales, Company Secretary and Andy Milroy, Deputy Company Secretary.

2. Declaration of Interests

None

3. Any Other Business

None

4. Date of Next Meeting

It was noted that the next Lancashire Enterprise Board meeting is scheduled to be held on 8th December 2020 at 4:30pm via Zoom.

5. 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 item as it 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 the report and 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.

6. Getting Building Fund - Project Presentations

Anne-Marie Parkinson, LEP Programme Manager, presented a report (circulated) which provided the Board with a high level update for each of the LEP programmes including Alker Lane, Burnley Town Centre Master Plan - Pioneer Place Retail/Leisure Development, Low Carbon Building Demonstrator, Project Neptune (previously named - Fleetwood Docks Mixed Use Regeneration Project), Tatton Project

Resolved: The Lancashire Enterprise Partnership Board noted the report and presentations on each project.



Lancashire Enterprise Partnership Limited

Private and Confidential: NO

Date: Tuesday, 8 December 2020

Lancashire Skills and Employment Strategic Framework 2021 Refresh

(Appendices 'A' and 'B' refer)

Report Author: Dr Michele Lawty-Jones, Director of the Lancashire Skills and Employment Hub, Michele.lawty-jones@lancashirelep.co.uk

Executive Summary

The first iteration of the Lancashire Skills and Employment Strategic Framework was published in February 2016. The Skills and Employment Advisory Panel and the Lancashire Skills and Employment Hub have undertaken a refresh of the framework for 2021, including consultation with partners, as detailed in Section 2. Minor amendments have been made in line with the feedback from the consultation, and the board is asked to approve the final version of the framework for publication in January 2021.

Recommendation

The Lancashire Enterprise Partnership Board are asked to approve the final version of the Lancashire Skills and Employment Strategic Framework 2021, for publication in January.

1. Background

- 1.1 The first version of the Lancashire Skills and Employment Strategic Framework was published in February 2016 and covered a 5 year period. The Skills and Employment Advisory Panel and the Lancashire Skills and Employment Hub have undertaken a refresh of the framework, recognising that the framework was coming to the end of its time period and also that the framework was no longer current due to the progress made since publication.
- 1.2 It was agreed that the framework in this instance should be refreshed for a one year period only, taking into account the unique environment resulting from COVID-19, the development of allied strategies and groups (the LEP's Strategic Economic Framework, Sector Groups and the Greater Lancashire Plan), and the requirements of DfE for a Local Skills Report in March 2021, to meet national guidance. It is anticipated that future versions of the framework will cover a time period of several years.



1.3 A draft of the framework was presented to the September Skills and Employment Advisory Panel meeting and approved for consultation.

2. Consultation

2.1 Consultation has been undertaken via a number of virtual meetings and events. This included:

- Consultation session with LEP directors on Wednesday 21st October
- Discussions with 14 of the 15 Local Authority Chief Executives and Directors
- Two consultation events with employers, providers and stakeholders (run via Zoom) which attracted a total of 41 attendees

2.2 There was general agreement with the themes and priorities identified within the framework, and it was agreed that it was appropriate to refresh the framework for a one year period taking into account the current environment.

2.3 It was suggested a number of times that the impact of COVID-19 is no longer short-term, but medium to longer term and that the framework should be refreshed in a year's time when the implications are more fully understood. Concerns were raised about the adverse impact on the more disadvantaged communities and the compounding effect on the 'levelling up' agenda, and the potential for the gap to widen.

2.4 Across the group sessions, attendees were asked to rate priorities within the different themes, and the results were as follows:

Future Workforce:

1. Breadth and quality of careers provision
2. Supporting young people and NEET
3. Accelerating the development of virtual encounters with employers and FE/HE
4. Technical education routes

Inclusive workforce:

1. Improving employability of unemployed & inactive
2. Moving people into jobs in areas of demand
3. Digital inclusion

Skills and Productive Workforce:

1. Reskilling/upskilling the current workforce
2. Digital skills
3. Inclusivity and diversity of the Lancashire digital sector

2.5 Some gaps were highlighted in the framework, such as improving career provision relating to self-employment and these have now been made more explicit within the framework.



- 2.6 It was recognised that the framework also had a role in supporting the work of the Sector Groups, and that as intelligence was gleaned from the expert employer panels, the partners involved in delivery would need to respond appropriately. Particular reference was made to building a green workforce, in-line with the drive towards clean energy and net zero carbon targets.
- 2.7 It was also suggested that a section could be added around asks to government, aligning with the restart of the work on the Lancashire Industrial Strategy (LIS), now addressed. There was a call to use the framework to lobby in relation to skilling up the people of the North, alongside the capital investment in infrastructure, to drive economic stability and a return to growth and increased productivity.
- 2.8 The framework was distinguished for being ambitious with a significant number of activities spread across partners. However, it was further noted that the activity builds on the foundations built over the past four years, since the publication of the first framework. The list under 2.4 will help to drive priorities within the Skills and Employment Hub and conversations with partners.
- 2.9 The final version of the framework is provided in the attached Appendices, with the summary of the Labour Market Intelligence. The framework will be professionally designed prior to publication, in a style similar to that of the Technical Education Vision.
- 3. Conclusion**
- 3.1 In line with the feedback received through the consultation, a number of minor amendments have been made to the draft framework. The Skills and Employment Advisory Panel recommend to the LEP Board, to approve the final version for publication in January 2021 for a 12 month period.

List of Background Papers

Paper	Date	Contact/Tel
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None

Reason for inclusion in Part II, if appropriate

N/A

Lancashire Skills and Employment Strategic Framework

Refresh for 2021

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Introduction

The Lancashire Skills and Employment Strategic Framework 2016-2021 was published in February 2016. The framework brought together partners in Lancashire and provided a shared focus and platform aimed at improving the responsiveness of the skills and employment system to the needs of Lancashire. Driven by Lancashire's Skills and Employment Advisory Panel, the framework was underpinned by an extensive evidence base and was aligned with Lancashire's Strategic Economic Plan (SEP).

Much has been achieved in the past 4 years, for example:

- Establishment and phased roll out of the Enterprise Adviser Network and award winning Careers Hub, raising the quality of careers provision in secondary schools and colleges across Lancashire in partnership with the business community
- Launch of the first Digital Skills Partnership in partnership with DCMS in April 2018
- Production of a shared Technical Education Vision in October 2018 – with one of the largest clusters of colleges delivering T Levels in the first 2 phases
- Development with partners of the Lancashire Skills Escalator and 'Escalate' referral tool, enabling European Social Funded (ESF) projects to move people more effectively into sustained employment
- Launch of the Lancashire Skills Pledge with partners – bringing together a simple means for employers to engage with education and training
- Launch of 'Skills for Work' in partnership with over 50 local and national partners in response to the COVID-19 pandemic, to enable furloughed workers, those at risk of redundancy and those looking for work to easily access the support that is available to them.

It was the intention to refresh the framework to cover a similar 5 year time period, however, the country has entered unprecedented times, with the impact of COVID-19 on the economy and employment and skills only starting to be understood. Whilst the development of the Lancashire Enterprise Partnership (LEP) Strategic Economic Framework has progressed, the production of the Local Industrial Strategy in Lancashire was paused due to the pandemic, and is due to be progressed and completed at a time when the co-design with government can be re-initiated. The production of the Greater Lancashire Plan was also initially paused. Focus shifted to the response to short-term impact of COVID-19 and then to recovery, with the publication of Lancashire's Recovery Plan in June 2020 – Redefining Lancashire¹ which sets out the urgent actions required to support survival, stabilisation, recovery and return to growth for businesses and employment. In June 2020 the Lancashire Local Government Leaders also signalled collective intent to pursue devolution and the formation of a Combined Authority; the development of the Greater Lancashire Plan is now being accelerated, setting out a new vision for inclusive growth, healthy communities and cleaner world, delivered through a place shaping strategy of public sector reform, economic growth and environmental sustainability, with the LEP driving forward business-led delivery of Lancashire's Strategic Economic Framework.

It has thus been agreed by the Lancashire Skills and Employment Advisory Panel that the framework should be refreshed for a one year period, recognising the unique circumstances that Lancashire has entered.

¹ <https://www.lancashire.gov.uk/media/917897/redefining-lancashire-our-approach-to-recovery-25-june-2020.pdf>

Labour Market Context

Introduction

Lancashire is a large and diverse area, with coastline, countryside and urban centres. It is internationally renowned in the military and civil aerospace industry, with the largest single concentration of aerospace production in the country. Lancashire also has a high concentration of automotive supply chain businesses, a growing base of medical technology businesses, as well as a wide ranging food and drink manufacturing base. With strengths in clean technology, including nuclear and wind, the energy industry is also significant. Alongside tourism and hospitality, and agriculture, the area has a diverse range of skills and employment needs. The Lancashire Skills and Employment Strategic Framework recognises the different strengths and weaknesses of the wider area, and will be applied in accordance with the needs in more localised travel to work footprints.

Lancashire has a proud industrial heritage, with the manufacturing sector contributing the highest of any sector to Lancashire's gross value added as of 2018 figures (figure 1), and 13.6% of all employment in the Lancashire LEP area (figure 2). To note the figures and tables are provided in the Appendix to the framework. As of March 2020, the Lancashire LEP employment was higher than that seen regionally in the North West, and in the UK (figure 5), after being below the UK overall rate in 2019, and for much of the period between 2013-2017. Despite Lancashire's higher than average employment rate, household disposable incomes in each of Lancashire's 15 authorities show that they are below the UK average (figure 7), and show significant regional variation, with over £6,000 disparity annually between the district with the highest average household disposable income, and the lowest. Whilst GVA per Head of the population has been growing in recent years, Lancashire has lower than average productivity when compared to North West and UK averages (figure 19).

The economic impact of COVID-19 is only just starting to be understood, the claimant count as a percentage of 16-64 residents is one way of tracking the impact this has had in the labour market. The Lancashire LEP region claimant count was at 3.7% in March 2020, mostly before the introduction of measures designed to reduce the spread of COVID-19. During the disruption this peaked at 7% in May 2020, an increase of 3.3%, with the claimant count sitting at 6.9% as of July 2020 (figure 10). This masks significant variation across Lancashire's districts, with some districts seeing increases as large as 5.1% (figure 8). This variation across districts can also be seen in the figures released by Her Majesty's Government pertaining to the Coronavirus Job Retention Scheme (figure 11). The economic disruption has led to large scale use of the furlough scheme, and data released shows that this disruption has had a severe effect on certain sectors, some of which have been worse affected regionally (North West) than nationally (figure 9).

Young People

Looking at the average attainment 8 scores of Key Stage 4 pupils in Lancashire, compared with those in the England, the Lancashire average is above that of England. This does however mask significant variation in the districts of the Lancashire LEP, with Blackpool and Burnley achieving an average Attainment 8 score of around 40 on average in 2017/18, compared to the average in England of 44.5, and 45.8 in Lancashire (figure 12).

Overall Lancashire LEP has a higher rate of 16 and 17 year olds who are not in education, employment or training (NEET), than is seen nationally and regionally in the North West (figure 13). It is important that stakeholders and providers continue to work towards ensuring that there is adequate and appropriate provision available to support young people who are at risk of or NEET to reengage with learning and work. A Gap Analysis has been undertaken showing the availability of appropriate provision in Lancashire for these young people, which has been used to inform the targeting of European Social Funds (ESF). Without ESF provision, NEET provision is lacking.

Young people's education and employment prospects are of particular heightened importance when considering the impact of COVID-19 on the Lancashire economy, with young people aged 18-24 experiencing a claimant count percentage of 10.1%, which is above the Great Britain overall of 9.3% as of July 2020, and which is 3.2 basis points above the overall rate for residents aged 16+ in Lancashire (figure 8).

Unemployment

Whilst there were employment rate and weekly take home pay disparities across local authorities within Lancashire which existed pre COVID-19 (figure 16), these have been further entrenched as a result of the economic disruption caused by COVID-19, with significant increases in the claimant count in already disadvantaged areas (figure 17), with some areas experiencing claimant count rates as high as 12.3% in July 2020 (figure 8). This further highlights the need to continue to boost the skills and employability of unemployed and inactive residents, supporting their journey into work, particularly in disadvantaged areas.

With the economic impact of COVID-19 maturing every month, seeing increases in claimant counts across Lancashire (figure 8), and high levels of furlough in certain local authorities (figure 11), with high employment in some of the most badly affected sectors (figure 9), it is important that emphasis is placed on reskilling & upskilling the current workforce, with a focus on digital skills to support technology adoption as the jobs that once existed in certain sectors aren't guaranteed to exist going forward, in addition to bolstering support for employees who are at risk of redundancy. This extends to being informed by robust labour market insight in which demographics are most at risk and are badly affected, potential inferences can be drawn when looking at the disparity in the rate of growth in the claimant count across Males and Females (figure 10).

The Labour Market

Lancashire has lower than average productivity (figure 19). In addition, Lancashire has an ageing workforce and a reducing working age population (figure 3). Replacement demand in Lancashire's key sectors, for example, manufacturing, energy and health, demonstrates the need to attract and retain skills to enable businesses to function effectively (figure 24). There is opportunity to drive up productivity through new talent with a different skills set, for example, people who are digitally confident and able to work intuitively with new technologies, [see Lancashire's Digital Landscape Report 2019²](#).

Projections of demand for qualifications to 2028 show increased demand for Level 3 and 4+ with declines in demand for Levels 1 and 2, and a significant fall in demand for those with no qualifications – Lancashire is projected to experience a larger decline in the demand for those with no qualifications than the UK overall (figure 21). Thus, there is a challenge for the local economy to upskill its existing workforce and to ensure that the next generation of workers has the qualifications necessary for the skill-hungry economy of the future.

Lancashire lags the Northwest and national average (England minus London) in terms of qualifications at Levels 4 and above (figure 4). This impacts on productivity and the lower than average weekly wage (figure 14). Skills and employment forecasts indicate that there will be a greater demand for employees with Level 4+ skills, particularly technical and professional skills (figure 21).

The economic disruption caused by COVID-19 seems to have varied in severity in accordance with the sector, and the working conditions which are intrinsic to those sectors, some of the worst affected sectors (figure 9) which have seen the highest rates of furlough across the North West, are notable contributors to Lancashire's economic output (figure 1), and were previously forecast to have significant requirements for replacement demand in the next 8 years (figure 24). This further highlights the need for the Lancashire Skills and Employment Hub to engage with sector specific initiatives targeted at areas with labour market demand, which could be fast changing in an uncertain economic landscape, and must be informed by robust labour market intelligence.

Lancashire's employment base is characterised as having fewer workers in Professional occupations, Associate Professional and Technical occupations, and managerial occupations than is typical nationally (figure 6), whilst having a considerably higher percentage of jobs in skilled trade occupations, Caring, Leisure and other service occupations, and Administrative and Secretarial occupations.

Following the Apprenticeship reforms, 2017/18 Apprenticeship starts were down by 32.7% on the 2016/17 level (figure 18). In the two years following the apprenticeship reforms, Lancashire's starts had started to experience a

² <https://www.lancashireskillshub.co.uk/wp-content/uploads/2020/06/Lancashire-Digital-Report-FINAL-Exec-Summary-May-2020.pdf>

recovery, and as of 18/19 Apprenticeship starts were at 73.2% of their pre-reform level, with an increase in starts year on year. Apprenticeship starts as of Quarter 3 of 2019/20 (August 2019 – April 2020) are down 10% (980 starts) in Lancashire on the same period in 2018/19, with the growth in Apprenticeship starts in the first six months of the 2019/20 academic year being offset by the impact of COVID-19. Current Apprentices are also affected by furlough and breaks in learning resulting from COVID-19.

Lancashire lags the UK by percentage of employment at a managerial level (figure 6), and highlights the need to improve Leadership & Management capacity in SMEs particularly, with a renewed focus on ensuring supervisors and managers have the skills needed to support business recovery relating to COVID-19.

Health

Lancashire local authorities which have available data on sickness absence when at work typically lag both the UK and North West average for the percentage of hours of work lost annually due to sickness (figure 22), this highlights the need to continue to develop workplace initiatives that enable a healthy workforce including retaining ageing workers, especially given Lancashire's composition of the population lags the UK and North West proportion of 16-64 residents (figure 3). This is further compounded by the impact of COVID-19 on health and well-being, in particular mental health.

Wider Policy Context

The government has published an array of strategies and policies that provide a wider context for the Lancashire Skills and Employment Strategic Framework. The landscape has increased in complexity due to the pandemic and the impact that this has had on education, skills and employment. With unprecedented increases in unemployment, and those at risk, the government has published a 'Plan for Jobs' which a range of initiatives which aim to provide support to businesses and people to boost employment, and in particular the prospects of young people who have been adversely impacted.

Prior to the pandemic there were a number of notable publications. The government published the UK's Industrial Strategy³ in November 2017, which paved the way for the production of Local Industrial Strategies. The aim of the Industrial Strategy is 'to boost productivity by backing businesses to create good jobs and increase the earning power of people throughout the UK with investment in skills, industries and infrastructure'. This included plans to build a world-class technical education system, investment in maths and digital, the establishment of a National Retraining Scheme to retrain people within an environment of automation and digitalisation, and policies to enable the 'levelling up' of disadvantaged areas.

Significant progress has been made in relation to technical education, with the publication of the independent report on technical education and the Post-16 Skills Plan⁴. Apprenticeship reforms and the establishment of the Institute for Apprenticeships and Technical Education (IfATE) has sought to establish an employer led system, with progress made towards a streamlined system and a common framework of 15 routes, alongside the introduction of the Apprenticeship Levy. Progress includes the development of and phased introduction of T Levels from September 2020 (high quality, two year programmes with industrial placements aligned with Apprenticeships). This is complemented by the publication of the Post-18 Review⁵ and Higher Technical Education Reforms⁶ and the intention to drive good quality, employer led Higher Technical Qualifications at Levels 4 & 5. This will align and build on current and future investment in Institutes of Technology.

The Lancashire Technical Education Vision⁷ recognises the importance of a high performing technical education system to the Lancashire area, and the role that technical routes have in enabling people to develop technical skills to improve their job prospects and earning potential, whilst also boosting the productivity of businesses. With a strong network of educational providers and a significant industrial base, Apprenticeships have a long legacy in Lancashire, which are now being complemented by the introduction of T Levels in 6 colleges across the area.

The government Careers Strategy⁸ published in December 2017, set out ambitions for improving the careers system, with a particular focus on the system in secondary schools and colleges, building on the establishment of the Careers and Enterprise Company and the co-investment by LEAs and Local Authorities across the country in the development of Enterprise Adviser Networks and the partnership with business, including the success of the NE pilot of the Gatsby Benchmarks. The strategy announced the intention to invest in Careers Hubs and the establishment and professional recognition of the Careers Leader role in schools and colleges and to position the Gatsby Benchmarks as the 'gold standard' for a good careers programme. Significant progress has been made since the publication of the strategy for young people, whilst careers provision for adults remains patchy with a digital first approach from the National Careers Service and limited, targeted support for individuals.

³ <https://www.gov.uk/government/publications/industrial-strategy-building-a-britain-fit-for-the-future>

⁴ <https://www.gov.uk/government/publications/post-16-skills-plan-and-independent-report-on-technical-education>

⁵ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/805127/Review_of_post_18_education_and_funding.pdf

⁶ <https://www.gov.uk/government/publications/higher-technical-education-reforms/higher-technical-education-reforms>

⁷ <https://www.lancashireskillshub.co.uk/strategies/technical-education-vision/>

⁸ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/664319/Careers_strategy.pdf

The Lancashire Enterprise Adviser Network (EAN) has gone from strength to strength since its beginnings in February 2016 and phased roll out, complemented by the launch of the pilot Careers Hub in the Blackpool Opportunity Area, Burnley and Pendle in September 2018. From September 2020, the Hub will be rolled out across the whole of the Lancashire area. The Hub is one of the highest performing in the country and achieved the Careers Hub of the Year award at the September 2019 annual Careers and Enterprise Company & Gatsby Foundation awards. Technical education routes are embedded, in-line with Lancashire's Technical Education Vision.

The UK Digital Strategy 'Our Plan for Britain'⁹ was published in March 2017, setting out ambitions to create a world-leading digital economy that works for everyone. The strategy outlines the importance of digital skills in increasing prosperity and productivity, and the need to ensure that no-one is left behind. This was complemented by the publication of a Digital Skills and Inclusion Policy¹⁰. Digital skills are required to enable businesses to harness the productivity benefits of digital innovation, and for people to achieve a broad range of positive outcomes including gaining employment, saving money, expanding career opportunities, reducing isolation and improving health and wellbeing. The strategy initiated the establishment of the national Digital Skills Partnership (DSP) by DCMS, which brings together public, private and charity sector organisations. The partnership aims to help increase the digital capability of individuals and organisations in England, and is mirrored by a number of local pilot partnerships which aim to tackle local digital skills challenges and build thriving and inclusive local economies. The Essential Digital Skills entitlement is also being introduced to help to address digital exclusion supporting the

In 2018, the LEP established the first local DSP in partnership with DCMS. This enabled investment in a Regional Coordinator which has enabled considerable progress to be made in working with partners to tackle local digital skills challenges – including embedding digital within careers provision, boosting digital skills in business and upskilling Lancashire people to improve employability and address digital skills shortages and hard to fill vacancies. For example, the 'test and learn' Fast Track Digital Workforce Fund, a collaboration with DCMS and Greater Manchester Combined Authority (GMCA) will test innovative approaches to employer and provider collaborations to fast track local people into high value digital roles through intensive 'bootcamp' provision, whilst also seeking to improve diversity in the digital workforce. The approach will influence the development of the National Skills Fund, working in partnership with DfE.

Aligned with the Industrial Strategy and UK Digital Strategy, the industry-led Made Smarter Review¹¹ explored how UK manufacturing can maximise benefits from increasing the adoption of digital technology through the 4th Industrial Revolution, also referred to as Industry 4.0. A strong government-industry partnership has resulted which is driving an industrial digitalisation programme, the Made Smarter pilot, across the Northwest of England benefiting Lancashire businesses. The local DSP is supporting the pilot in regard to skills for digitalisation.

Welfare reform, primarily through the introduction of Universal Credit¹² aims to improve progression into jobs and progression to higher levels of pay among those already in work. Traditionally, funding from the Department for Work and Pensions has focused on training solutions to reduce the out-of-work claimant count, but with the advent of Universal Credit there is a greater emphasis on focusing on training of those in employment that will help increase their income.

In response to the impact of COVID-19, the government has published a 'Plan for Jobs'¹³ which aims to reduce the impact of the pandemic on businesses and people, with a number of schemes aimed at incentivising employers to keep on employing – for example, through the furlough scheme and job retention bonus, by incentivising Apprenticeships and the introduction of the Kickstarter programme. It will be important to ensure that the schemes

⁹ <https://www.gov.uk/government/publications/uk-digital-strategy>

¹⁰ <https://www.gov.uk/government/publications/digital-inclusion-and-skills-policy/digital-skills-and-inclusion-policy>

¹¹ <https://www.gov.uk/government/publications/made-smarter-review>

¹² https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/48897/universal-credit-full-document.pdf

¹³ <https://www.gov.uk/government/publications/a-plan-for-jobs-documents/a-plan-for-jobs-2020>

are maximised locally, working with DWP, Jobcentre Plus and local partners to integrate the schemes with existing provision, and to also communicate the offers clearly to employers and individuals. The www.skillsforwork.info microsite has been launched with over 50 partners to communicate current offers, to bring support to those that are furloughed, to boost skills for business recovery and employability, support those facing redundancy and those seeking work, and younger people aged 16-24 with tailored provision. The site will be developed to incorporate new offers as they become live.

Asks of government

The themes, priorities and delivery plan are presented in the following pages. As detailed on page 2, significant progress has been made since the publication of the first iteration of the Lancashire Skills and Employment Strategic Framework. To maintain momentum the following asks are made of government:

- Continued investment by DfE in the Skills Advisory Panels across the Country to enable effective intelligence gathering and analysis and an evidence based approach, beyond March 2021.
- Continued investment by DfE in the Enterprise Adviser Network and Careers Hub beyond August 2021 – ideally a 3 year settlement to enable planning and sustainability. Flexibility in the Gatsby Benchmarks to enable recognition of virtual encounters and experiences during the COVID-19 restrictions but also in the longer term to capture creativity and innovation and a move towards a blended approach which will increase exposure to different sectors and job roles.
- Continued investment in the Blackpool Opportunity Area with cascade to other disadvantaged areas in Lancashire with lower levels of social mobility, further compounded by COVID-19.
- Continued investment by DCMS in Digital Skills Partnerships beyond 2021. Roll out of the Fast Track Digital Workforce Fund and Digital Bootcamps by DfE under the National Skills Fund in April 2021, with expansion to other high value roles that are skills shortage areas – incorporating the learning from the Lancashire and GMCA test and learn pilots.
- Funds for a Lancashire Institute of Technology, enabling the co-design and development of existing and new Higher Technical Qualifications that meet the needs of employers now and in the future, and progression routes from T Levels.
- Further allocation of Skills Capital which is ring-fenced to invest in buildings, kit and technology to ensure that FE and HE has fit for purpose estate to drive up the quality of education and skills provision.
- Influence to shape UKSPF, as a replacement to European Social Funds, ensuring that the funds meets the priorities of Lancashire's labour market. Devolved prioritisation and fund management at a local level.
- Devolved AEB funds to LEP areas, regardless of MCA status, to ensure that funds are aligned with priorities in the local labour market and address needs.
- Maximised impact of the 'Plan for Jobs' on employment prospects of Lancashire residents, including Youth Unemployment, furlough schemes (including support highly impacted sectors, such as Tourism and Hospitality), working in partnership with local partners, DWP and DfE.
- Devolved use of unspent levy to local areas, to the benefit of younger people adversely affected by COVID-19.

Key Themes

Lancashire has an established Skills and Employment Board which evolved in April 2019 to be the Skills and Employment Advisory Panel for the area, in-line with national guidance from the Department for Education (DfE). With an evidence-based approach in place, and an open source Labour Market Intelligence (LMI) Toolkit, the panel is focused on working with partners to identify and address skills and employment priorities in Lancashire. The Lancashire Skills and Employment Hub (Skills Hub) is the executive to the Panel, working with educational providers, business and stakeholders across the area.

The previous Lancashire Skills and Employment Strategic Framework had 4 themes: Future Workforce, Inclusive Workforce and Skilled and Productive Workforce, underpinned by an Informed Approach. These themes proved useful in clearly articulating the aims and objectives of the framework and will therefore continue to be used. The themes will support the implementation of the evolving LEP's Strategic Economic Framework.



Future Workforce: working with education and business to establish a talent pipeline and future workforce that meets the current and future demands of the local labour market.



Inclusive Workforce: supporting unemployed and inactive residents into sustainable employment, driving up digital skills and embedding social value to 'level up' areas of Lancashire and accelerate inclusive growth.



Skilled & Productive Workforce: working with business to drive up skills in Lancashire's workforce to boost productivity, in-line with the needs of Lancashire's growth pillars.

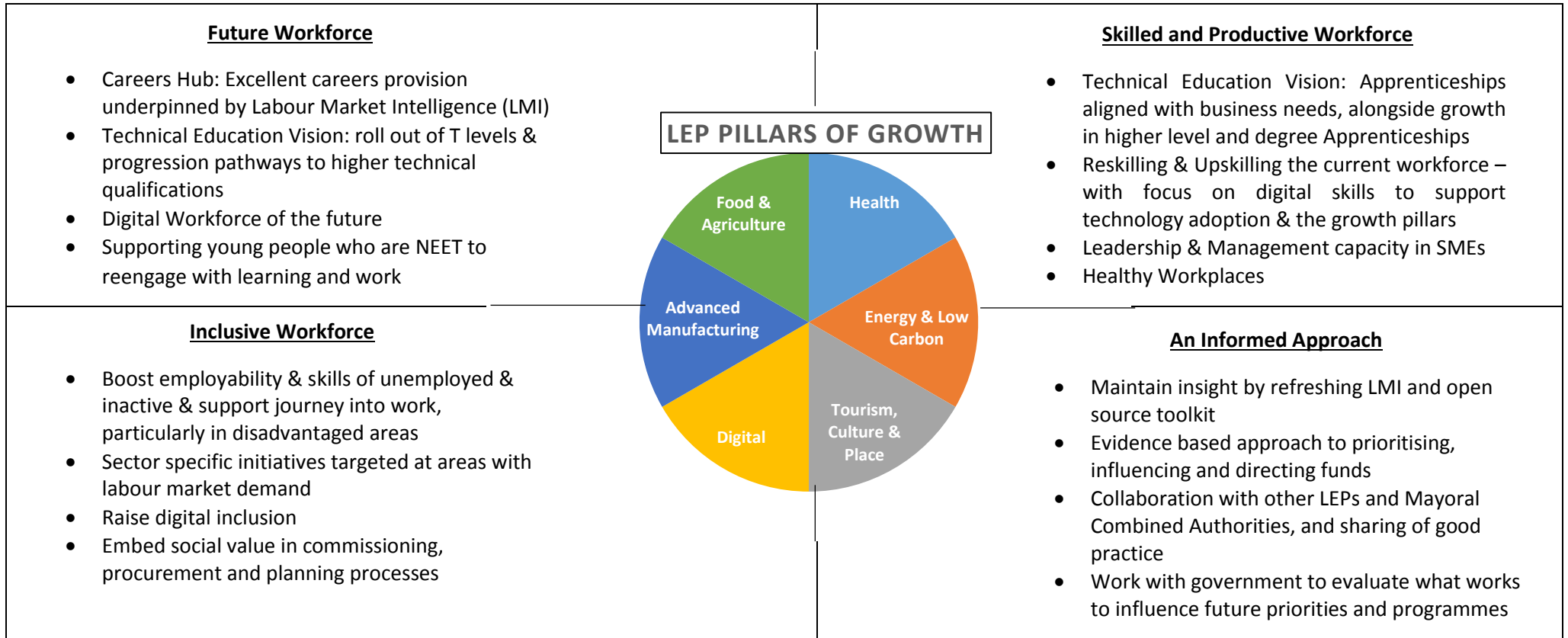


Informed Approach: taking an evidence based approach to identifying the skills and employment issues facing Lancashire's businesses and industries, prioritising and influencing locally and nationally, and working with partners to identify best practice.

The page overleaf provides a one page summary of the Lancashire Skills and Employment Strategic Framework. The summary shows the four themes, the underpinning priorities and alignment with the LEP's Strategic Economic Framework. The latter identifies the key growth pillars of the local economy: Manufacturing, Energy & Low Carbon, Digital, Health, Food & Agriculture and Tourism, Culture & Place. Sector Groups are being established against each of the growth pillars to support the wider development of the LEP's Strategic Economic Framework. The Lancashire Skills and Employment Advisory Panel and the Skills Hub will engage with the Sector Groups to support the identification of skills and employment priorities aligned with the pillars, and actions with partners to address them. The subsequent refresh of the framework at the end of 2021 will take into account the intelligence derived from the Sector Groups. The diagram also shows the enablers of the LEP's Strategic Economic Framework and the interactions with skills and employment, which brings in the importance of the construction workforce in supporting capital investment and infrastructure developments

Lancashire Skills and Employment Strategic Framework 2021

Purpose: An enabler of the LEP's Strategic Framework and the Greater Lancashire Plan, the Lancashire Skills and Employment Strategic Frameworks aims to build a talent pipeline aligned with the needs of the economy, boost the skills of our people to enhance productivity and drive an inclusive workforce in partnership with business, providers and stakeholders.





Interactions with Enablers			
<p>Infrastructure</p> <p>Investment in Skills infrastructure. Embedding Social value. Building construction skills & workforce of future.</p>	<p>Mental Health</p> <p>Building the resilience of our Future Workforce. Healthy workplaces driving up productivity and health and well-being.</p>	<p>Finance & Inward Investment</p> <p>Supporting inward investment through skills base, offer and supporting recruitment.</p>	<p>Stakeholder Engagement</p> <p>Businesses, providers and stakeholders engaged in the implementation of joint objectives.</p>

Delivery Plan

The following tables lay out the key objectives and actions per theme for 2021, including anticipated outputs. The longer term view regarding outcomes and impact is presented under the monitoring and evaluation section. It is intended the monitoring and evaluation process be adopted for further refreshes of the framework.

There are a number of tools that have been developed in collaboration with providers, business and stakeholders which support the achievement of objectives. These cut across the themes and are used to help engage business, communicate offers and address issues of market failures associated with information sharing. The following tools will continue to evolve and develop throughout 2021 in-line with feedback from customers and partners:

Lancashire LMI Toolkit	The open source evidence base will be developed to provide a detailed insight into the Lancashire Labour Market to support careers information, advice and guidance, curriculum planning, prioritisation of funding, articulation of priorities to government and to support bids and propositions.
	The Lancashire Skills Pledge aims to provide a one stop shop for employers to easily engage in the upskilling, recruitment and inspiration of the people of Lancashire, whilst also recognising their commitment.
	An on-line search tool that enables referral agencies and Lancashire residents to search and access local provision aimed at supporting unemployed adults on their journey back into work.
Opportunities Map	A place based resource detailing training opportunities for young people aged 16-18 who are NEET (Not in Education, Employment or Training).
Skills for Work	The Skills for Work microsite has been launched with over 50 partners in response to COVID-19 to communicate current offers, to bring support to those that are furloughed, to boost skills for business recovery and employability, support those facing redundancy and those seeking work, and younger people aged 16-24 with tailored provision.
Social Value Toolkit	Toolkit to support organisations to embed social value into public sector contracts, with local sources of support to help them to deliver against their commitments.

Theme: Future Workforce			
Rationale:			
<ul style="list-style-type: none"> Lower than average attainment levels and increased young people who are NEET in disadvantaged areas drive the need to boost aspirations of young people and attainment to 'level up' the social mobility of young people. Lancashire also has lower levels of Level 4+ attainment levels and lower than average weekly wages. Good quality careers provision is a proactive means for boosting motivation, ambition and aspiration, and has been proven to positively impact on young people who are NEET. Ageing workforce & reducing working age population – paired with replacement demand in key sectors such as manufacturing, energy and health, drives a need to attract and retain skills in Lancashire businesses. Careers provision delivered in partnership with employers raises the profile of local businesses and careers paths, alongside Technical Education routes delivered in collaboration, enabling employers to 'grow their own' talent base and boost retention levels. Digital is a priority sector for the LEP, with employment in the information and communication sector likely to grow nearly three time faster than the economy as a whole in the next 10 years to 2028, with GVA per worker significantly above the average. Digital roles across sectors are also in demand and will contribute to improving productivity as businesses adopt new technologies. With fewer than one in six digital workers being female and 40% aged 50-64, there is a need to draw young people into digital roles and widen the diversity of the workforce. 			
Priority 1: Careers Hub: Excellent careers provision underpinned by Labour Market Intelligence (LMI)			
Objective	Action	Ownership	Output
Raise the breadth and quality of careers provision across schools and post-16 education, working in partnership with business	Implementation of the Enterprise Adviser Network and the roll out of the Careers Hub from 30 to 156 educational institutions across Lancashire	Skills Hub, Inspira, Careers Leaders in schools and colleges, employers*	Sustained and improved performance against the Gatsby Benchmarks across the Careers Hub
Provision of quality encounters and experiences with employers (including the self-employed) and FE, HE and Apprentices in COVID-19 environment	Roll out and development of the Start Blackpool platform across Lancashire to provide alternative virtual encounters, raising the awareness of the priority sectors and employment and education pathways in Lancashire.	Skills Hub, Inspira, Careers Leaders in schools and colleges, employers, U-Explore	Sustained and improved performance against Benchmarks 5, 6 and 7
Technical Education Vision: Raise the profile of Technical Education to ensure that routes have the same parity of esteem as academic	Embed Technical Education routes into careers provision and develop CPD for careers professionals	Skills Hub, Inspira, Careers Leaders in schools and colleges, employers, Lancashire WBL Forum	Number of Apprentice Ambassadors and T Level Champions and number of activities Number of career professionals accessing training
Priority 2: Technical Education Vision: roll out of T levels & progression pathways to higher technical qualifications			
Technical Education Vision: T Levels available to young people which are co-designed and delivered in partnership with employers	Implementation of the Routes Ready project with the Gatsby Foundation, successful T Level recruitment and delivery by 2020 & 2021 providers, foundations in place for phased roll out to broaden pathways and providers	Skills Hub, TLC, colleges, employers	Availability and take up of T Levels across Lancashire
Technical Education Vision: cohesive offer of Higher Technical Qualifications available to Lancashire residents which are co-designed and delivered in partnership with employers	Development of L4 & 5 pathways for Technical Education within a collaborative, cohesive plan for Lancashire, and collaborative bid for an Institute of Technology (IoT) for Lancashire	Skills Hub, TLC, colleges, universities, employers	Coherent offer, availability and take up of Level 4/5 routes in Lancashire

Priority 3: Digital Workforce of the future			
Increase understanding of the parents/carers, young people and key influencers about the range of digital careers available, specifically in Lancashire	Integrate the promotion of digital skills and careers into the Start Lancashire platform	Lancs Digital Skills Partnership, Inspira, Careers Leaders in schools and colleges, employers, U-Explore	Engagement in digital activities and video content on Start
	Delivery of digital careers activities: Teen Tech Lancashire programme, E-Sports programme, STEM Ambassador activity and embedding of employer encounters in GCSE Computer Science delivery	Lancs Digital Skills Partnership, Inspira, Careers Leaders in schools and colleges, STEMFirst, employers	Engagement in digital activities in schools and colleges
	CPD of teachers involved in KS3 and KS4 Computer Science delivery, in partnership with employers	NCEE/STEM Learning, Lancs Digital Skills Partnership, employers	Popularity of GCSE Computer Science and subsequent digital qualifications
Priority 4: Supporting Young People who are NEET** to reengage with learning and work			
Adequate and appropriate provision available to support young people who are at risk of or NEET to reengage with learning and work	Strategic oversight of ESF and mainstream provision targeted at Young People who are NEET	Skills Hub, Local Authorities, Youth Steering Group, Blackpool Opportunity Area, TLC, Lancashire WBL Forum, providers	Accessibility to NEET provision – addressing NEET Gap Analysis
	Ensuring routes enabled through the 'Plan for Jobs' are maximised in Lancashire and communicated effectively (e.g. Traineeships)	Skills Hub, Local Authorities, Blackpool Opportunity Area, TLC, Lancashire WBL Forum, providers	New offers integrated and understood by referral agencies

* employers includes public, private and third sector

**NEET – 16 and 17 year olds

Theme: Inclusive Workforce			
Rationale:			
<ul style="list-style-type: none"> • Pre COVID-19 Lancashire had higher than average employment rates, however the trend has been volatile with significant variations in the employment rates across districts. Inactivity in the working age population is higher than the national average, again with significant variations between districts. • The working age population is less well qualified at Level 4 and above, and there are higher rates of employment in low skilled jobs, with lower than average weekly wages. • Digital inclusion is also an issue. The Lloyds Consumer Index 2019 indicates that 10% of people in the North West are offline and that this figure has only changed by 1% in the last 4 years, moreover 16% of benefit claimants in the Northwest are digitally disengaged. • The impacts of COVID-19 have been significant on the economy and people in the Lancashire Enterprise Partnership (LEP) area. It is an evolving picture and the full impact will not be fully understood for some months. However as of June 2020, the claimant count in the Lancashire LEP is 6.9%, this is 0.6% above the UK overall rate of 6.3%, which correlates with recent volatility in response to economic shocks. • A depressed labour market creating fewer opportunities will lead to increased competition for limited vacancies, making it even more difficult for those furthest from the labour market to compete to get into work. • There is a need to improve labour market mobility and the engagement of all Lancashire residents in productive work, particularly in disadvantaged communities which have higher than average unemployment and inactive and for those adversely impacted by COVID-19. This includes enhancing the digital skills of the unemployed and inactive to improve social mobility and employability. 			
Priority 1: Boost employability & skills of unemployed & inactive, & support journey into work, particularly in disadvantaged areas			
Objective	Action	Ownership	Outputs
Improve the employability and skills of unemployed and inactive adults and support their progression into learning, volunteering, self-employment and work, particularly in disadvantaged areas and for those groups and areas where COVID-19 has had a greater adverse impact	Embedding of priority areas and groups in ESF funded and mainstream provision aimed at re-engaging people with work, with a focus on those groups adversely impacted by COVID-19	ESIF Committee, Skills Hub, DWP, ESFA, Big Lottery, providers	Lancashire residents engaged on ESF funded projects <ul style="list-style-type: none"> - Participants engaged from priority areas and groups - Participants entering a positive outcome
	Work with partners through the Adult Skills Forum to ensure that: <ul style="list-style-type: none"> - provision is up-to-date on Escalate (effective referrals) and www.skillforwork.info so that Lancashire residents are able to access up-to-date and relevant offers - offers are effectively communicated to partners, referral agencies and Lancashire residents - referrals are made between projects to support people to advance up the Lancashire Skills Escalator and into sustained employment 	Skills Hub, DWP, Local Authorities, providers	Number of Escalate users and case studies Number of visits to www.skillsforwork.info and click throughs to partner websites
	Ensure provision enabled through the 'Plan for Jobs' is integrated and maximised in Lancashire, including the development of 'Youth Hubs'	Skills Hub, DWP, Local Authorities, providers	Lancashire residents engaged in 'Plan for Jobs' provision (assuming availability of data from government)
	Influence shape of future provision through the development of a new domestic programme (UKSPF)	Skills Hub, DWP, Local Authorities, providers	Evidence of influence on future provision

Priority 2: Sector specific initiatives targeted at areas with labour market demand			
Work collaboratively with employers, to enable unemployed and low skilled Lancashire residents to move into jobs in areas of demand in the local labour market, taking into account the impact of COVID-19 on the growth pillars and wider sectors	Embedding of areas of labour market demand into ESF provision, to enable people to move into positive outcomes	Skills Hub, DWP, business intermediaries, providers, employers	Evidence of employers engaged in provision and collaborative approaches with providers Lancashire residents engaged in provision
	Work with DWP on the emerging Sector Based Work Academies to maximise impact for Lancashire businesses and residents	Skills Hub, DWP, business intermediaries, providers, employers	Lancashire residents moving into employment
Increase the availability of people trained with specialist digital skills in the Lancashire area, prioritising those aligned with the growth pillars	Work with DCMS and GMCA to deliver the Fast Track Digital Workforce Fund 'test and learn' programme, and work with employers and providers to develop future sustainable models of delivery to ensure more intensive training programmes are available in Lancashire Expand the programme, working with the DfE, to test bootcamp approaches and influence the future shape of the National Retraining Scheme and National Skills Fund	Lancs Digital Skills Partnership, GMCA, DCMS, DfE, providers, employers	Lancashire residents completing bootcamp provision Lancashire residents moving into digital vacancies Evidence of sustainable models and plans for future provision in place
Priority 3: Raise digital inclusion			
Support households without access to digital devices and internet	Work with partners, DCMS and potential funders to provide devices, data and wrap around support for households of vulnerable adults	Lancs Digital Skills Partnership, DCMS, Good Things Foundation, SELNET, Local Authorities, libraries, providers	Number of devices and packages of data distributed
Increase the level of digital inclusion across Lancashire	Support partners to introduce and promote the Essential Digital Skills entitlement for 19+	Lancs Digital Skills Partnership, Adult Skills Forum, providers	Lancashire residents benefiting from the Digital skills entitlement
	Work with corporate partners to develop programmes that complement existing ESF and mainstream funded provision	Lancs Digital Skills Partnership, Adult Skills Forum, corporate partners, providers	Lancashire residents engaged in provision sponsored or provided by corporates
Priority 4: Embed social value in commissioning, procurement and planning processes			
Generate Social Value outcomes and outputs from publically procured capital and revenue projects and activities	Embed Social Value in the commissioning, procurement and planning processes of the LEP, Local Authorities, and other Public Sector organisations, ensuring that robust monitoring and reporting arrangements are in place to manage performance across LEP projects and programmes	LEP, Local Authorities, Anchor Institutions	Social Value is evaluated as part of tender, procurement, commissioning process and a process of performance monitoring in place.
	Support partners to identify opportunities to deliver social value throughout the project lifecycle which are articulated in project specific Employment and Skills Plans	LEP, Local Authorities, developers, end use tenants	No of projects which have a Social Value Charter or Employment & Skills Plan

Theme: Skilled and Productive Workforce			
Rationale:			
<ul style="list-style-type: none"> Lancashire has lower than average productivity. In addition, Lancashire has an ageing workforce and a reducing working age population. Replacement demand in Lancashire's key sectors, for example, manufacturing, energy and health, demonstrates the need to attract and retain skills to enable businesses to function effectively. There is also opportunity to drive up productivity through new talent with a different skills set, for example, people who are digitally confident and enable to work intuitively with new technologies. Lancashire lags the Northwest and national average (England minus London) in terms of attainment levels at Levels 4 and above. This impacts on productivity and the lower than average weekly wage. Skills and employment forecasts indicate that there will be a greater demand for employees with Level 4+ skills, particularly technical and professional skills. The Skills and Employment Hub had developed an Apprenticeship action plan focused on increasing the number of Apprentice opportunities prior to the COVID-19 crisis: however the impact of the COVID-19 crisis has seen a drop in Apprenticeship starts in Lancashire and an impact on existing Apprentices in terms of furlough and redundancies. Mental health issues (typically stress, anxiety and depression), is estimated to cost/loss Lancashire's productivity by £190m per annum. By ensuring a healthy workforce we aim to reduce this cost and improve productivity. 			
Priority 1: Technical Education Vision: Apprenticeships aligned with business needs, alongside growth in higher level and degree Apprenticeships			
Objective	Action	Ownership	Outputs
Technical Education Vision: Development and Implementation of the Lancashire Apprenticeship Action Plan	Refresh the Apprenticeship Action Plan in light of COVID-19, to maximise engagement in government initiatives e.g. Apprenticeship incentives and redundancy support and stimulate re-growth in starts	Skills Hub, Boost, Lancashire WBL Forum, The Lancashire Colleges, Universities, Intermediaries, Employers, NCS, Apprenticeship Ambassadors	Lancashire employers engaged in government initiatives Apprenticeship starts
	Work with partners to deliver a collaborative approach to support the transfer of unused Apprenticeship Levy to other employers, alongside communicating the government's incentives to take on apprentices	Skills Hub, Lancashire WBL Forum, The Lancashire Colleges, Universities, Intermediaries, Employers, NCS, Apprenticeship Ambassadors	Lancashire Employers are transferring their levy to employers that require it
Priority 2: Reskilling & Upskilling the current workforce – with focus on digital skills to support technology adoption and the growth pillars			
Increase the diversity and inclusion practices of the Lancashire digital sector to widen the talent pool	Work with partners to increase the awareness of the benefits of a more diverse workforce to businesses and to support action towards culture change	Lancs Digital Skills Partnership, DCMS, Tech Talent Charter, Digital Lancashire, Boost, employers	Number of Lancashire employers who change their diversity and inclusion practices
Drive up digital skills at every level in the Lancashire Workforce, to support the digital sector and the wider growth pillars, and to drive technology adoption	Work with corporate partners and DCMS to bring digital skills opportunities to Lancashire, embed digital skills within existing programmes, such as those funded through ESIF, and influence future schemes such as the National Skills Fund and UKSPF	Lancs Digital Skills Partnership, DCMS, Digital Lancashire, Boost, employers, providers	Number of employers engaging with digital skills provision
Reskill and upskill the Lancashire workforce to drive productivity, prioritising needs of the growth pillars	Work with providers to ensure that employer facing provision meets the current and future needs of businesses by effectively communicating the needs of the labour market, prioritising those of the growth pillars. This includes utilising the intelligence derived from the Sector Groups to build the workforce of tomorrow. Seek to widen modes of delivery to	Skills Hub, Employer Skills Forum, Boost, providers, employers	Number of employers investing time and resources in the training of employees

	provide flexible provision, building on the learning from creative use of on-line methods during the lockdown and from the Digital Bootcamps		
Enable the development of workplace initiatives that focus on the retention and reskilling of ageing workers	Work with the Fuller Working Lives Unit and other partners to embed and generate activity in Lancashire aimed at reskilling and retaining ageing workers	Skills Hub, Fuller Working Lives Unit, SELNET, NCS, providers	Programmes developed that focus on ageing workforce Lancashire residents engaged on programmes
In response to COVID-19, support employers with redundancy programmes to circulate skills effectively in the local labour market	Build on the establishment of the Redundancy Task Force and coordinated response with partners to support employers and employees, to ensure access to redundancy support and to circulate skills within Lancashire	Skills Hub, DWP, NCS, providers, employers	Numbers of employers engaging in redundancy provision
Priority 3: Leadership & Management capacity in SMEs			
Increase leadership and management and workforce planning capacity in SME's	Successful delivery of Lancashire ESIF commissions that are focused on leadership and management, and continue to build on the strength of university programmes. Influence future schemes such as the National Skills Fund and UKSPF	Skills Hub, Employer Skills Forum, Boost, universities, providers, employers	Supervisors, managers and leaders engaged with leadership programmes
Ensure supervisors and managers have the skills needed to support business recovery relating to COVID-19	Existing programmes to embed impact of COVID-19, including supporting return of furloughed workers and skills needed to support business survival, stabilisation, and recovery	Skills Hub, Employer Skills Forum, Boost, universities, providers, employers	Supervisors, managers and leaders engaged with commissioned programmes
Priority 4: Healthy Workplaces			
Develop workplace initiatives that enable a healthy workforce, in response to concerns, including mental health, pre and post COVID-19	Launch of Lancashire ESIF projects focused on facilitating a healthy workforce Influence shape of future funding schemes, such as UKSPF	Skills Hub, Health Partners, Active Lancashire, providers, employers	Businesses engaged with programmes

Theme: An Informed approach			
Rationale:			
<ul style="list-style-type: none"> Understand Lancashire's current and future skills needs and labour market challenges 			
Priority 1: Ensure decision making on policy and project focus is underpinned by high quality quantitative and qualitative evidence to efficiently allocate resource and focus			
Objective	Action	Ownership	Outputs
Maintain a robust evidence base in the form of an effective and open source suite of relevant data	In consultation with partners/stakeholders improve, maintain and further develop the open source LMI toolkit, to influence stakeholder decision making. Utilise effectively intelligence from the Sector Groups to provide more granular insight into the skills needs of the Growth Pillars	Skills Hub, providers, stakeholders	Feedback from stakeholders that they trust the usefulness and reliability of the evidence base, utilise the LMI toolkit and use it to influence their decision making
	Commission/purchase data to enable an informed approach	Skills Hub, providers, stakeholders	The evidence base meets SAP guidance requirements from DfE
Evidence based approach to prioritising, influencing and directing funds	Provide evidence to justify priorities within specifications for funding from current funding streams such as ESIF, influence future programmes such as UKSPF and mainstream provision, and asks of government relating to LIS development, Comprehensive Spending Review and devolution	Skills Hub	Evidence of up to date data and analysis to support assumptions and priorities
	Provide our partners with robust and regularly updated evidence to enable them to prioritise, influence, and direct funds	Skills Hub, providers, stakeholders	Evidence of influence on partner decision making, for example, curriculum planning
Collaboration with Local Stakeholders, other LEPs and Mayoral Combined Authorities, and sharing of good practice	Further develop a network of contemporaries in Northwest LEPs and Local Authorities, partners in the Northern Powerhouse, and amongst other local stakeholders, to share good practice, and build collaborative approaches when beneficial	Skills Hub, LEPs, Local Authorities, stakeholders	Network of Northwest LEPs and Local Authorities, engagement with the Northern Powerhouse Data is jointly commissioned where appropriate
	Continue to be a proactive member of the national LEP network, and maintain relationship with analytical functions of MCAs and other stakeholders	Skills Hub, LEP Network	Engagement with consultations, network meetings, engagement with pilots, feedback on test data and projects
Work with government to evaluate what works to influence future priorities and programmes	Continue to meet the national SAP requirements, including the publication of the first Local Skills Report	Skills Hub	DfE reviews of Skills and Employment Advisory Panel are deemed compliant and effective
	Work closely with national SAP team proactively offering support and feedback on effectiveness of programme	Skills Hub	Engage with consultations
	Evaluation of local initiatives and feeding back up to government to influence future priorities and programmes	Skills Hub, Adult and Employer Skills Forums, Lancs Digital Skills Partnership, Inspira, providers, stakeholders	Evaluations undertaken and evidence of influence

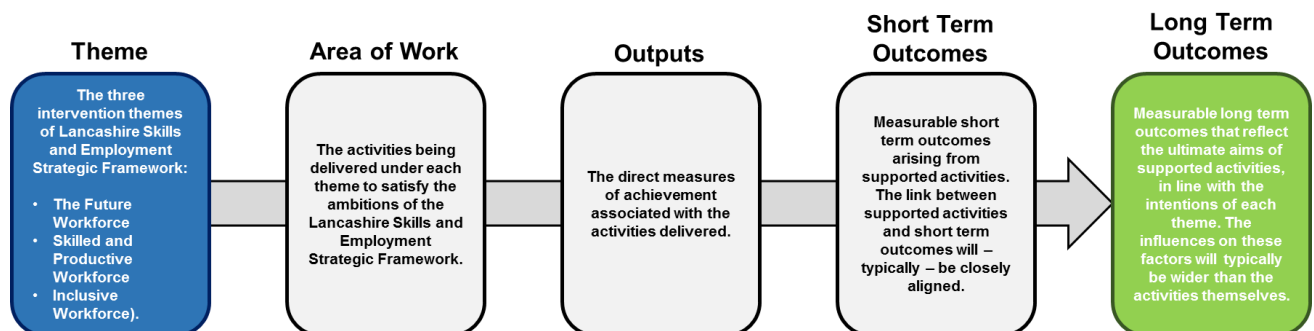
Monitoring and Evaluation

The approach to monitoring and evaluation aims to capture the full breadth of activities being delivered collectively by partners that are aligned with the Strategic Framework, and the varied outputs and outcomes that are secured. By taking this approach the full appreciation of achievements will be captured and the Strategic Framework's role in achieving them will be understood.

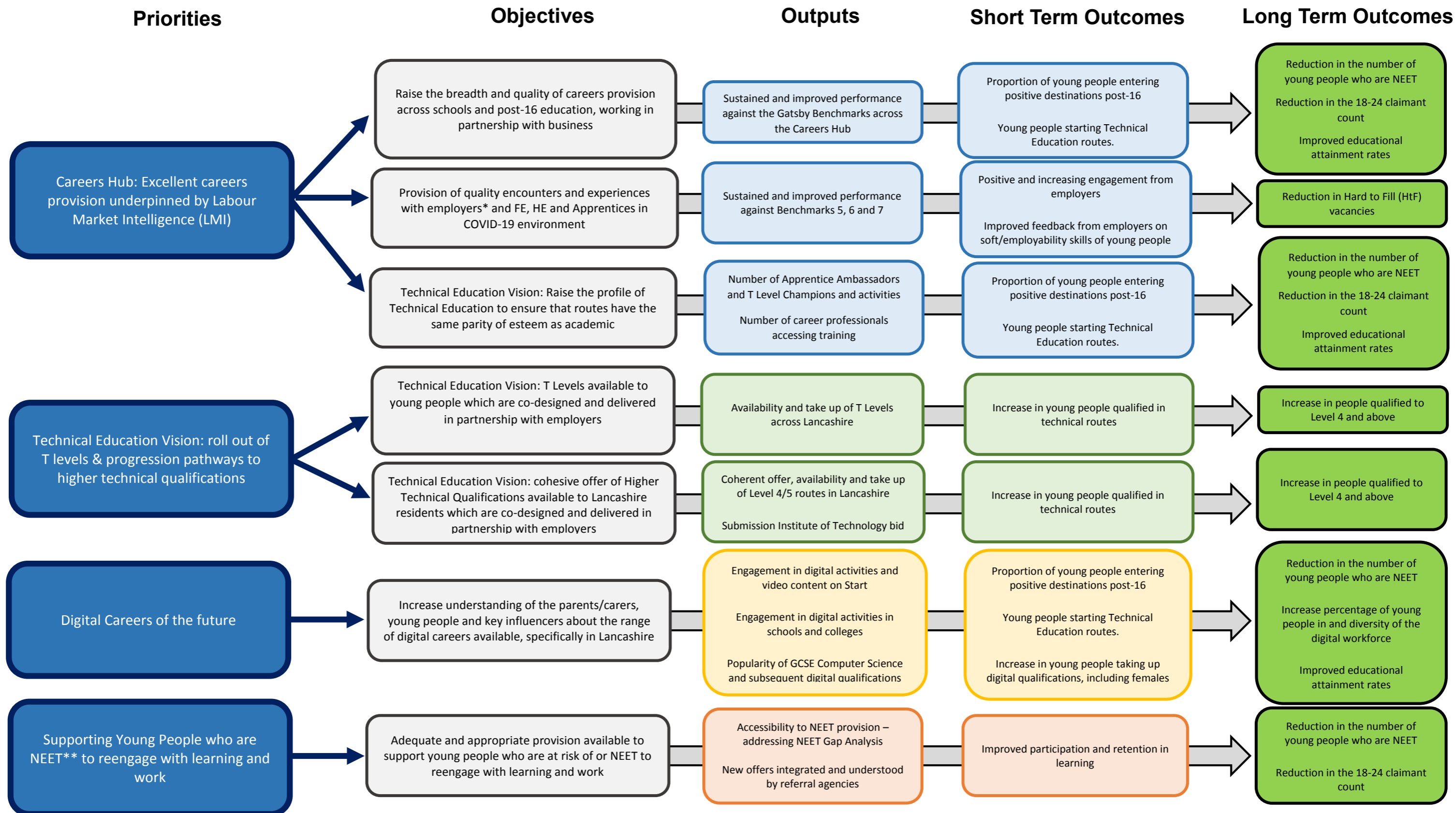
Primary requirements for the monitoring and evaluation approach are to:

- Clearly track objectives through to activities and then onto outputs and short and long term outcomes, using a logic chain approach to articulate the connections.
- Specify the measures that will allow each element in this logic chain to be tracked over time and for the resulting evidence to inform responses over time (for example, if there are areas that, despite interventions, are continuing to fall behind).
- Recognise emerging priorities, for example those driven by ongoing impact of COVID-19, to ensure that the assessment reflects the latest delivery context.
- Provide a consistent framework that allows for the tracking of achievements (both in terms of activities delivered and impacts secured) over time.

The monitoring and evaluation approach, responds to these points and, importantly, considers the steps that take the Strategic Framework's themes through to its target outcomes, as follows:



Logic chains are provided for the 3 themes Future Workforce, Inclusive Workforce and Skilled and Productive Workforce which lead to longer term outcomes. The Informed Approach theme underpins, enabling an evidence based approach to identifying the skills and employment issues facing Lancashire's businesses and industries.



*employers includes public, private and third sector

**NEET – 16 and 17 year olds

Theme: Inclusive Workforce

Appendix 'A'

Priorities

Objectives

Outputs

Short Term Outcomes

Long Term Outcomes

Boost employability & skills of unemployed & inactive, & support journey into work, particularly in disadvantaged areas

Improve the employability and skills of unemployed and inactive adults and support their progression into learning, volunteering, self-employment and work, particularly in disadvantaged areas and for those groups and areas where COVID-19 has had a greater adverse impact

Lancashire residents engaged on ESF funded projects
 - Participants engaged from priority areas and groups
 - Participants entering a positive outcome
 Number of Escalate users and case studies
 Number of hits on www.skillsforwork.info
 Lancashire residents engaged in 'Plan for Jobs' provision
 - Participants engaged from priority

Programmes meet targets for the engagement of priority groups
 Number of people using Escalate
 Proportion of adults engaged in ESF projects who progress into learning, volunteering and work
 Positive and increasing engagement from employers
 Improved feedback from employers on soft/employability skills of adults
 Lancashire's uptake up of support outlined in the 'Plan for Jobs' meets Lancashire's level of need

Unemployment rates decrease in targeted groups
 Reduction in claimant count
 Unemployment and inactivity rates decrease in target groups
 Reduction in claimant count for priority groups
 Reduction in reported skills gaps and skills shortages

Sector specific initiatives targeted at areas with labour market demand

Work collaboratively with employers, to enable unemployed and low skilled Lancashire residents to move into jobs in areas of demand in the local labour market, taking into account the impact of COVID-19, taking into account the impact of COVID-19 on the growth pillars and wider sectors

Evidence of employers engaged in provision and collaborative approaches with providers
 Lancashire residents engaged in provision
 Lancashire residents moving into employment

Initiatives meet targeted outcomes in supporting Lancashire residents into jobs in areas of demand

Unemployment and inactivity rates decrease
 Reduction in claimant count
 Reduction in reported skills gaps and skills shortages

Increase the availability of people trained with specialist digital skills in the Lancashire area, prioritising those aligned with the growth pillars

Lancashire residents completing bootcamp-style provision
 Lancashire residents moving into digital vacancies
 Evidence of sustainable models and plans for future provision in place

Increase in the level of digital skills in the Lancashire adult population

Employers reporting improved digital skills base in the population
 Reduction in Hard to Fill vacancies

Raise digital inclusion

Support households without access to digital devices and internet

Number of devices and packages of data distributed

Number of households without access to digital devices and internet decreases

Number of households without access to digital devices and internet decreases

Increase the level of digital inclusion across Lancashire

Lancashire residents benefiting from the Digital skills entitlement
 Lancashire residents engaged in provision sponsored or provided by corporates

Initiatives addressing digital inclusion meet targeted outcomes

Decrease in the number of Lancashire residents who do not have basic digital skills

Embed social value in commissioning, procurement and planning processes

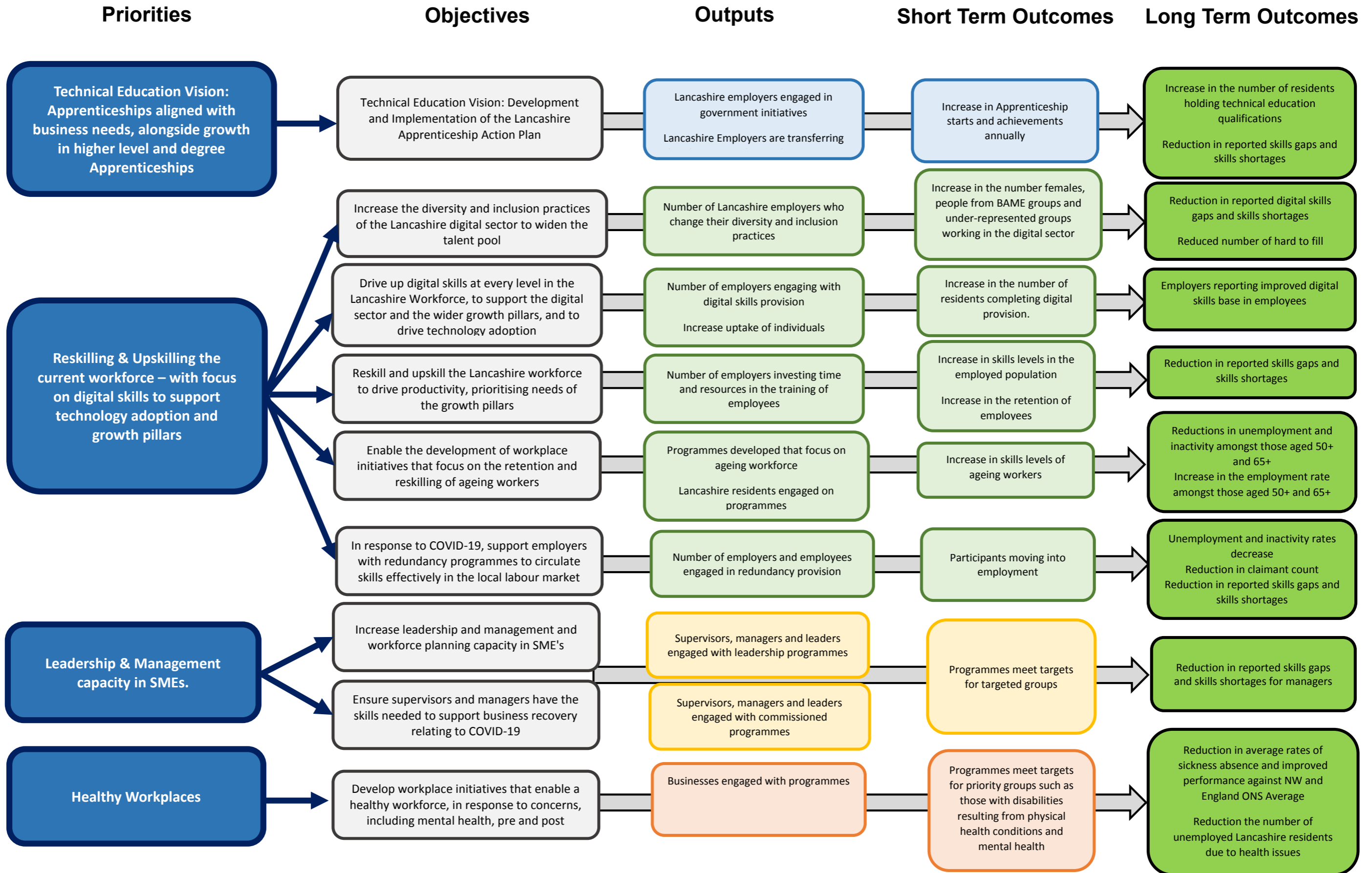
Generate Social Value outcomes and outputs from publically procured capital and revenue projects and activities

Social Value is evaluated as part of tender, procurement, commissioning process and a process of performance monitoring in place.
 No of projects which have a Social Value Charter or Employment & Skills Plan

Increase in the number of employers providing skills and employment opportunities to Lancashire residents

Reduction in reported skills gaps and shortages
 Unemployment and inactivity rates decrease
 Reduction in claimant count

Theme: Skilled and Productive Workforce



Sector (£2016m)	2018 GVA (£m)
Manufacturing	£6,329
Wholesale and retail trade; repair of motor vehicles	£5,080
Real estate activities	£3,850
Human health and social work activities	£3,083
Construction	£2,327
Education	£2,114
Public administration and defence	£1,599
Professional, scientific and technical activities	£1,350
Administrative and support service activities	£1,315
Agriculture, mining, electricity, gas, water and waste	£1,165

Figure 1: Sector GVA. Source: ONS Regional gross value added (balanced) by industry: local authorities by NUTS 1 region: UKD North West, 2019

Sector (SIC07)	% of Employment In Lancashire
Wholesale and Retail Trade	17.6%
Human health and social work activities	14.7%
Manufacturing	13.6%
Education	9.1%
Administrative and support service activities	7.2%
Accommodation and food service activities	7.1%
Construction	5.8%
Professional, scientific and technical activities	5.5%
Public administration and defence; compulsory social security	4.9%
Transportation and storage	4.1%

Figure 2: Sector Employment as a percentage of all employment. Source: Business Register and Employment Survey, 2018

Area	Aged 0 - 15	Aged 16 - 64	Aged 65 +
Lancashire	19.0%	60.9%	20.1%
North West	19.1%	62.1%	18.7%
United Kingdom	19.0%	62.5%	18.5%

Figure 3: Population age distribution. Source: Population estimates - local authority, based by five year age band, 2019

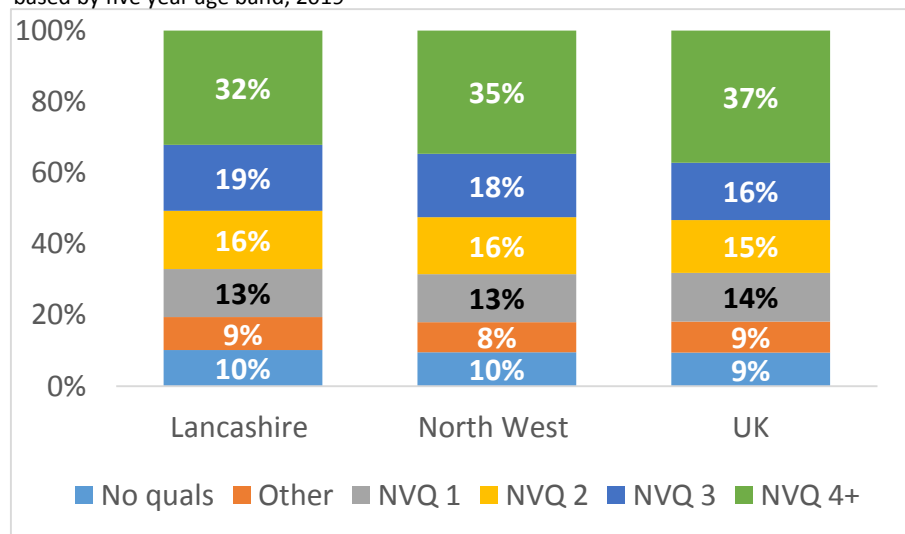


Figure 4: Highest qualification level. Source: Annual Population Survey, 2019

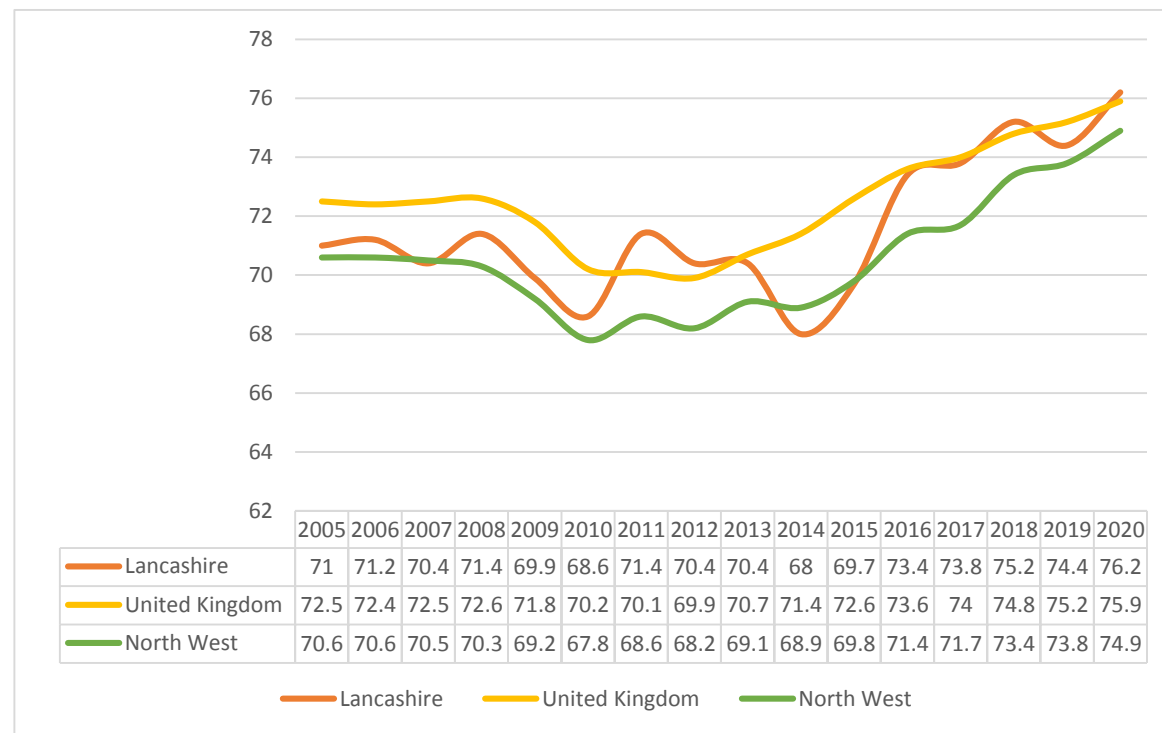
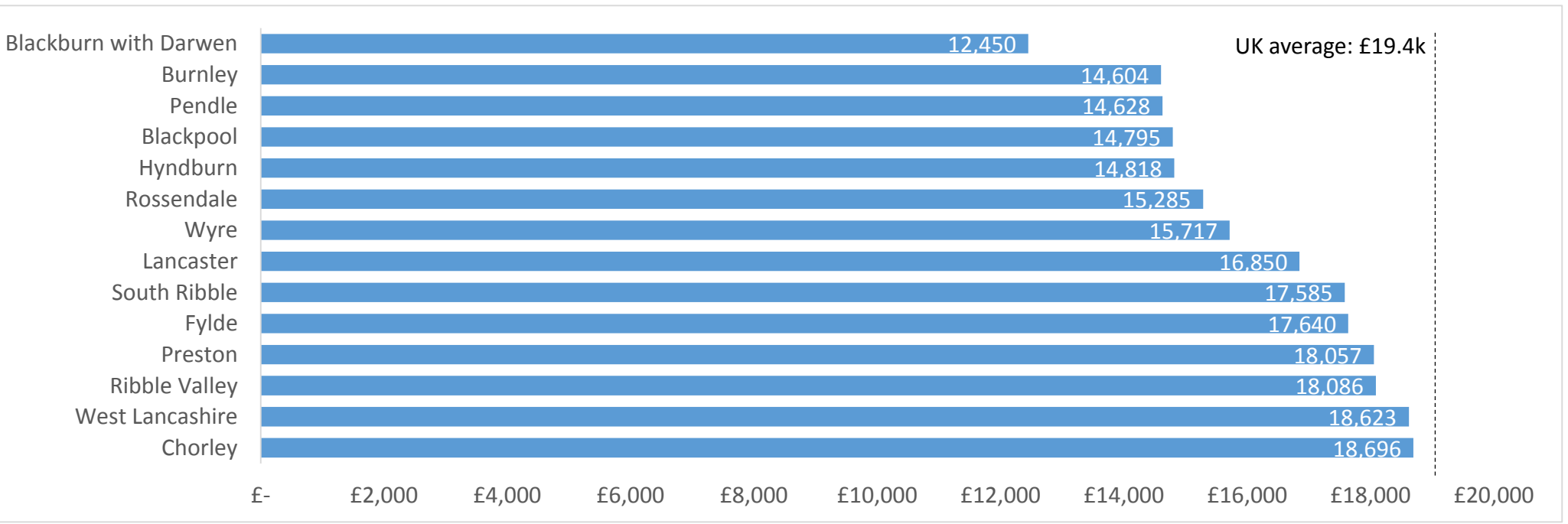
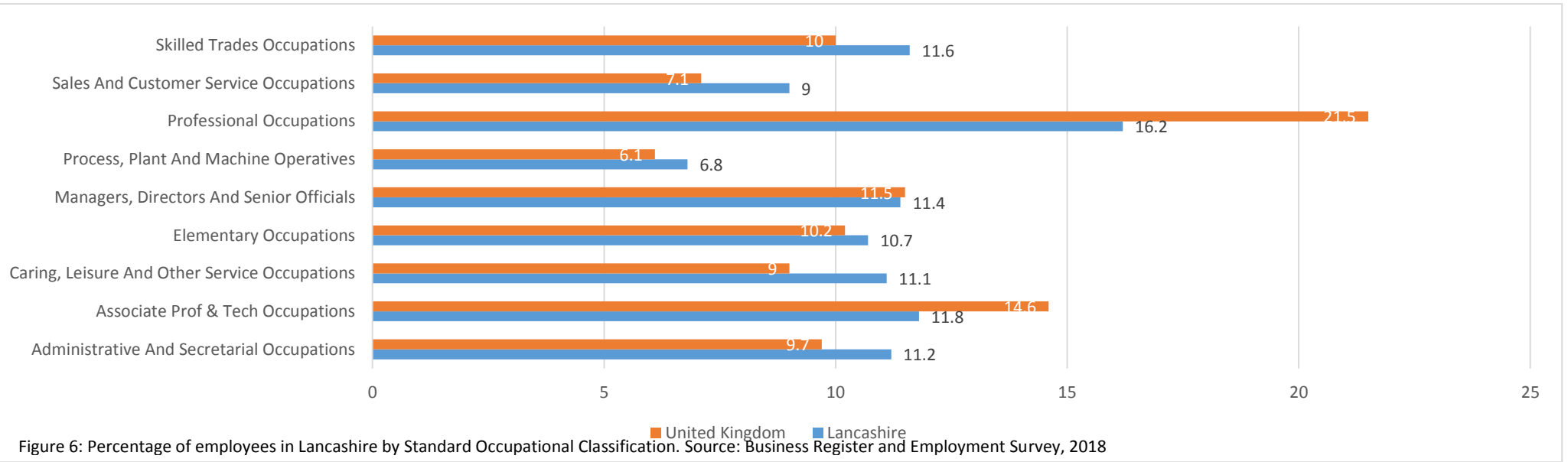


Figure 5: Employment level (% of economically active population). Source: ONS Annual Population Survey, April 2019-March 2020



COVID-19 Impact

Age Band	July 2020 Claimant Count (%)		
	Lancashire	North West	Great Britain
Aged 16+	6.9	7.2	6.5
Aged 18 To 24	10.1	10.4	9.3
Aged 18 To 21	9.9	10.2	9.1
Aged 25 To 49	7.8	8.1	7
Aged 50+	5	5	4.9

Figure 8: Claimant count by age band, Source: ONS Claimant count by sex and age

Sector (SIC07)	Furloughed NW	Furlough Rate NW	Furlough Rate UK
Wholesale and retail	204,800	40%	40%
Accommodation & food	172,500	75%	73%
Manufacturing	109,700	36%	40%
Business administration and support services	87,200	28%	30%
Construction	77,500	57%	59%

Figure 9: North West sector furlough numbers July 2020. Source: HMRC's Coronavirus Job Retention Scheme claims data, July 2020

Month	Male	Female	Lancashire Total
March 2020	4.4	3.0	3.7
April 2020	7.3	4.7	6.0
May 2020	8.7	5.2	7.0
June 2020	8.4	5.2	6.8
July 2020	8.6	5.3	6.9
March to July Change	4.2	2.3	3.2

Figure 10: Claimant Count % by gender, Lancashire. Source: ONS Claimant count by sex and age

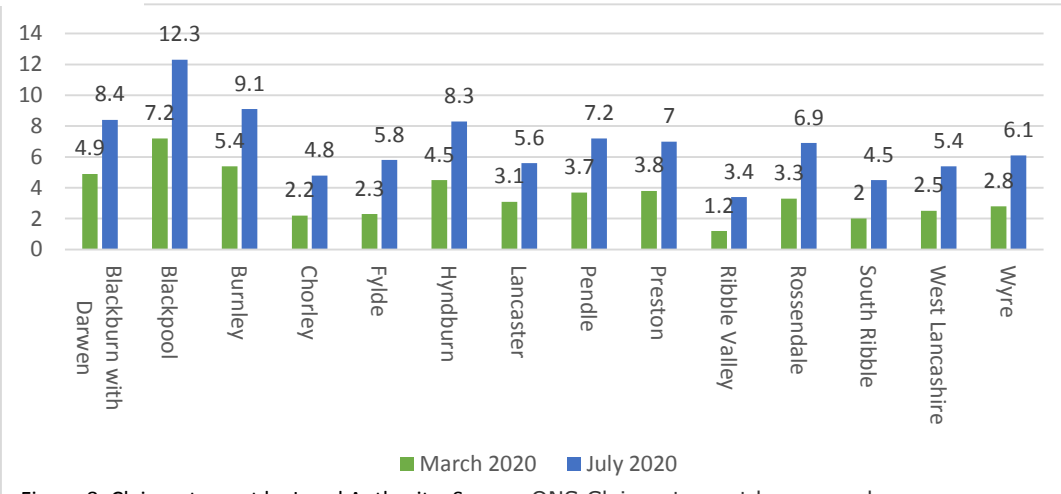


Figure 8: Claimant count by Local Authority. Source: ONS Claimant count by sex and age

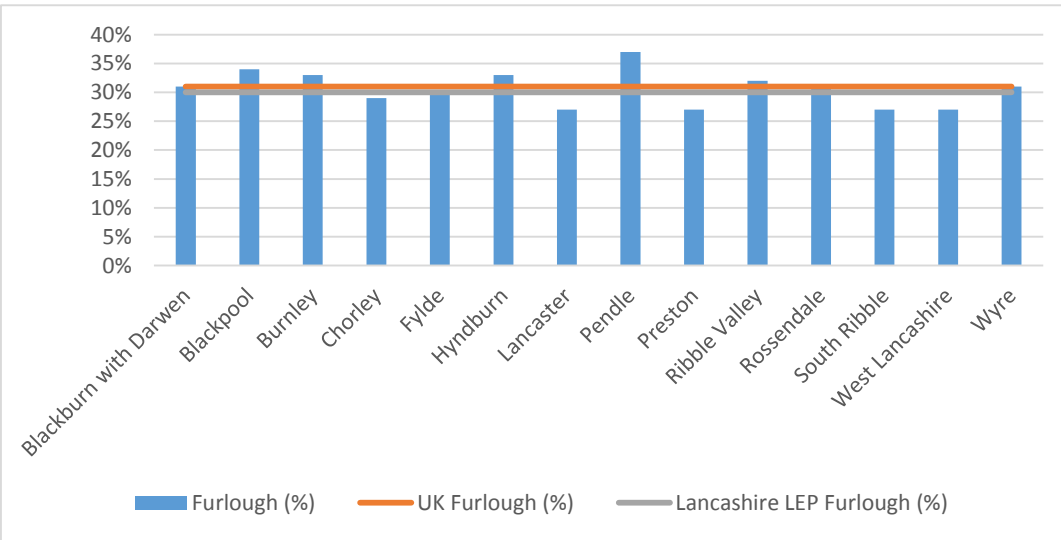


Figure 11: Furlough Percentages (% of eligible employments) by Local authority vs UK and Lancashire LEP. Source: HMRC's Coronavirus Job Retention Scheme claims data, July 2020

Future Workforce

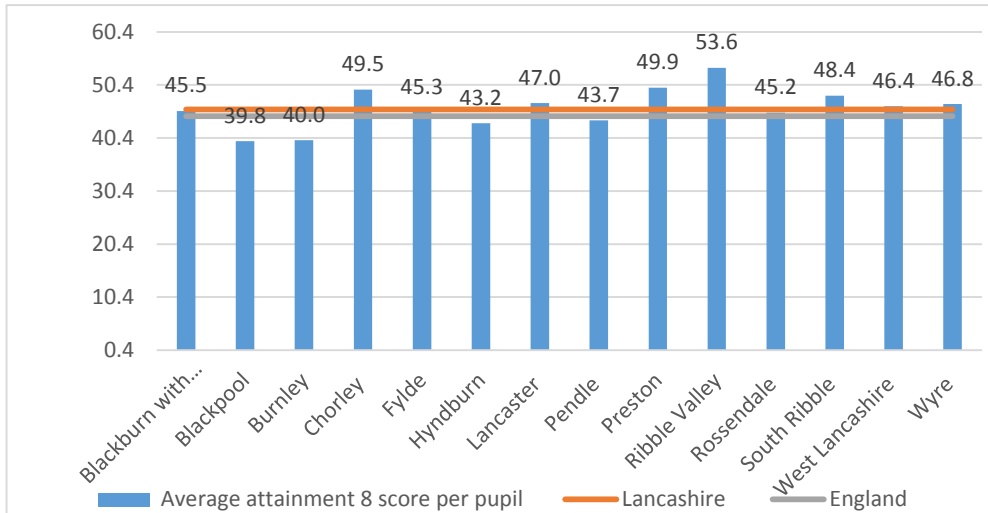


Figure 12: Average attainment 8 score by Local Authority. Source: Key stage 4 performance 2019, 2020.

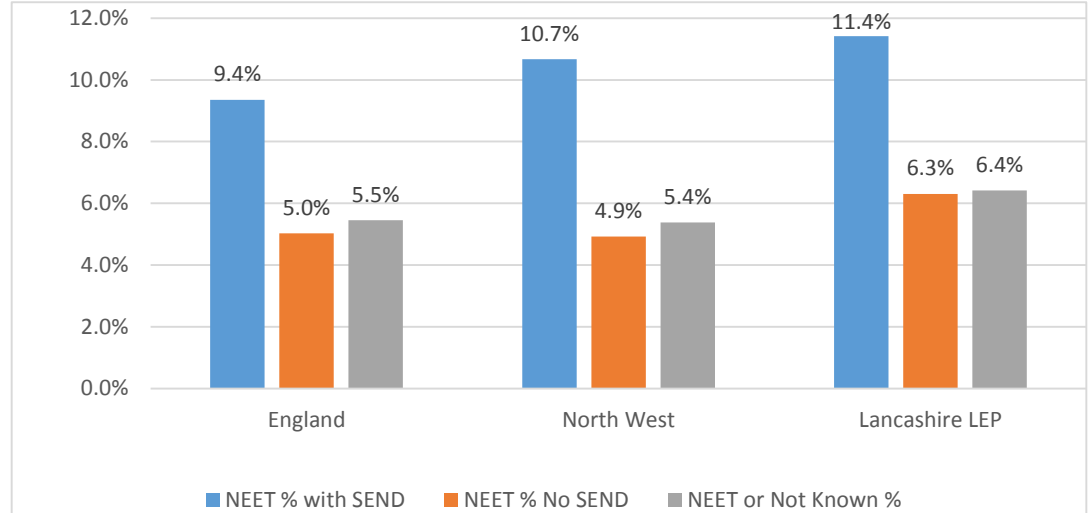


Figure 13: % of 16 and 17 year olds who are NEET. Source: NEET and Participation Tables, 2020.

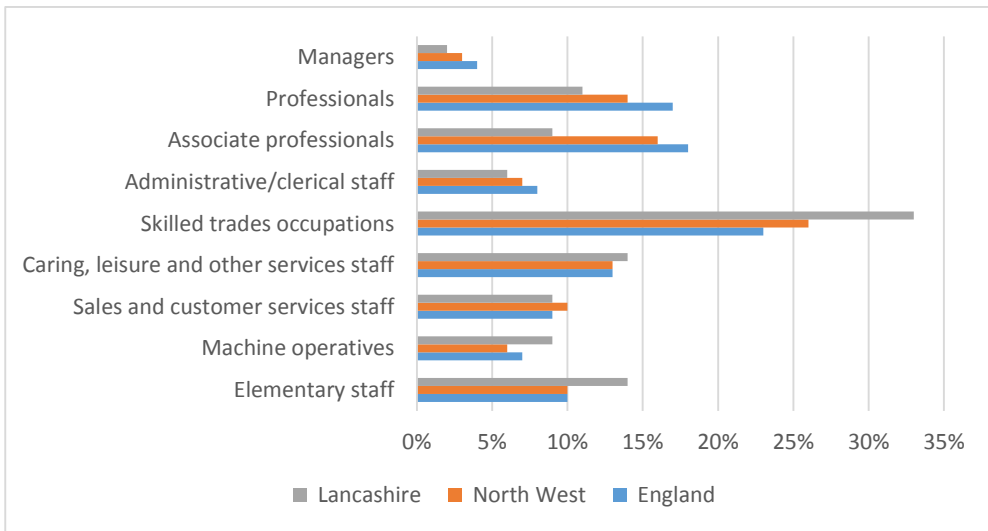


Figure 13: Percentage of Employers reporting skills shortage vacancies by Standard occupational classification. Source: UK Employer Skills Survey, Incidence of skills shortage vacancies by occupation - (employer base), 2017.

Area	Gross Weekly Pay (median £)	Vs UK (£)
Blackburn with Darwen	491.2	-93.7
Blackpool	454.6	-130.3
Bury	582.6	-2.3
Chorley	609.0	24.1
Fylde	614.7	29.8
Hyndburn	484.9	-100.0
Lancaster	546.0	-38.9
Pendle	536.4	-48.5
Preston	502.9	-82.0
Ribble Valley	622.6	37.7
Rossendale	512.8	-72.1
South Ribble	565.5	-19.4
West Lancashire	581.1	-3.8
Wyre	499.5	-85.4

Figure 14: Gross median take home weekly pay by Local Authority vs UK level. Source: ONS Regional GDHI at current prices, 2016

Inclusive Workforce

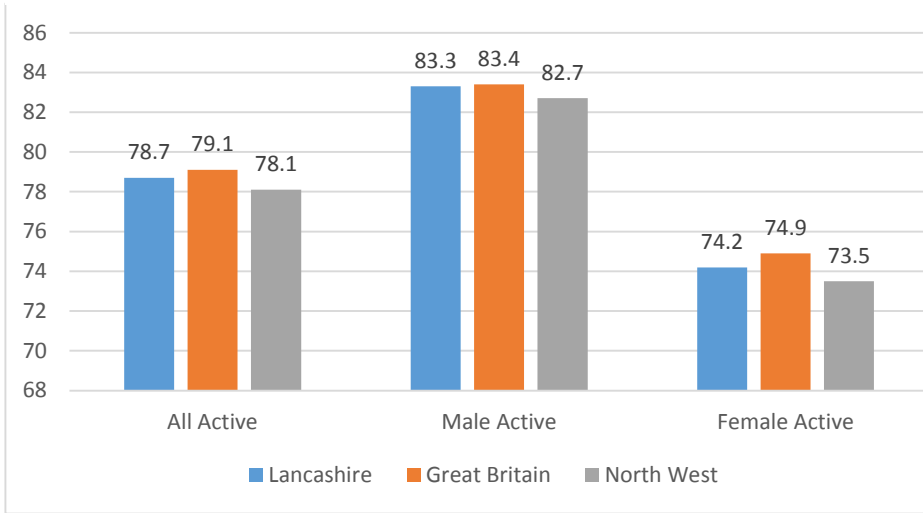


Figure 15: Economically active % of resident population by gender. Source: ONS Annual Population Survey, April 2019 – March 2020

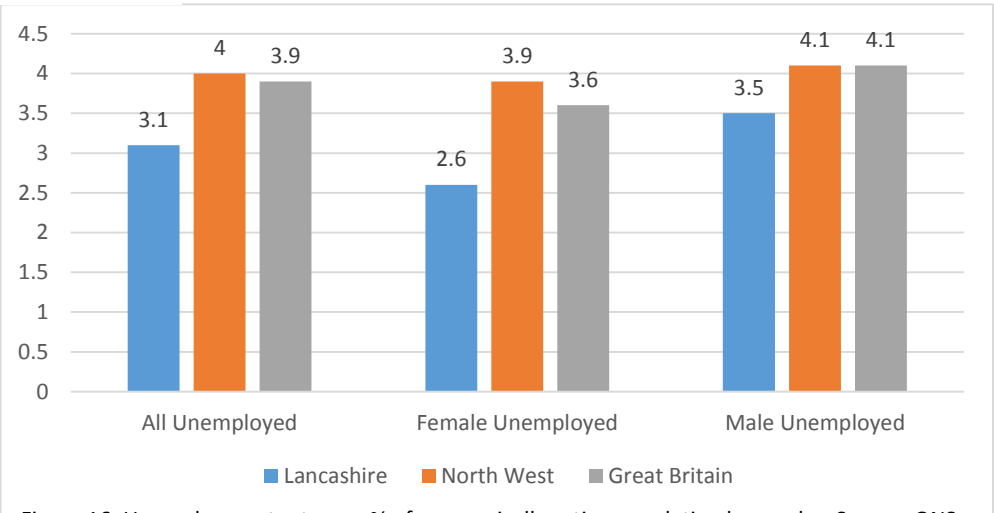


Figure 16: Unemployment rate as a % of economically active population by gender. Source: ONS Annual Population Survey, April 2019 – March 2020

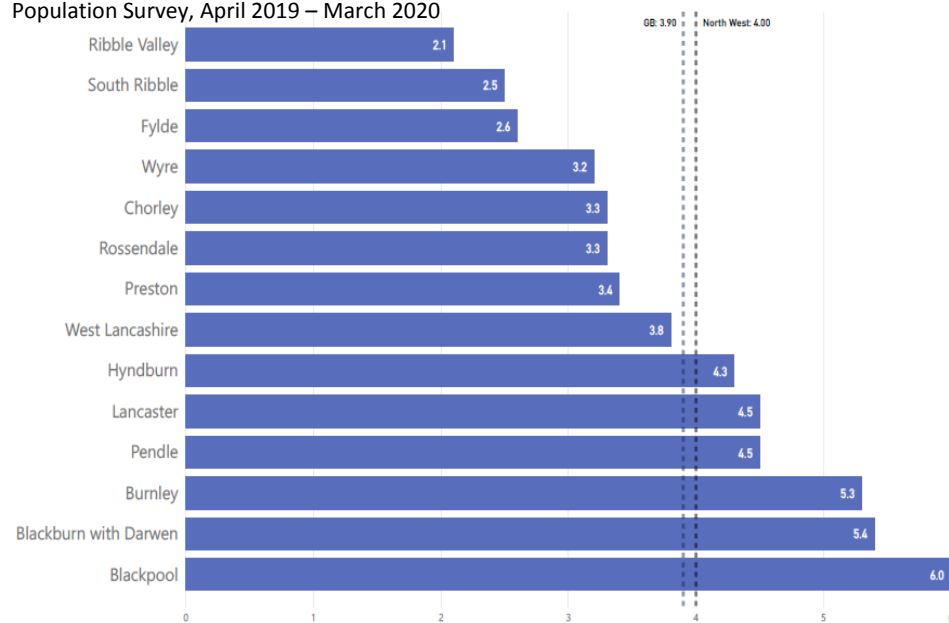


Figure 16: Unemployment rate as a % of economically active population by Local Authority. Source: ONS Annual Population Survey, April 2019 – March 2020

Local Authority	IMD Average Rank	IMD decile
Blackpool	1	1
Burnley	11	1
Blackburn with Darwen	14	1
Hyndburn	18	1
Pendle	36	2
Preston	46	2
Rossendale	91	3
Lancaster	112	4
Wyre	147	5
West Lancashire	178	6
Chorley	192	7
Fylde	198	7
South Ribble	210	7
Ribble Valley	282	9

Figure 17: Overall Index of Multiple Deprivation (index of all measures) rank by local authority including nationwide decile. Source: MHCLG 2019 English Indices of Deprivation

Skilled and Productive Workforce

Area	Apprenticeship Starts			Percentage Changes in Apprenticeship Starts		
	2016/17	2017/18	2018/19	% Change 16/17 to 17/18	% Change 17/18 to 18/19	% Change Q3 18/19 to Q3 19/20
Lancashire	17,850	12,020	13,070	-32.7%	8.7%	-10%
National	530,100	401,620	422,130	-24.2%	5.1%	-12.6%

Figure 18: 2019/20 Apprenticeship Starts 2016/17 to 2019/20 Q3. Source: DfE Datacube

Local Authority	GVA 2018 (£2016m)
Blackburn with Darwen	3,050
Blackpool	2,722
Lancaster	2,643
Wyre	1,579
Fylde	2,036
Preston	4,312
Ribble Valley	1,531
South Ribble	3,610
Burnley	2,246
Hyndburn	1,459
Pendle	2,187
Rossendale	1,076
Chorley	2,014
West Lancashire	2,481

Figure 20: GVA By Local Authority (Balanced). Source: ONS Regional gross value added (balanced) by industry: local authorities by NUTS 1 region: UKD North West, 2019

Skill Level	Lancashire Demand Change	UK Demand Change
NVQ 4+	4%	6%
NVQ 3	5%	8%
NVQ 2	-5%	-3%
NVQ 1	-4%	-2%
Other	16%	18%
No quals	-7%	-5%

Figure 21: Forecast Demand for Skill Levels, 2028, Lancashire. Source: Oxford Economics analysis for the Lancashire Labour Market Intelligence Toolkit, 2018

Area	Male	Female
England	63yrs	64yrs
North West region	61yrs	62yrs
Lancashire	61yrs	65yrs

Figure 23: Healthy Life Expectancy by Gender, 2017. Source: Public Health England, 2015-17

Sector	Replacement Demand 2018-2028 (000s)
Wholesale and retail trade; repair of motor vehicles and motorcycles	130.9
Human health and social work activities	96.0
Accommodation and food service activities	84.6
Administrative and support service	72.5
Manufacturing	70.0

Figure 24: Replacement Demand by Sector, Lancashire, 2018-2028. Source: Oxford Economics, Local Authority Databank

NUTS Region	2018 GVA (£)
United Kingdom	28,729
North West	25,118
Lancashire	22,765
Mid Lancashire	30,279
East Lancashire	21,773
Blackburn with Darwen	21,208
Blackpool	20,347
Chorley and West Lancashire	20,032
Lancaster and Wyre	17,214

Figure 19: GVA per Head of the population, NUTS regions. Source: ONS Regional GVA Balanced Approach

Local Authority	Sickness Absence Rate
Blackburn with Darwen	1.9%
Blackpool	2.8%
Chorley	2.5%
Fylde	4.3%
Lancaster	2.6%
Pendle	2.2%
Preston	2.3%
South Ribble	4.3%
UK Average	1.9%
North West Average	2.30%

Figure 22: Percentage of hours lost annually due to sickness, by local authority. Only local authorities with statistically reliable data have been included. Source: ONS Sickness Absence Rate by Local Authority, 2017



Lancashire Enterprise Partnership Limited

Private and Confidential: NO

Date: Tuesday, 8 December 2020

Growing Places Fund - Lancashire 2025

Report Author: Sarah Kemp, LEP Chief Executive Officer
Sarah.Kemp@lancashirelep.co.uk

Executive Summary

- Lancashire 2025 is a charitable trust, established to lead Lancashire's bid for City of Culture 2025, a unique bid in the respect that the county will bid to host the title and year' long programme of events and activity, as a "virtual" city.
- The trust has developed a business plan which directs the development of the bid until submission in March 2022, which requires as a minimum £808k of partners support with an additional projects, to the value of £465k to be commissioned as resources allow. Lancashire 2025 has approached the LEP to request a contribution to the costs.
- The contribution will be used to support core operating costs and development of significant digital and community infrastructure, as well as to build cultural capacity across Lancashire and deliver a new model of culture-led regeneration for the county.
- The vision for the bid is ambitious and ground-breaking in the UK. The benefits to Lancashire will be vast, if the county is successful in securing this bid.

Recommendation

The Lancashire Enterprise Partnership Board is asked to:

(i) Approve a grant allocation of £200k from the Growing Places Fund, to Lancashire 2025 and are asked to note:

- This will be an exceptional decision in respect of the use of Growing Places funds.
- The Board has previously expended £92k from the operating budget for the same purposes.
- A Grant Funding Agreement will be entered into which will set appropriate milestones against which the fund may be drawn down.
- The fund will not be limited to either capital or revenue, but may be used for both purposes.



- There remains sufficient funds within the Growing Places pot to meet this requirement.
- (ii) Delegate the final authority to enter into an appropriate Grant Funding Agreement, to the LEP Chief Executive in consultation with the Section 151 Officer of the Accountable Body.

Background and Advice

- 1.0 The LEP Board recently received a presentation from Lancashire 2025, a charitable trust established to bid to DCMS, to become the UK City of Culture in 2025.
- 1.1 The bid is unique, in that this will be the first time a geography other than a city is proposed, such that the entire county of Lancashire will become a "virtual city" by means of a digital interface which supports the direct engagement of a target audience of 1.5 million residents. The rewards of winning City of Culture are vast but local commitment must be strong to achieve and deliver a successful bid.
- 1.2 Lancashire 2025 is an established incorporated trust whose purpose is to:
- Submit a bid to DCMS to win UK City of Culture 2025
 - Develop the capacity of Lancashire to be a credible contender to win that title, and deliver it
 - Develop the county and leave a legacy of a culture-led regeneration model
- 1.3 Lancashire 2025 will attract new investment, create jobs, increase pride for residents, reduce cultural and economic inequalities, increase creativity, improve health and wellbeing for all and generate significant press, PR and marketing value for Lancashire as a place and identity.
- 1.4 Lancashire 2025 has approached the LEP for a financial contribution to the costs attributed to developing a bid up to April 2022.
- 1.5 The LEP Board are asked to consider a second contribution to these costs of £200k to be met by the Growing Places Fund, under a Grant Funding Agreement, in addition to an earlier contribution of £92k.

2.0 Deliverables and Outcomes

- 2.1 In order to develop a strong bid, a number of key milestones need to be achieved which include building core capacity within the bid team, developing cross-sector partnerships, engagement with the public, business community and press, establishing the office infrastructure and basic support functions, and carrying research and data analysis to support the bid. This activity also includes the technical design and prototyping of the digital infrastructure required to "host" the "city".



2.2 In the period July 2020 – March 2022, key deliverables include:

- Set up and operation of independent limited company Lancashire 2025
- Bid to become UK City of Culture 2025 developed and submitted to DCMS – initial and full application.
- New cross-sector partnerships (Lancashire, regional, national, international) developed against the following headings: of Media; Sustainability, Environment & Design; Technology & Telecommunications; Emerging Technology & Social Futures Change; Creative & Cultural; Insight, Data, Analytics, Evaluation Infrastructure Partner secured providing Office space; IT & Communications; HR; Financial Management
- Significant Press, PR, Marketing value for Lancashire as a place and identity.
- Significant engagement of Public, Private, VCFS Sectors at all levels.
- Significant engagement of communities and residents across Lancashire
- Community creation undertaken, covering Lancashire for the benefit of the City of Culture bid, aiming for 500,000+ people
- Research, insight, data baselines (and capacity built) analysis undertaken, covering Lancashire for the City of Culture Bid and for relevant industry bodies in Lancashire to benefit from
- Creation of 7 fixed-term contract jobs directly through Lancashire 2025 organisation; apprentice partnerships, placements across Lancashire supporting bid development and delivery of cultural programme (bringing together cross-sector opportunities and partnerships between Public, Private, Cultural, VCFS sectors)
- Commissioning new work that serves shared infrastructure development through Lancashire 2025 organisation. County-scale, supporting bid marketing and cultural delivery prototype modelling.

2.3 Against the key outcomes of the LEPs Lancashire Cultural Strategy the project will deliver:

- **Enhanced Capacity Strategic and Organisational Infrastructure** as catalysts and mechanisms for bid development and distributed cultural delivery, at county scale. To ensure joint working, mutual benefit and maximised impact across all areas of the county.
- **Education and skills programme** for bid development which will include the creation of a new cross-sector partnership for education, training and skills, involving national and international partners. To include 3 strands: Civic Creativity; Crafts & Manufacturing for Digital Architecture; Professional Development. This programme will lead to recruitment and development of a cohort of Creative Producers for Lancashire 2025.
- **Increased Connectivity and Compelling Cultural Narratives Access** to digital architecture for the development, presentation and promotion of culture across Lancashire. Supporting profile and reach, commissioning



artists and digital innovation, community development, research projects, development activity, marketing and communications. These include: Lancashire 2025 website; The Lancashire 2025 Podcast Show; design products and toolkits; Lancashire 2025 Digital Map.

- **Bolder Commissioning and Innovation Infrastructure** High impact commissions at county scale which will exist in both the digital and physical realms. Marking key moments in the year of selection and designation to generate national profile, media attention and public engagement across the county. Delivery will include structured engagement projects benefitting groups including: children & young people; BAME; older people; people in rural communities.

3.0 Financial

- 3.1 Lancashire 2025 have developed a business model which is as lean as possible, but remains effective in producing a strong bid. The current estimate of minimum cost is £808k to fund operational capacity until March 2022, of which Lancashire County Council have agreed to fund £627k. In addition the team have identified additional projects to the value of £465k to be delivered when additional resources are secured.
- 3.2 Approaches have also been made to all but one of the Local Authorities in Lancashire but, so far no firm commitments of financial support have been made. This is a challenging period for the public sector which delivers on the front-line in the battle against Covid19 but there is clear recognition and understanding of the value City of Culture could bring to Lancashire; very few initiatives are truly County-wide.
- 3.3 The LEP understands that approaches have also been made to the private sector, who for similar reasons – addressing the impact of Covid19 and BREXIT, are not ready yet to make commitments to fund the development of the bid, but will consider doing so, when there is better economic clarity and stability in the near future.
- 3.4 The use of Growing Places funds for this project, will diminish the LEP's ability to invest in other projects – most usually developments that are stalled and create housing and jobs and support business growth. However, this project at this current time is not competing against other applications, the opportunity cost therefore cannot be articulated. However, other direct outputs will be created as a result of this investment, including job creation.
- 3.5 Growing Places fund, as a tool for providing debt finance, provides a source of income to the LEP in respect of interest payments on capital loans. For each £100k of growing Places loan, the LEP could expect to receive an average return of typically £5.6k.



- 3.6 If the bid is successful, the actual cost of developing and delivering a year – long programme will be significant. No official finance schemes are outlined as coming as a direct result of winning UK City of Culture. However, the following sources have committed amounts around the figures outlined below in terms of the last 2 UK City of Culture winners:
- Arts Council £5m
 - Heritage Lottery £3m
 - Community Fund £2m
 - DCMS £9m.
- 3.7 Phase 2 Plans (April 2022 – March 2026) are broadly costed at £22m. For a county of the scale of Lancashire such an amount is, in fact, incredibly conservative but the bid team endeavour to be realistic in terms of the potential for the county at this time. The figures outlined above - through Arts Council, Heritage Lottery, Community Fund and DCMS alone potentially account for 85% of such a budget.
- 3.8 The LEP has already committed £92k of LEP operating budget funds to Lancashire 2025, to meet expenses incurred in the last financial year.

4.0 Key Risks

- 4.1 The main risk to this project is that the bid is unsuccessful. However, the very nature of the bid – to build cultural capacity and culture-led regeneration in Lancashire in order to substantiate the strength of the bid, will continue as a legacy of this investment. In particular the investment in digital infrastructure and intellectual property will remain in Lancashire, therefore the LEP can be assured that significant value will be created and retained as a result of this investment.
- 4.2 When the Growing Places fund was originally launched in 2011, it was strongly encouraged by Government, to be used as a revolving fund to unlock stalled investment; this has been the approach to-date in Lancashire with 100% of allocations being made in this way. The Prospectus outlined that the fund was to be used to:
- generate economic activity in the short term by addressing immediate infrastructure and site constraints and promote the delivery of jobs and housing
 - to allow local enterprise partnerships to prioritise the infrastructure they need, empowering them to deliver their economic strategies
 - to establish sustainable revolving funds so that funding can be reinvested to unlock further development, and leverage private investment

The fund was launched as a joint initiative of MHLCG and Department of Transport joint initiative who sought assurance that local partnerships were



committed to using the fund for the provision of infrastructure and would target projects which represent good value for money.

- 4.3 A strong argument can be made that the use of the fund in this way facilitates the development of social infrastructure and catalyses culture-led regeneration; the project will certainly will create jobs at all stages of delivery. Equally this investment will also empower the delivery of the LEP's Cultural Strategy.
- 4.4 In the a 2015 Appraisal Report of DCLG which summarised performance of the fund to that date, it reflected that 84% of the Growing Places Fund had been awarded on a loan only basis. This therefore sets the precedent that other LEPs have deployed these funds via alternative mechanisms and the LEP is aware of other northern LEPs who have adopted a similar approach to meet current economic needs. There is a risk, deemed small, as the growing places fund is already recycled, that the funds could be reclaimed if awarded in a way deemed to be inappropriate
- 4.5 As a charitable trust, and by virtue of the nature of the business model, Lancashire 2025 has no income with which to service debt, hence the proposal to approve funds, deployed under Grant Funding Agreement, rather than the more usual loan.
- 4.6 Growing Places fund, as a tool for providing debt finance, provides a source of income to the LEP in respect of interest payments on capital loans. For each £100k of Growing Places loan, the LEP could expect to receive an average return of 4%. For any approval of funds as grants, the LEP needs to be aware that there will be a consequential impact on the income receipt to the LEP's core operating budget.

List of Background Papers

Paper	Date	Contact/Tel
None		
Reason for inclusion in Part II, if appropriate		
N/A		



Lancashire Enterprise Partnership Limited

Private and Confidential: NO

Date: Tuesday, 8 December 2020

Strategic Economic Framework for Lancashire
(Appendix 'A' refers)

Report Author; Sarah Kemp, LEP Chief Executive
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Executive Summary

Over the course of the past 12 months, the Board of the LEP have engaged widely with a range of stakeholders, including businesses, local authorities, public and private sector partners, MPs and Ministers, to produce a new Strategic Economic Framework for Lancashire.

In order to bring this framework to life, this paper reflects and recognises some of the relevant and most significant elements of economic development' strategy, programmes and initiatives, already in place in Lancashire as a foundation on which to build a Delivery Plan, set against the Strategic Framework.

This report highlights key elements of the development of the Delivery Plan and sets out an action plan and timetable to achieve the next phase of development and proposes a budget envelope required to develop this next phase.

Recommendation

The Lancashire Enterprise Partnership Board is asked to:

- (i) Approve the action plan to develop the Delivery Plan of the 'Strategic Economic Framework for Lancashire' and
- (ii) Note the resource envelope of £290k is required to develop the next phase of the Delivery Plan, of which £150k of this envelope has already been approved under delegated limits and reported within the Operating Budget.

Background

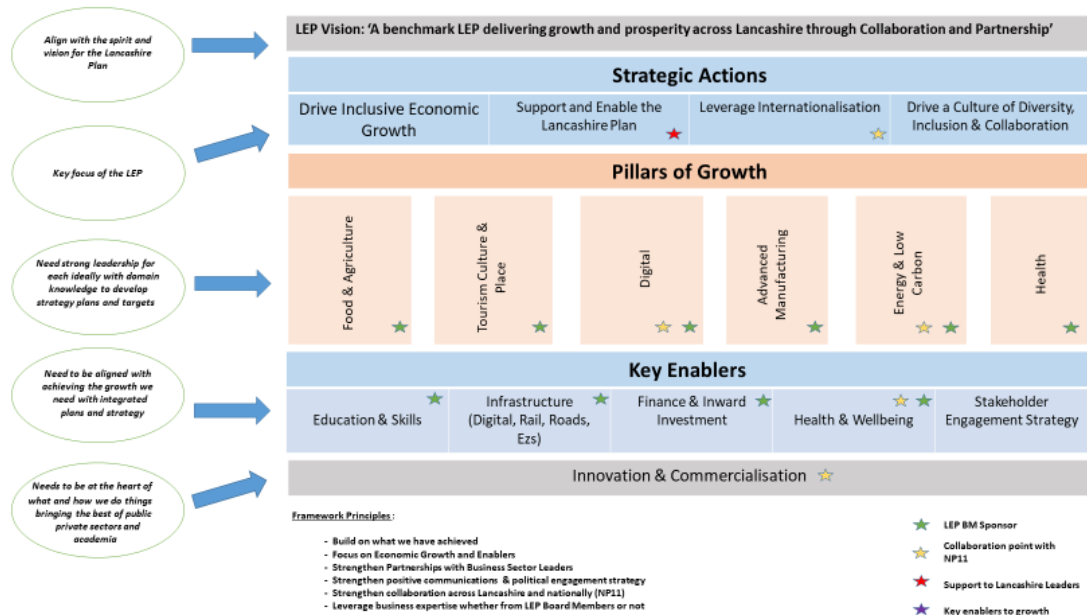
1. Background

- 1.1 The role of the LEP is to set the economic strategy for its area, the current policy remains directed towards the delivery of Local Industrial Strategies



(LIS). The LEP has previously developed and approved the precursor to the LIS, the Strategic Economic Plan (SEP) for Lancashire (2014) which focused on improving capability and capacity and seeking to overcome barriers to growth.

- 1.2 Whilst major elements of the SEP remain valid today, a series of significant socio-economic events continue to challenge the performance of Lancashire's economy and its impact on the everyday lives of its people and communities, such that a new economic framework is required, which best positions Lancashire to address today's challenges and embrace tomorrow's opportunities.
- 1.3 At the last Annual Performance Review of the LEP, the LEP was rated "Good" for Delivery" and but "Not meeting requirements" for Strategic Impact.
- 1.4 Over the course of the past few months, the LEP Board, under the leadership of a new LEP Chair, Steve Fogg, has consulted widely with a variety of stakeholders, partners and businesses to produce a new *Strategic Economic Framework for Lancashire*.



- 1.5 The Framework itself is not a strategy but sets the parameters and focus of attention in particular areas and domains, against which the following can be further developed:
 - Data and evidence collation and analysis to support decision-making
 - Economic policy and strategy setting for Lancashire
 - Key priorities for investment and intervention determined
 - Resource allocation and alignment of public funds to agreed priorities
 - Monitoring and evaluation of strategic impact



- 1.6 In addition, the Framework also positions a set of behaviours and values (*strategic actions*) which are to be embedded throughout the development and implementation of the Delivery Plan, behaviours and values which the LEP agrees to demonstrate at both an individual and organisational level.
- 1.7 The Framework prescribes a system leadership approach which brings together both the public and private sector to address the underlying economic challenges of the county, as well as respond to existing and emerging opportunities. It identifies key industry sectors for employment and productivity growth (*pillars of growth*) and a set of enablers, essential to the success of those industry sectors where barriers to growth may need to be addressed and enabling factors fuelled for greater impact.
- 1.8 In recent months the socio-economic landscape of Lancashire has experienced some of the worst impacts of Covid19 and is yet to deal with the realities of Brexit. Opportunities and challenges have, and will continue to arise, from these significant events and the Framework will ensure that the appropriate attention is given to real-time, rapidly evolving changes in Lancashire's socio-economic environment.
- 1.9 Within the Framework system, a series of inputs will start to determine evidence-based strategies and priorities for action, which will deliver strategic impact for Lancashire with respect to the following:
 - New and sustainable jobs for everyone
 - Improved productivity across Lancashire's business base
 - A vibrant ecosystem which supports new business start-ups and growth
 - Investment and growth in new industries for Lancashire
 - Significant contribution to net zero carbon targets across all sectors
 - Enhanced sustainable, internationally competitive businesses
- 1.10 The role of the LEP stretches beyond that of economic strategy setting to ensure that it continues to:
 - act as the interface with government in bidding for new resources which can be deployed to deliver local growth priorities
 - advocate on behalf of all Lancashire businesses as an independent voice, to influence and shape policy determination and decision-making at a local and national level for the greater benefit of the county
 - deliver programmes aligned to business support, skills, innovation, inward investment, infrastructure, regeneration and place-making
- 1.11 The LEP will continue to consult widely with stakeholders and partners in the development of individual elements of the Delivery Plan.



2. The Approach

Pillars of Growth

- 2.1 At the heart of the framework there is identified six *pillars of growth* against which a sector development approach is being taken, led by sector groups formed of business leaders which represent, all areas of the county and most recognised sub-sectors of their industry. The Sector groups are chaired by individuals passionate for the success of their sectors:

Manufacturing led by Dave Jones, MD of Veka

Tourism, Culture and Place – led by Kate Shame, MD of Merlin Entertainments

Energy & Low carbon Technologies led by Mick Gornall, MD Cavendish Nuclear

and Miranda Barker, CEX East Lancashire Chamber of Commerce

Food & Agriculture led by David Hall, Regional Director NFU

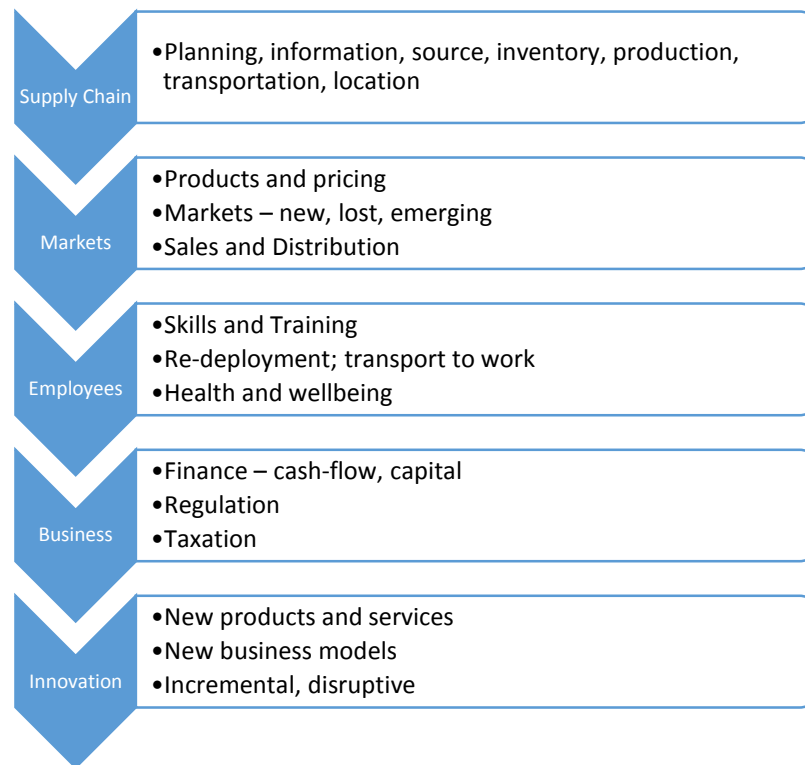
Digital led by Kam Kothia, CEO of Time2 Technology

Health led by Stjohn Crean, Professor at UCLAN

- 2.2 In response to the emerging economic crisis as a result of the impact of Covid19, the Sector Groups' initial focus is on an effective response to the crisis. Each group has or will identify and characterise its position at any given time, in terms of four phases:

Survival, Stabilisation, Recovery and Return to Growth

The group will set out the specific challenges and opportunities of the sector, defining what "good" might realistically look like. The sector group examines its situation through a number of optics which might include, but is not limited to, Supply Chains, Markets, Employees, Business and Innovation.



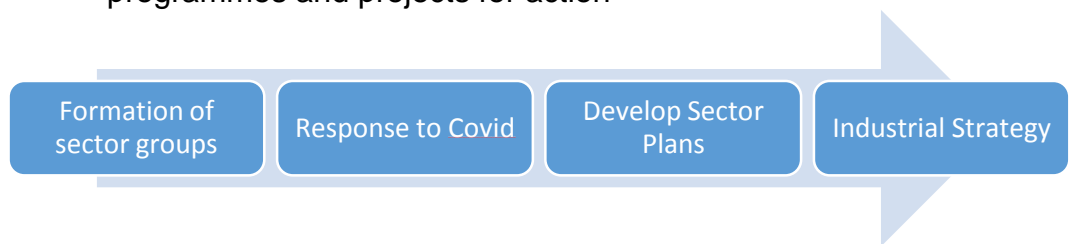
- 2.3 A set of priorities and interventions will be identified to respond to the "immediate and urgent", recognising that each sector has and is continuing, to experience a differential impact to Covid19 by scale and intensity, some having been very severely impacted, such as tourism and hospitality and others much less so, such as nuclear industries. Where required, the sector group may commission further evidence or a specific task and finish group to address the particular needs of a specific subsector and produce a Recovery Plan. For example The Lancashire Aerospace Task Force convened in the early stages of lockdown to produce a Recovery Plan, recently published.
- 2.4 The output of this initial activity of the sector group to address the impact of Covid, will be published as soon as possible and shared with all stakeholders and partners. Working groups will be formed with partners where required, to lead the implementation of any actions arising from these early plans for the sector and the LEP will work directly with government and partners to raise the resources required to implement the plan and any desired shifts in policy.
- 2.5 Building on the foundations of the response to Covid19, the Sector Groups will continue to lead the development of long terms sector plans to achieve and sustain a competitive position on both a national and international platform, based upon a deep knowledge and understanding of their sectors. Their focus will be to address the elements by which new pathways back to growth, are developed and the creation of competitive advantage is achieved through:
- increasing the productivity of companies based within the area
 - driving the direction and pace of innovation in business

- stimulating the formation of new businesses

2.6 The Sector Groups will look towards competitive success, focusing resources and policies toward developing and retaining businesses, and creating and sustaining employment across the pillars of growth, which demonstrate the best opportunity to build, and enhance, the region's economic strength.

Local Industrial Strategy

- 2.7 In turn, the Sector Plans will inform the further development of the Local Industrial Strategy by:
- bringing a real-time, business-led independent view of the performance of the sector
 - providing initial evidence and analysis from within a rapidly changing economic environment
 - establishing key priorities for action with appropriate timing and sequencing of intervention
 - setting benchmarks for performance of the sector
 - providing oversight to the implementation and impact of specific programmes and projects for action



2.8 Within each sector group, there will be a clear focus on increasing productivity (expressed via the Local Industrial Strategy), innovation (expressed via the Innovation Strategy and Plan) and stimulating the formation of new businesses, supported by a new focus on incubators and accelerators, investment finance, business support and global opportunities.

2.9 The LIS requires a new evidence base to be developed which reflects the post-Covid19 reality. The prescription of the original LIS will be expanded from sub-regional competitiveness to be more reflective and responsive to inclusive growth.

2.10 The LEP is commissioning a new economic forecasting model which will be updated regularly to track changes in the economy at a local level. The same data set will be used as foundational intelligence to support the Independent Economic Review for Lancashire and will be made available to all local authorities to serve their very specific purposes. In essence, Lancashire will be making decisions based on a single version of the truth.

2.11 The LIS will incorporate an additional element which seeks to understand the structural reasons for Lancashire's underperformance in the economy, taking both a backwards and forwards look, from 1980 to 2050. This understanding will set out a number of "deep dives" into the drivers of underperformance,

deep dives which are to be incorporated as part of the Independent Economic Review.

2.12 The LIS will also articulate the future potential of Lancashire as an economic engine for the North, which will inform future conversations with government and investors as to where and how to target investment to maximise growth and job creation.

2.13 The initial analysis output report is anticipated before the year end and the LIS to be completed in Spring. There is intended to be consultation around the final Strategy and a working group which includes economic development officers of local authorities is established, to support and guide the production of the LIS.

Enablers

2.14 The Sector Groups will identify which *Enablers* are most important to the success of their sectors and what barriers to growth might exist. In particular, there will be a focus on the enablers identified with the Strategic Framework:

- Education and skills
- Infrastructure (transport, utilities, digital)
- Finance for business
- Inward investment and internationalisation
- Health and wellbeing

2.15 The Sector Plans may also recognise and reflect other enablers vital to success, and set priorities and actions as appropriate to each sector. Certain elements of the framework, namely Digital and Health are to be regarded as both enablers to all sectors and pillars of growth in their own right.

2.16 The work of the Sector Groups will not only serve to shape the Local Industrial Strategy but will also provide vital inputs to:

- broader related economic strategy in key policy areas such as skills, transport, inward investment and business support
- policy shaping and influence at a local and national level
- stakeholder engagement plans
- bidding for new resources for investment from both the public and private sectors
- identifying priorities for capital funds investment by providing an economic lens
- proposition development to attract new investors

The groups will consider intervention at all levels – for *individuals* as a source of talent and desirable skillsets, for *businesses* to enhance their competitive positions, at an *industry* level to address market failures and emerging

opportunities which businesses by themselves, cannot achieve and at a *global* level to embrace and capture existing and emerging opportunities.

3.0 Strategic Actions

3.1 The Strategic Framework identifies four *Strategic Actions* which are primarily a set of behaviours and values which will be ubiquitous in their application, for all elements of the Delivery Plan to:

- Drive inclusive economic growth
- Support and enable the Greater Lancashire Plan
- Leverage internationalisation
- Drive a culture of diversity, inclusion and collaboration

3.2 There are many definitions of *inclusive economic growth*, but at its broadest level, it's about ensuring that everyone can both benefit from and contribute to, economic success; no-one gets left behind. Economic growth also delivers social value - a measure of the relative importance that people place on the changes which they experience in their lives. The LEP wants to ensure that through delivery of its core objectives, social value is optimised against any given activity and approach, and that it endeavours to capture and measure social value, giving it equal import to other more traditional economic measures.

3.3 Examples of social value might be the value people experience from increasing their personal confidence as a consequence of work experience, or from improved health and wellbeing as a consequence of living next to a community park. These things are important to the LEP, but haven't always been commonly expressed or measured in the same way that economic or financial value has been reported.

3.4 The Strategic Framework will recognise the importance of disparities and inequalities at all levels. Social value has huge potential to help change the way we understand the world around us, and make decisions about where to invest resources. By changing the way the LEP accounts for value, the LEP can positively contribute to a region which is serious about the levelling up agenda and creating a healthy and sustainable environment.

3.5 The benefits of addressing social value include:

- Maximising the value the LEP creates – both social and economic
- Involving the people who matter most – those who live and work in Lancashire
- Gaining competitive advantage for Lancashire's businesses
- Enhancing communication and understanding between stakeholders and partners
- Securing more resources for investment in Lancashire



- 3.6 The LEP will produce a new *Social Charter* which sets out the Principles of social value, Objectives and Measures. Applying the Principles will help the LEP to become more accountable for what happens as a result of its actions, and means being accountable for more than just achieving its objectives; inclusive growth and embracing difference, working collaboratively are all equally important aspirations.
- 3.7 The outcomes can remain specific to the context, activity, and the stakeholders involved. When applied, the Principles also create an account that recognises that the level of rigour required depends on the needs of key stakeholders in any given place and the decisions which will be taken.
- 3.8 In producing the Social Value Charter, the LEP will work with the leaders of both business and the community to understand what matters most in different places and to ensure that social value is maximised and captured in all elements of its work.
- 3.9 Building effective relationships with stakeholders is fundamental to the work of the LEP. The success of the wider work of the LEP and the ambitions of the Strategic Framework and core strategies such as the Local Industrial Strategy is dependent upon our ability engage with our diverse range of stakeholders. Collaboration and partnership working is therefore the backbone to our approach to providing the economic leadership to produce positive outcomes for Lancashire's residents and businesses.

Greater Lancashire Plan

- 3.10 The *Greater Lancashire Plan* reflects the aspirations of Lancashire local authorities for a plan for Lancashire designed to secure the economic, environmental and social wellbeing of all of its communities. Authorised by all fifteen local authorities the GLP is the basis for securing a single voice and greater collaboration, particularly across local government at the pan-Lancashire level, where the whole would be greater than the sum of the parts.
- 3.11 The first step was to produce a single evidence base built upon three commissions: an independent economic review, an environmental study, focussed on net carbon and climate change, and public reform.
- 3.12 As the lead body for the subnational economy in a non-Mayoral Combined Authority area, it is important that the Independent Economic Review takes its lead from the Strategic Economic Framework and Lancashire's Local Industrial Strategy. For these strategies to maximise economic growth and jobs for Lancashire, including higher productivity, levelling up, and the green revolution, it is important that the LEP Board is fully engaged as an active client of the Review. Steps are being put in place now, to enable that engagement to happen with the appointed consultants, Metro Dynamics, who have already identified the LEP Board as a key stakeholder. Sessions will be set up with the Chair and the Board and Sector Groups to shape the Review as it develops.



- 3.13 Equally, the Review must not cut across the development and finalisation of the Local industrial Strategy but feed into it and help shape it. The Review will add value by shining a light on the contribution of wider factors that impact on local economic conditions, such as housing, transport, planning and the environment. This alongside a series of 'deep dives' has the potential to strengthen the Strategic Economic Framework and the Local Industrial Strategy as well as the GLP. The Board and the Sector Groups will be well placed to shape the development of these wider factors and determine and shape which deep dives are most critical to success.
- 3.14 The Environmental Study, also part of the Greater Lancashire Plan, will produce a technical analysis of the gaps and options in achieving net zero carbon targets. Again, the Board and the Sector Groups will have similar key opportunities to respond to and shape this work going forward.

International Strategy

- 3.15 *Internationalisation* plays a critical role in Lancashire's economy as a strategic element of the county's business base and supply chains, its innovation, research and development landscape, sporting and cultural heritage, visitor destinations and universities. Covid19 has demonstrated the need to build greater resilience within supply chains, forge new networks and relationships, diversify through innovation to produce new products, access new markets and distribution channels and develop new skillsets. With Brexit impending and new challenges and opportunities to face, there is a need to maximise all opportunities presented from globalisation.
- 3.16 In particular, the ability to drive new inward investment into Lancashire is an essential component of creating jobs and increasing productivity. A very small proportion of foreign-owned businesses generate a very large proportion of the region's GVA, from companies proving to be more productive than many indigenous businesses and paying more per worker as a consequence. Many global businesses rely on supply chains from within the county and significant globalised innovation is delivered through firms and institutions leading international research programmes.
- 3.17 A very large proportion of international students attend universities in the county making a vital revenue contribution to the universities and colleges and the local economy, but numbers of students and revenues are down significantly as a consequence of Covid19.
- 3.18 Many international migrants who have settled within the county, bring a wealth of talent, skills and expertise, although the effects and impact of Covid19 and Brexit, have led to the loss of migrant workers, particularly in the healthcare, food and agriculture and hospitality sectors. At least 90 different languages are spoken in Lancashire and more than 18 categories of ethnicity are represented, according to the last census.



- 3.19 Lancashire needs to be far more specific and tactical in targeting strategically important markets as well as exploring and exploiting existing international connections. More effort needs to be made to articulate the sector propositions for investment and enhance trade and international supply chain opportunities.
- 3.20 Whilst there is a lot of business support activity happening in this space, it is not well co-ordinated and integrated, nor promoted within target markets, despite strengths in many areas. As yet, we have no sight of the UK Shared Prosperity Funds, intended to replace European Regional Development Funds which limits Lancashire's ability to incentivise global mobile investment, but as those discussions proceed with government, Lancashire needs to be clear about its ambitions and objectives in respect of globalisation.
- 3.21 It is therefore proposed that the LEP commissions an *Internationalisation Strategy* which directly contributes to the levelling up agenda and closes the productivity gap, through:
- Development of internationally competitive sectors, through outward and inward investment, trade and international supply chains and by developing an internationally comparable skills base
 - Maximising the potential of the county's science and innovation, research and development base and education assets, by promoting research concentrations and knowledge capabilities internationally
 - Targeting strategically important countries for growth in trade and investment, by consolidating our position in established markets and explore new opportunities
 - Enhancing the region's international connections through transport links, networks, ambassadors, political connections and attracting international events, tourists and visitors
 - Influencing European and international policies which have a direct impact on the county

4.0 Action Plan

- 4.1 The LEP Board held an Away Day in November to discuss each of the domains of the Strategic Framework and put forward a set of actions to develop the Delivery Plan, the main actions summarised below:
- Develop a LEP **Social Charter**
 - Develop a **Stakeholder Engagement Plan**
 - Commission the production of an **Internationalisation Strategy** for Lancashire
 - Support and guide the development of the **Independent Economic Review (GLP)**
 - Establish **Sector Groups** for each of 6 key sectors
 - Produce a **Response to Covid19** and **Sector Plan** for each sector and provide input to,



- Complete the **Local Industrial Strategy**
- Produce a one-year refresh of the **Skills and Employment Framework**
- Support the Implementation of the **Innovation Strategy and Plan**
- Commission a review of **Finance for Business**
- Produce a refresh of the **Strategic Transport Priorities**
- Develop a **Strategic Financial Strategy** to assure continued development and implementation of strategic economic priorities

These actions and supporting sub-actions are summarised in Appendix 1, together with a quarterly plan for delivery and proposed resource allocation. Further actions may subsequently be added to the Plan as the Deliver Plan for the Strategic Framework is formulated.

- 4.2 The Board are requested to approve these actions and note the overall resource envelope of £290k to complete actions where investment might be required; some actions are already underway where specific costs fall within the delegations of the Chair and Chief Executive of the LEP. To-date, £150k of the wider resource envelope has already been approved under those delegated limits and is reported under the Operating Budget.
- 4.3 The Board is also requested to note that this resource envelope excludes activity which may be related but separately funded from Programme resources.
- 4.3 Subject to Board approval, the Board will receive regular updates of progress on a quarterly basis.

5. Section 151 commentary

The impacts of the above framework are included, where forecasts are available, in the operating budget report. Forecasts for the remaining commissions will need to fit within the envelope of reserves available and given consideration when further annual ongoing expenditure commitments are being considered.

List of Background Papers

Paper	Date	Contact/Tel
none		
Reason for inclusion in Part II, if appropriate		
N/A		

STRATEGIC FRAMEWORK – Development of the Delivery Plan

DOMAIN		STRATEGIC ACTION	SUPPORTING ACTIONS	TIMESCALE	COST	STATUS
Strategic Objectives						
Drive Inclusive Economic Growth	1.1	Production of a LEP Social Value Charter to include social value, diversity and widespread Inclusion	Development of a social value scorecard across all LEP Programmes	6 months	£10k	To be initiated
			Embrace learning from best practice	Ongoing		
Drive a culture of diversity collaboration and inclusion		Develop a Stakeholder Engagement Plan	Arrange a mini conference and a series of area-specific sessions for the districts	3 months	£10k	Commenced
Support and Enable the Lancashire Plan	1.2	Ensure the LIS steers the delivery of the Independent Economic Review	Commission of Economic Forecast Model and data for Lancashire	12 months	£50k (committed)	Commenced
Leverage Internationalisation	1.3	Commission an Internationalisation Strategy for Lancashire	Establish an Investment Strategy Sub-group of the Board	6 months	£50k	Commenced
			Identify potential candidates for Board representation with relevant skills and global experience	3 months		To be initiated
			Develop an Industrial Directory	6 months		To be initiated
Pillars of Growth						
Food and Agriculture	2.1	Complete the Covid 19 Response	Encourage changes to local procurement policy	3 months	£10k	To be initiated
			Explore transfer of aerospace engineering skills to agri-tech	6 months		Commenced

	2.2	Development of the Sector Plan for Food & Agriculture	Widen membership of the group to include poultry and Duchy	6 months		To be initiated
			Prepare the post-Brexit Skills Strategy	18 months		To be initiated
Manufacturing	2.3	Develop the Sector Plan for Manufacturing	Review composition of current manufacturing group and possibly split into two	12 months	£10k	Commenced
			Utilise key events such as MIPM to build networks and relationships	Ongoing		
			Identify board members for Skills Advisory Panel who can bridge across sector groups	3 months		Commenced
			Development of an Investment Fund for Manufacturing	12 months		Commenced
	2.4	Develop a Manufacturing Campaign for Lancashire		3 months		To be initiated
	2.5	Develop an Aerospace Recovery Plan	Convene the Business Task Force	3 months	£20k (committed)	Completed
			Develop the Delivery Plan	3 months		To be initiated
			Align campaign with Manufacturing	3 months		
Energy and Low Carbon	2.6	Produce and publish the Energy and Low Carbon Sector Plan	Develop the Implementation Plan for the sector	6 months	£10k	Commenced
	2.7	Energy White Paper – determine the implications and appropriate response for Lancashire	Develop collaborations with other regions – Energy Coast and Nuclear Arc & NP11	6 months		Commenced

			Engage with Energy North West on £2bn planned investment	3 months		Commenced
Tourism, Culture & Place	2.8	Produce and publish the Response to Covid Plan	Develop the Implementation Plan for Response to Covid	3 months		Commenced
	2.9	Continue to develop the longer-term Sector Plan for Tourism, Culture and Place	Expand group membership to include culture and place representation and take strategic longer terms view	6 months	£10k (committed)	Commenced
	2.10	Develop a Campaign for Lancashire		12 months		
			Support key initiatives – Eden North (£1.2m) and City of Culture 2025 (£92k) in 2020/1	2 years		Commenced
Digital	2.11	Develop the Digital Sector Plan	Establish the Sector Group (led by Kam Kothia)	6 months	£10k	Commenced
Health	2.12	Develop the Health Sector Plan	Establish the Sector Group (led by Stjohn Crean tbc)	12 months	£10k	Commenced
	2.13	Develop a specific Campaign for Mental Health	Identify the cross-cutting themes of other sectors where health is a key enabler	6 months		
			Intervention: development of local supply chains	12 months		
Sector Development	2.14	Production of the Local Industrial Strategy Validation of proposals by sector groups	Alignment of existing enabling strategies with the priorities identified by the sector groups	6 months	£70k (committed)	Commenced
			Enabler-specific workshops to be scheduled to run across each Sector Group	3 months		Commenced
			Production of the Sector Plans e.g. Aerospace Recovery Plan)	12 months		Commenced

			Integration/alignment of key policy areas BREXIT, Freeports	3 months			Commenced
			Convene wider Lancashire LIS Working & stakeholder groups	3 months			Commenced
			Lancashire wide consultation on the LIS	6 months			To be initiated
	2.15	Production of an Investment Strategy to support implementation of Delivery Plans	Engagement with BEIS on the priorities of Lancashire with respect to UKSPF	6 months			To be initiated
			Alignment with emerging Town Plans	6 months			
Enablers							
Education and Skills	3.1	Refresh of the Employment and Skills Framework		3 months			Complete
Innovation	3.2	Implementation of the Innovation Strategy and Plan					Commenced
Finance & Inward Investment	3.3	Commission a new mapping study of Finance for Business of the demand and supply base across Lancashire's economy and identify gaps for intervention	N.B. Inward Investment to be included within the Internationalisation Strategy	6 months		£20k	To be initiated
			Ensure that Sector Groups provide sector specific insight to the commission	3 months			To be initiated
			Identify potential candidates for the LEP Board with expertise in Investment markets	3 months			Commenced
			Identify the financial investment contribution to support the	6 months			Commenced

			development of a business- start up ecosystem which includes accelerators and incubators (UCLAN to support)			
Infrastructure	3.4	Ensure the LIS provides the economic priorities to inform a refresh of the Strategic Transport Plan and sets out the economic contribution of infrastructure investment	Ensure that Transport for Lancashire Group is driving the economic focus on infrastructure prioritisation	12 months		To be initiated
			Establish the important cross-border regional transport priorities for all places	3 months		
			Refresh of Enterprise Zone Strategy	6 months		Commenced
			Digital Infrastructure will be included within the Digital Strategy			
			Utility Infrastructure will be included within Energy and Low Carbon Sector Plan			
Financial Strategy		Develop a Strategic Financial Strategy to assure continued commitment to delivery of the SF		3 months		
TOTAL INVESTMENT COST of developing the Delivery Plan						£290k



Lancashire Enterprise Partnership Limited

Private and Confidential: NO

Date: Tuesday, 8 December 2020

LEP - Programmes Update Report
(Appendices 'A' to 'M' refers)

Report Author: Anne-Mare Parkinson, anne-marie.parkinson@lancashirelep.co.uk

Executive Summary

This report provides the Lancashire Enterprise Partnership (LEP) Board with high level updates for each of the LEP programmes.

Recommendation

The Lancashire Enterprise Partnership (LEP) is asked to:

- (i) Note the contents of this report;
- (ii) Provide feedback in terms of changes / additional content for future reports; and
- (iii) Provide feedback on the proposed Dashboard.

Background and Advice

The purpose of this report is to provide Members of the Board with a single high-level programme 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.
- Recognise, appreciate and explore the synergies / linkages between programmes to allow a more holistic delivery model.
- Allow members to make individual programme decisions in the context of the complete portfolio of Programmes.
- Assurance of the Performance of individual programmes for which the LEP is accountable to government for.
- Identify any programme risks and agree remedial actions.

Programme Reports

Please find attached at Appendices A–K updates for each of the LEP programmes as detailed below:

- Boost – Lancashire Business Growth Hub
- City Deal



- Enterprise Zones X 4
- Getting Building Fund
- Growing Places
- Growth Deal
- Lancashire Skills and Employment Hub
- Social Value

Performance

At a previous meeting of LEP Board, Members provided feedback in terms of the content of future reports in respect to the following two areas:

Key Performance Indicators (KPIs)

At the last meeting of the Board, Members received a draft document of core KPIs. The document was intended to start the process for the identification of LEP KPIs, which would reflect the ambitions of the LEP, going beyond purely programme KPIs.

The review of KPIs will also include the development of a LEP Social Value Charter, of which the principles, objectives and measures will be embedded within programme management and reporting.

The next step in terms of finalising a set of core KPIs, is the completion of the KPI review of programmes, in consideration / context of the LEP Strategic Framework. An update will be provided to a future meeting of the LEP Board.

Dash Board

Members requested that the Programme Manager explore the potential to develop a combined programmes single dashboard of KPIs.

Please find attached at Appendix L a draft Dashboard which has been developed initially from Growth Deal Programme KPIs data, providing Members with the opportunity to provide feedback in terms of format, prior to the development into a single combined dashboard for all programmes, upon conclusion of the KPI review. Early findings of the review suggest the following KPIs, which reflect both the strategic direction and programme delivery, would be appropriate to include in the dashboard:

- £m Private / Public Sector Investment
- Geographical - Investment / Impact / Projects
- Strategic Alignment (Strategic Framework)
- Partner Engagement
- Outputs (Jobs, Housing, Learners, Infrastructure, Commercial / Learning floor space, Businesses Assisted)
- Social and Economic Value Impact £m
- Risk

Feedback is sought from Members to establish whether the draft dashboard format at Appendix L, together with the proposed KPIs headings as detailed above, reflect



Members aspirations in terms of the creation of a single combined programme dashboard.

KPI Performance - Actuals v Targets – as reported November 2020

The table below contains the combined current core KPIs for all the LEP programmes as sourced from the individual reports (Appendices A-K).

Key Performance Indicator - Programmes Combined	Actuals	Target	A v T %
Capital Funding Invested £m	£179.50	£273.00	66%
Private Sector Investment £m	£188	£431	44%
Other Investment £m	£261	£738	35%
Housing Units	6766	21320	32%
Jobs Created / Jobs Safeguarded / Apprentices	25,680	41,996	61%
Commercial floor space constructed or refurbished (sqm)	350,714	883,838	40%
New or Resurfaced Road (km)	5	5	100%
New or improved cycle ways (km)	19.75	28.1	70%
New or Improved Training learning facility (sqm)	42371	42557	100%
Additional Learners leading to qualification (up to L4)	10370	10787	96%
Enterprises or Businesses receiving support (SME)	4297	5970	72%
Specialist Equipment	19	113	17%
New products to Market	40	40	100%
Social and Economic Value Impact £m	£31.60	N/A	N/A

In respect to the above table please note:

- Growing Places and Warton EZ programmes – Whilst the programmes have reported 'actuals' which are included in the table above, they do not currently have targets to measure performance against.
- Lancashire Skills and Employment Hub programme - As a strategic unit, gathering local labour market intelligence to identify skills and employment priorities, the programme is not measured against the KPIs within the table above. Please refer to programme report for performance data. An outcome of the KPI review would be to establish if there are KPIs for this programme which should be included in the LEP KPI document.
- Double Counting - Some of the programmes cross cut, as such there is the potential for double counting of 'actuals' and 'targets', identified in red, when combining all programmes KPIs. For example the Growth Deal programme funds works at Samlesbury EZ, as such both the Growth Deal and Samlesbury EZ programmes are reporting the same 'targets' and 'actuals'. An exercise has been undertaken to remove the duplicates in the 'actuals', the same exercise needs to be completed for 'targets'.
- Reporting Period – Programmes performance periods range from 2013 – 2041.



Baselines

In terms of developing the reporting further, the aim is to establish 'baselines' and 'targets' for all appropriate programmes. This performance data information will provide Members of the Board with the relevant information to understand Programme performance in order to support informed on-going investment decisions.

Risk

A new Single Portfolio Risk Register for the combined programmes has been created, which can be found at Appendix M to this report.

Summary of Decisions Expected

The table below contains the expected decisions from programmes to be presented to the LEP Board either at the next Board meeting (2nd February 2021), or considered as an item of urgent business, before the 2nd February 2021 meeting.

Programme	Decisions expected at LEP Board 2nd February 21	Decisions expected via written procedure
Growth Deal		Approval of Qtr. 2 & 3 LGF reporting
Getting Building Fund		Potential approvals of 10 GBF project GFAs, unless delegated.
Growing Places Fund		HoT agreement if appropriate following report to LEP Board 8 Dec

Matters to Consider / Highlight

In terms of the individual programmes updates appended to this report, the following reports are highlighted for note / attention:

- Warton Enterprise Zone Report – As Members will note no milestones or targets are contained within the report, with note of a 'strategic discussion' required to conclude. It is suggested a presentation of all Enterprise Zones is arranged for Members, to consider current position and forward strategy and delivery.
- Social and Economic Value Report – In response to feedback from Members, it is suggested a presentation and further report be provided to Members, in terms of how this successful programme can be built upon.

List of Background Papers

Paper	Date	Contact/Tel
None		
Reason for inclusion in Part II, if appropriate		
N/A		

Boost – Lancashire Business Growth Hub – Lead Andrew Leeming

Background

Boost (Lancashire's Business Growth Hub) is a multi-tier, multi-agency programme, established in 2013. The programme is funded by the Ministry for Housing, Communities and Local Government (MHCLG), Department for Business, Energy and Industrial Strategy (BEIS) and Lancashire County Council. By 2018 Boost had engaged with over 5,800 businesses, created 2,200 new jobs and generated over £60m GVA for the Lancashire economy. The main focus of Boost 1 (2013-15) and Boost 2 (2016-18) was improving the competitiveness of high growth Lancashire businesses, job creation and helping to establish sustainable new enterprises within Lancashire.

Boost 3 has a total project value of **£6.083m** (£3.650m ESIF (60%) & £2.433m public match) to be defrayed from 1st January 2019 to 30th December 2021.

In addition c. **£328k** of BEIS funding per annum is used to provide sector specific support and assist beneficiaries who do not fit ERDF eligibility criteria.

Our #BoostYourRecovery campaign was launched in June 2020 to help Lancashire enterprises reset and plan their return from lockdown. Our #AskForHelp campaign, launched on day one of the lockdown, has already assisted more than 5000 Lancashire businesses.

Boost has started delivering **Peer Networks programme** for Lancashire. Peer Networks is a national peer-to-peer networking programme for SME leaders that want to grow and develop their organisation for future success. Delivered locally by Boost, we are creating diverse - cohort groups of individuals to collaboratively work through common business issues.

Peer Networks is funded by the Department for Business, Energy and Industrial Strategy (BEIS) in response to a commitment made in the 2019 Business Productivity Review. The programme includes interactive action learning, trained facilitators, small groups, flexible topic selection and one to one coaching.

By completing Peer Networks, an enterprise will overcome business challenges and recognise and act on new opportunities, build a trusted network of connections for immediate support as well as for the future, and improve their long-term personal and business performance.

The new **Boost your recovery Covid grant** funds has received in excess of 1000 expressions of interest, in total, over £3M of grant requests. The team has been assessing the returns; early indicators suggest 70% of these will be eligible to apply for a grant.

Performance

The Boost 3 project directly supports **Priority Axis 3** – 'Enhancing the Competitiveness of small and medium sized enterprises'. Specifically addresses the following Investment Priorities:

3a Promoting entrepreneurship, in particular by facilitating the economic exploitation of new ideas and fostering the creation of new firms.

3b The Growth Support Programme strand of Boost 3 is specifically designed to identify entrepreneurs who have business ideas with growth potential and to help them bring these to fruition. It provides customised support to equip new businesses with the skills, techniques and tools to understand the barriers to growth and help them to overcome these.

3c Supporting the creation and the extension of advanced capacities for products, services and development.

The newly introduced **Business Resilience Programme** together with the **Growth Mentoring Programme** encourages businesses to bring forward growth projects, products and services through ongoing support to develop commercial capabilities and growth strategies.

3d Supporting the capacity of small and medium sized enterprises to grow in regional, national and international markets and to engage in innovation processes.

The Business Resilience Programme assists existing businesses to examine and develop existing and potential markets at home and abroad. Working alongside the Department for International Trade and local Chambers of Commerce, the initiative helps them to evaluate the threats and opportunities posed by changes in international trade patterns and tariffs and to take action to grow their businesses.

In addition to delivering the specific ERDF related outputs identified, Boost 3 will result in:

- Increased business formation rates
- Improved business survival rates
- An increase in the number of scale up businesses in Lancashire
- Improved productivity and GVA
- Higher levels of innovation and growth
- Business diversification, new products and services
- Higher levels of international trade

Programme Milestones

Milestone	Start Date	Completion Date
LCC Cabinet Approval for match funding	July 2018	September 2018
Boost 3 Procurement	July – December 2018	January 2019
Boost 3 Core Delivery Commences	January 2019	December 2021
Project Delivery (Business Support)	January 2019	September 2021
Mid Term Evaluation*	March 2020	July 2020
Final Evaluation	October 2021	December 2021

* The mid programme review has been shared with key stake holders and delivery organisations.

Key Performance Indicators - as at 30th September 2020

Boost 1 and 2 programmes are fully complete and closed having achieved the targets.

The table below contains core Boost 3 outputs and outcomes as specified in the contracts with service providers and GFAs signed with Managing Authorities (MHCLG & BEIS).

BOOST 3

KPI	Target	Actual	Comments	RAG
New to Boost (NTB) businesses.	729	3,392 465%	271% of our overall programme target has been achieved, and we continue to proactively engage with Lancashire businesses who have not accessed publicly funded support previously. 85.72% of Diagnosis of Need were 'New to Boost' as of 30 th September 2020.	

(P13) Number of enterprises receiving information, diagnostic and brokerage support.	840	837 99.64%	Business Relationship Managers continue being at the forefront of the Growth Hubs #BoostYourRecovery campaign. Alongside the continued delivery of contracted outputs, which have remained on profile, records on Evolutive show that the BRMs supported a minimum of 772 businesses during this period (1st Apr 20 to 30th Sep 20) via additional "Covid conversations". Of the 772 businesses supported, this equated to 485 client hours , in providing advice.	
(C5) Number of new enterprises supported.	155	128 82.58%	C5 is one of the primary indicator for MHCLG. Covid-19 is adversely affecting sales amongst new businesses. Results were satisfactory for Oct and there is a healthy pipeline for Nov 20 in spite of Covid-19 constraints.	
Boost referrals to wider business support agencies.	437	2,233 510%	A core objectives of Boost is to connect businesses to the best support available from the private and public sector. Since 23 rd of March, Covid-19 crisis has resulted in an increased number of business engagements.	
(P11) Number of potential entrepreneurs assisted to be enterprise ready.	300	196 65.33%	There is a lack of confidence amongst potential entrepreneurs to set up their own businesses due to Covid-19. However, there is now a fixed path of outputs and outcomes, and for the last three weeks these have been met. The start-up programme is working to pre Covid-19 targets.	
(C1) Number of enterprises receiving support (12 Hours or more) . ** **We are working to pre Covid-19 targets.	810	565 69.75%	The Covid-19 pandemic triggered the sharpest economic contraction on record earlier this year as nationwide restrictions were brought in to try to contain the virus. Although the volume of business engagements have increased, 'immediate' needs take priority over 'long term goals' for some businesses, resulting in bursts of shorter interventions. With the added flexibility regarding the categories of businesses that service providers can now engage with, we are hoping that the shortfall in C1 outputs can be addressed by June 2020 (subject to market constraints). Delivery models have been adjusted to adopt to the challenges / changes faced by businesses, so that pre covid targets can still be achieved .	
(C8) Employment increase in supported enterprises.	550	645.67 117.39%	The Bank of England believes unemployment will rise sharply as government support schemes winds down. The Bank expects the economy to shrink by 2% in the final three months of 2020. It does not expect the UK economy to get back to its pre-virus size until the following year. Lancashire has seen a 15% surge in the number of firms operating under significant financial distress despite Government support schemes. The latest Red Flag Alert data for Q3 2020 has recorded a 15% year-on-year increase in the number of distressed firms in the region bringing the total to 10,034.	
(C28) Number of enterprises supported to introduce new to the market products.	58	06 10.34%	We have started to collect evidence of activities and are confident performance will improve. C28/C29 workshop was delivered for service providers to assist them with: Count Criteria/ Verification Evidence/Count Threshold. Service providers are collaborating with business support agencies.	
(C29) Number of enterprises supported to introduce new to the firm products.	58	12 20.68%	We have started to collect evidence of these activities and are confident performance will improve. This is one of the most complex and difficult target for all ERDF programmes. Core service providers are collaborating with other business support agencies.	
Unique website visits	8750	9,403 107.4%	Since Jan 1 2019, includes Startup Lancashire).	

GDPR Compliant database growth	1,500	1,847		
Grow Twitter community	1,458	1,507 103.36%		
4 Subject / Thematic campaigns pa	6	6 100%		

In terms of performance for the combined Boost 1, 2 and 3 programmes which contribute to the core LEP KPIs, these are as follows:

- Combined C8 (**Jobs Created**) = **Actual 3426.67 / Target 3,330.71**
- Combined C1 (number of **enterprises assisted**) = **Actual 3700 / Target 3945.**

Financial Performance

This section covers project performance in terms of actual expenditure against the profiled values contained in the Funding Agreement.

- The amount of Eligible Expenditure Defrayed within the claim period is **£553,123.70**
- The financial profile for this period was **£570,395.**
- Total cumulative expenditure to date is **£3,323,210.37** compared to approved profile of
- **£3,340,481.67.**

**** It is to be noted that Boost is working to pre Covid-19 targets with regards to job and wealth creation in the midst of an unprecedented economic crisis.** Britain's economy is heading for a prolonged recession lasting until next spring as the number of coronavirus infections climbs and tougher restrictions are introduced to contain the virus. As a Covid-19 second wave spreads and fresh measures are launched in Lancashire, economists warned that the fightback from the deepest recession in history begun this summer and was already running out of steam. According to Robert Wood, the chief UK economist at Bank of America growth in gross domestic product (GDP) would probably stall in the fourth quarter and the first three months of 2021. This situation is exacerbated by fading stimulus and EU risks. Britain's economy has entered the deepest recession since records began after shrinking by more than any other nation in the second quarter. **This has a direct impact on the business support landscape in Lancashire.**

The Growth Hub's core service providers are confident that output forecasts will **NOT** reduce as a consequence of the impact of COVID-19 on project delivery and adverse market conditions. Boost's main delivery organisations and programme management team are putting the extra spade work required to make this happen. Boost's programme management team continues to work closely with service providers, funding authorities and associated business support agencies to try and provide a rapid response to emerging issues. A project change request application will be sent to MHCLG in Quarter 1, 2021.

Risks

A new Single Portfolio Risk Register for the combined programmes has been created, which can be found at Appendix M to the main report.

Preston, South Ribble and Lancashire City Deal – Lead Contact Sarah Parry

Background

The £450m Preston, South Ribble and Lancashire City Deal was agreed with HM Government in 2013 and is a 10 year infrastructure delivery programme, driving forward local growth by enabling the City Deal area to maximise the area's economic assets and opportunities. City Deal partners include; Lancashire Enterprise Partnership, Central Government, Lancashire County Council, Preston City Council, South Ribble Borough Council and Homes England. The City Deal is intended to generate; more than 20,000 net new private sector jobs, including 5,000 in the Lancashire Enterprise Zone; nearly £1 billion GVA; 17,420 new homes; and £2.3 billion in leveraged commercial investment.

Performance

Programme Milestones

Milestone	Date	Comments
End of Year Performance Monitoring Completed	Ongoing	2019/20 report delayed due to Covid. Expected to catch up in Q4 2020/21
Quarterly Infrastructure Monitoring Completed	Ongoing	Achieved
Government Returns submitted six monthly	Ongoing	2019/20 report delayed due to Covid. Expected to catch up in Q4 2020/21
Mid Term Review Complete	2019	Negotiations continuing

Key Performance Indicators – as at 30th September 2019

Please note: The KPIs represent the latest figures available (30 Sept 2019). This is as a result of District planning officers being unable to undertake site visits at the end of the last financial year due to the impact of Covid 19. Site visits and data collection resumed in October 2020 and updated data is expected to be available in November, which will be circulated as soon as verified in December 2020.

	KPI / Metrics	Actuals	Target	RAG
1	Total number of Housing units completed	5474	17,420	
2	Number of Housing units - Planning Consented	13,966 (11,144 City Deal sites)	17,420	
3	Commercial floorspace completed (sqm)	78,511	441,657	
4	Jobs created or safeguarded (includes jobs associated; with new commercial floorspace, to capital investment, with lettings at existing premises and jobs created through BOOST.	15,268	20,000	
5	Public Sector Investment (£m)	£109	£342	
6	Private Sector investment (£m)	£21	£82	
7	Construction of Broughton Bypass	Complete	-	
8	Construction of Preston Western Distributor	Under Construction	-	
9	Construction of Penwortham Bypass	Complete	-	
10	Widening of A582 South Ribble Western Distributor	At planning, design and land assembly stage - Junctions	-	

		complete. Widening of phase 1 - Golden Way section complete.		
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Outstanding Issues

City Deal Review – Agreement on revised Terms for the City Deal has not yet been reached. Early February is now the target for adoption of new terms and a revised funding model. This will enable the financial forecast to reflect changes to New Homes Bonus that are expected to be announced as part of the budget announcement in late November/December. Work to draft and negotiate the new Deal is continuing at pace and will be reviewed by the partners in December, in readiness for reporting in January.

A further letter signed by all partners was sent to Luke Hall MP and Robert Jenrick MP in September regarding the financial impact on City Deal as a result of changes to NHB. A response has been received inviting further dialogue with MHCLG officials, which is taking place on 20th November.

The significant funding commitments for the A582 scheme, Animate Cinema Scheme and Harris Museum, have all been deferred to Quarter 4. This does not adversely affect the programming of these schemes, or the submission of the MRN bid which is on track to be submitted in March.

The pause on spending remains in place. Only schemes where there is a contractual, health and safety or planning obligation to fulfil, are exempt from that pause on spend.

Risks

A new Single Portfolio Risk Register for the combined programmes has been created, which can be found at Appendix M to the main report.

BLACKPOOL AIRPORT ENTERPRISE ZONE – Lead Rob Green

Background

The overall vision is to make Blackpool Airport Enterprise Zone, a premier business location in the North West.

In April 2016 the Government awarded Enterprise Zone status to the Blackpool Airport site which includes Blackpool International Airport and the surrounding business parks. Blackpool Airport EZ has benefited from public sector investment including acquisition of Blackpool Airport, phase 1 infrastructure works; fencing, taxiway removal, drainage and grass pitches commitment in excess of £1m. Nine new private sector developments have been completed totalling 186,517 sq ft, including Blackpool & The Fylde College's Lancashire Energy HQ, a 32,000 sq ft flagship training centre for technical and professional education for the energy sector.

Performance

Blackpool Council (EZ accountable body) has approved up to £28.8m funding by prudential borrowing for development of Phase 1 Common Edge infrastructure. Phase 1 planning application has been approved with completion of 12 no grass sports pitches, which will come into use in Autumn 2021 after establishment of the playing surface. Work has commenced on site (Oct 2020) for a 40,000 sq ft manufacturing facility, supported by £800,000 Growth Deal Funding due for completion autumn 2021. Design of new highways and enabling works is ongoing and negotiations are progressing for acquisition of additional third party land and property required to support delivery of the masterplan

Baselines at April 2016	
Existing jobs	Difficult to estimate as it is an existing business park with over 200 businesses located on site
Companies on site	c.250 – 300
Business rates baseline (set Dec 2017)	Blackpool - £1,503,000 Fylde - £870,000

Key Performance Indicators	Targets (over 25 year life time of EZ to 2041)	Actuals up to Qtr. 3 20/21	RAG
Build, convert or re-purpose potential employment space	260,000 sqm	24,277 sq m	
Attract Private Sector Investment	£300m	c.£21.69m	
Jobs created	5,000	1525 (gross)	
New Businesses to the area	140	91	
Develop new infrastructure	£65m	£28.8m *	

*Public Works Loan Board (PWLB) funds borrowed to cover initial costs of new road and infrastructure. Spend to date on infrastructure, on property and land acquisitions = £8,925,000

Milestones	Dates
Grass football pitch engineering contract completed	Sep 2020
Changing Rooms and car park/3G pitch planning application submitted	Sept 2020
40,000 sqft spec devt start on site	Oct 2020

Aqua Comms landing, connection made on land	Oct 2020
Private sector new build complete	Oct 2020
Common Edge Changing room and 3G pitches construction tender	Nov 2020
Head of Terms to be agreed 20,000 sq ft unit	Dec 2020
Changing rooms and 3G planning approval	Dec 2020
Revised masterplan/Delivery Plan to be considered by Accountable body	Dec 2020
Architectural feasibility study & design work for airport complete	Dec 2020
20mw gas fired generator planning decision	Dec 2020
Design and planning application for eastern gateway access	Feb 2021
Land / property acquisitions x 4	Q4 2020
Appoint international marketing agents LAMEC brand	Jan 2021
Town Deal Business case for EZ submitted	Feb 2021
Outline planning app for airport redevelopment	Mar 2021
Fiscal benefit extension decision from HM Treasury	Mar 2021
Marketing of Common Edge phase 1 commences	Mar 2021
Proposition and identifying opportunities for data centre market	Mar 2021
Design and planning application for Common Edge Road	Summer 2021
Release of existing sports pitches and commencement of highway and utility infrastructure	Sep 2021
Planning approval for highways	Oct 2021
12 month construction contract for access road	Jan 2022
Control tower, first station relocation commenced	Jan 2022
Delivery of spec dev of 20,000 sq ft commercial unit	Apr 2022
Replacement hangar development commenced	Sep 2022

Objectives over 2-3 years

Phase 1 infrastructure complete

Phase 1 spec and bespoke developments commenced and pre-lets secured

Commenced relocation of aviation operational infrastructure to enable new development

Commenced upgraded utilities including PV solar site and new primary sub station

Objectives over 5 years

Common Edge Phase 1 development complete – all plots occupied

Residential development underway

Relocation of airport property stock and infrastructure complete

New airport spec development in planning stages

Objectives over 10 years

Phase 2 continued spec development of remaining plots airport site

Squires Gate Industrial Estate – spec proposals for future development

Risks

A new Single Portfolio Risk Register for the combined programmes has been created, which can be found at Appendix M to the main report.

Hillhouse Technology Enterprise Zone – Lead Rob Green

Background

In April 2016 the Government awarded Enterprise Zone status to Hillhouse Technology Enterprise Zone. Hillhouse EZ has benefited from private sector investment including a gas fired generator station Burn Naze IE, c.30,000 sq ft extension at Addisons Projects, Victrex's c.20,000 sq ft R&D plant and completion of AGC CE's thermal oxidiser. Victrex received circa £1.4m Regional Growth Fund toward the R&D pilot plant which is the only significant public sector investment to date.

Performance

KPI Description	Target to 2026	Actuals (Q3 20/21)	RAG
Commercial / R&D floorspace (sqm)	13,000	c.4,600	
Jobs Created	137	58	
Land Sales	£1.5m	-	

Amber RAG has been applied to reflect two key matters:

- The history and layout of the site suits large investments, which take a considerable amount of time to develop, as such the impact of Covid is more likely to have a stronger impact here. However when they do take place, they will have a considerable positive impact upon KPIs.
- Performance is strongly linked to the delivery of the Getting Building Fund project which brings forward (quicker than relying solely on EZ funds) smaller land parcels to a more open market, however there is currently some uncertainty about the timely delivery of this project, and so this impacts upon the confidence of output delivery.

Baselines at April 2016	
Jobs Created	1650
Companies on site	45
Business rates	£2.5m

Milestones	Dates
LFFN (Local Full Fibre Network roll out) to site boundary	Complete
Revised Delivery Plan	Nov 2020
Demolition and site clearance of Vinnolit site to commence	Dec 2020
60,000 sq ft speculative development of small multi-use units planning submitted	Q4 2020
Appointment of joint international marketing agent LAMEC brand	Jan 2021
Fiscal benefit extension decision from HM Treasury	Mar 2021
Forsa Energy completion of build	Spring 2021
Demolition and clearance of Vinnolit plots complete	Summer 2021
Subsequent roll out of fibre ducting on site	Dec 2021
Utilities and infrastructure upgrade including new gatehouse	Jan 2022

Objectives over 2 years:

LFFN roll out across site complete

Commencement of spec dev build of 60,000 sq ft multi-use units

Utilities and infrastructure work including new gatehouse complete

Railway Line

Objectives over 5 years:

Phase 1 spec build complete and fully let

Phase 2 new spec development in planning pipeline

Access Road

Objectives over 10 years:

50% of site built out and thriving business hub

Risks

A new Single Portfolio Risk Register for the combined programmes has been created, which can be found at Appendix M to the main report.

LEP – Samlesbury Aerospace EZ – Lead Programme Manager - Chris Dyson

Background

In April 2012, the Government awarded Enterprise Zone status to the Lancashire Enterprise Zone Samlesbury Aerospace (SAEZ) and Warton Aerospace Enterprise Zone Sites. The SAEZ has benefitted from circa £54.994m public and private sector investment to date: including £12.994m infrastructure works invested as part of an overall infrastructure investment package of £28.8m (public highway, drainage, access, AMRC plot works) and £42m by BAE developing three facilities, Academy for Skills & Knowledge and Wincanton Defence & Logistics Centre and the Asset Management Facility. The County Council has facilitated the delivery of the North West Advanced Manufacturing Research Centre (AMRC) by the University of Sheffield, which has received £20m Growth Deal funds to deliver circa 4,500sqm of research and development floor-space.

Performance

The County Council has completed the plot works and access road works, and legal agreements are in place that have allowed AMRC site access for their construction, which is now underway by Robertson (Main Contractor). In April 2019 BAE commenced development of a circa £12m, 15,794sqm Asset Management Facility (AMF) which is due for completion by late November 2020. Drainage & Earthworks Strategy (to inform site construction works later in the autumn/winter), and a Commercial Development Framework are both progressing well and will support future development and marketing. This will also assist in KPI management going forward.

Three claims have been made to date to draw down Growth Deal funding to the value of £1.42m as part of the £6.725m on target to spend to deliver site wide infrastructure provision. Orders have been placed for site-wide utilities, and progress is being maintained on delivering the power supply, the major barrier to development, with site ducting nearing completion, after which off-site ducting will commence. The main gas main pipe installation will be completed in November to service the entire site. Final telecoms routing will commence in November. The county council has entered into a Collaboration Agreement with Electricity North West (ENWL) in respect of the provision of electricity to the site and ENWL has conducted route proving, off and on site surveys for the new primary substation, planning approvals are in place and a comprehensive programme of works will be commence in late 2020.

KPI Performance	Targets (to 2029/30)	Actuals (Qtr.1 20/21)	RAG
New commercial floor space	125,352 sqm	22,400 sqm	
New jobs created	2,528	200*	
Utility construction project complete	5	0	
Public Sector Investment (site-wide infrastructure)	£28.8m	£12.994m**	
Private Sector Investment -BAE £42m & Utility £7m	£49m	£42m	

* Additional to Growth Deal target

** Includes Prudential borrowing for initial costs of new road and infrastructure

Milestone	Dates
Primary sub-station design	May 20
Primary sub-station planning approval	Jul 20
Gas main construction commenced	Aug 20
Commercial Development Framework commissioned	Aug 20
Drainage & Earthworks Strategy commissioned	Aug 20
LCC AMRC Landlord Works complete	Sep 20
Utilities orders placed	Sep 20
AMRC Construction (Robertson)	Oct 20
Updated Marketing Strategy & progression of enquiries	Dec 20
AMF Completion	Nov 20
Earthworks & Drainage site works complete (Due to the impacts of Covid-19, subsequent delays & compounded impact of working through winter, this is likely to slip to Q1 2021/22)	Feb 21
Plots full serviced (excluding power) (As above)	Feb 21
Primary sub-station connection	Sep 22
Site wide utility infrastructure operational	Sep 22
Delivery of enquiries (conducted in parallel to infrastructure delivery)	Feb 21+

Risks

A new Single Portfolio Risk Register for the combined programmes has been created, which can be found at Appendix M to the main report.

LEP – Warton Aviation EZ – Lead Chris Dyson

Background

In April 2012 the Government awarded Enterprise Zone status to the Lancashire Enterprise Zone which included the Samlesbury Aerospace and Warton Aviation Enterprise Zone Sites (WAEZ).

The WAEZ has a masterplan and a ten-year Local Development Order in place for the site. Two companies, Accenture and Trescal, have been in occupation at the site since 2015.

Senior officers from the county council and BAE are continuing to discuss opportunities at WAEZ to build and complement the current high value activity at SAEZ.

In April 2020 as part of an emergency response to coronavirus pandemic, the county council in partnership with BAE constructed a temporary Central Resilience Facility to aid with managing any potential excess deaths due to the virus.

The facility was built in an eight-day period and is ready to be operational only when Funeral Directories and Mortuary managers are unable to manage with capacity at their facility. The facility was mothballed in May 2020 as the death rates have decreased from earlier projections, however the facility can be reinstated with trained staff and call handlers to manage the service if required.

BAE Systems have provided strong and much appreciated support for the facility utilising an existing Hangar, staff resources and advisory support throughout the duration of the build.

KPI Performance

Description	Targets	Actuals (to Qtr 2 20/21)	RAG
Commercial Floorspace Created (sqm)	N/A	Sqm TBC	N/A
Jobs created	N/A	7	N/A

Milestones

Milestones will be determined following further discussions between the county council and BAE Systems in early 2021. The outcome of these discussions will enable a re-focussing on how the broader ambitions of the Enterprise Zone are best delivered.

Risks

A new Single Portfolio Risk Register for the combined programmes has been created, which can be found at Appendix M to the main report.

LEP – Getting Building Better Programme – Lead Anne-Marie Parkinson

Background

The Getting Building Fund is a £900 million government programme to deliver jobs, skills and infrastructure across the country. This investment is targeted in areas facing the biggest economic challenges as a result of the pandemic. It is supporting the delivery of shovel-ready infrastructure projects, agreed with Mayoral Combined Authorities and Local Enterprise Partnerships to boost economic growth, and fuel local recovery and jobs.

In August 2020, government announced a funding allocation of £34.1m to Lancashire LEP from the Getting Building Fund. Following the announcement government undertook a review of the schemes submitted by the Lancashire LEP, where in agreement with the LEP the £34.1m was allocated to ten projects.

Performance

Delivery

In terms of progress to date:

- 100% of the £34.1m funding received has been allocated to 10 projects (see table)
- 100% of the projects have provided a 5-Case Business Case, which has been Independently Appraised, focussing on 'Deliverability' and 'VFM', the two key criteria of the funding call.
- 100% of projects have received LEP Board Funding approval, following the completion of the Business Case Independent Assurance for each project.

The next stage in the governance structure is to commence drafting the project Grant Funding Agreements (GFA), the completion of which allows projects to commence draw down of funding.

In order to commence this stage, GFA contract inception meetings have either been completed, or arranged with all projects. Contract Inception meetings include; Approval Conditions, Security, State Aid, Outputs/Milestones/Finance profiles, Claims, Monitoring, Evaluation and Social Value requirements.

Subject to the timely receipt of information from project applicants, it is expected to complete contracting on all 10 projects early January 2020.

A number of projects have commenced delivery in advanced of the completion of contracting, an update re commencement of all schemes on site will be provided to the next meeting of the LEP Board.

Projected KPIs / Outputs

The table below contains the forecasted outputs for all ten projects, as confirmed via the completion of the Business Case Independent Assurance for each project. These forecasts will be re-confirmed upon the completion of contracting (GFA) for each scheme, however these are unlikely to change significantly.

The baseline for all outputs is zero as this is a new programme. Actuals are expected to be reported from March 2022, against forecasts as detailed below.

KPI / Output Description	Forecast
Jobs Created / Safeguarded	1534
Construction Jobs	309
Housing Unit Unlocked or Delivered	995
Commercial & R&D floor space (sqm)	43,173
Learning space improved or created (sqm)	412
Businesses or institutions assisted	197
KG of CO2 emissions avoided	670,564
Public Realm or Green Space created (sqm)	23480
New super/ultrafast broadband connections	102
Roads, cycle lanes and walk ways maintained and built (km)	2.484
Other Investment £m	£79.780

Programme Milestones

Milestone	Date	Comments
Programme funding allocated to projects	Aug 20	Complete
Programme funding approved by LEP Board	Sep 20	Complete
Government Offer letter received	Sep 20	Received
Communications Milestones Identified	Nov 20 - Jan 21	Commenced
Social Value embedded within the programme	Nov 20 - Jan 21	Commenced
Programme funding contracted to projects	Nov 20 - Jan 21	Commenced
Projects achieve practical completion	Mar 22	
Evaluation / Case studies collected	Mar 22	
Programme contracted targets achieved	Mar 25	

Risks

A new Single Portfolio Risk Register for the combined programmes has been created, which can be found at Appendix M to the main report.

Project Summary	Area	Start Date	PC Date	GBF	Match Funding	Total
Abingdon Street Market - This project will rejuvenate the visitor experience, growth, and sustainability of the town centre. Abingdon Street indoor market, which has declined significantly in recent years and is currently for sale by its private owner, will have a new and rejuvenated retail and service offer which will address the needs and demands of residents and visitors and provide a modern experience at the heart of the town centre.	Blackpool	30/09/2020	30/11/2021	£ 3,634,000		£ 3,634,000
Alker Lane - The scheme will provide much needed new commercial floorspace comprised of affordable office accommodation and new industrial units. The development will be directed towards scale ups, start-ups and new businesses promoting inward investment into Chorley and will complement the adjacent digital office park which is an incubation hub for digital creative businesses. The development will provide invaluable accommodation and digital connectivity improvements for businesses in the town centre looking to grow. Chorley has an undersupply of such space which has led to a number of companies moving away from town centre to find more suitable accommodation. The retention of this growing agglomeration of local businesses will benefit the Boroughs residents, providing opportunities in skilled employment in a sustainable location.	Chorley	30/11/2020	31/12/2021	£ 2,250,000	£ 7,940,000	£ 10,190,000
Burnley Town Centre Master Plan - Pioneer Place Retail/Leisure Development - The Project is identified in the Burnley Town Centre and Canalside Masterplan. It will redevelop a brownfield site and address an identified need for; a leisure anchor with the re-location of REEL cinema from its current out of town location, and; a branded food and beverage offer. The existing cinema site will also be re-developed for a food retailer. The scheme will improve town centre vitality and viability with increased footfall and dwell time, underpinning other masterplan objectives. Funding is required for abnormal infrastructure & public realm.	Burnley	30/11/2020	31/03/2023	£ 3,681,400	£ 18,070,000	£ 21,751,400
Hillhouse International Business Park - Thornton Facilities Management will commit to deliver additional and improved electrical and water supply infrastructure alongside repositioning of existing gatehouse security to allow access to the new secure business park; Hillhouse International. The project will assist in delivering 200 new jobs to the area as part of the Enterprise Zone project through improved infrastructure for all existing businesses and new occupants of the planned new-build Hillhouse International Business Park.	Wyre	30/11/2020	31/08/2021	£ 504,000	£ 126,000	£ 630,000
Houndshill Shopping Centre Extension - As part of its strategy to revitalise the town centre Blackpool Council purchased the Houndshill Shopping Centre (HSC) in Nov 19 for £47.6m, the aim being to support its sustainability and to re-purpose parts of it through the delivery of a transformational leisure and retail development. The mixed use development comprises: <ul style="list-style-type: none"> • 9 Screen Imax Style Cinema– (40,575 sqft) • 2 New Restaurants (3760sq ft) • A relocated Wilko Store (22,500 sq. ft) The scheme objectives are to create new complementary leisure uses, secure the site for the tramway terminus, provide land value, amenity, transport, and wider benefits, and promote increased investor confidence in the area.	Blackpool	30/09/2020	31/12/2021	£ 5,000,000	£ 14,585,000	£ 19,585,000
Low Carbon Building Demonstrator (AMRC) - The project will demonstrate retrofittable smart building technologies. The demonstrator will showcase technologies within the fabric of the building, providing access for manufacturers to evaluate and consider adoption in their own factory. De-risking the adoption of these technologies in legacy manufacturing facilities will enable manufacturers to reduce the cost of ownership and carbon footprint. In addition to the embedded building technologies the facility would demonstrate low carbon manufacturing methods. The project would work in collaboration with RedCAT and the Clean Energy Technology Park to create a local ecosystem of innovation, developing new low carbon energy technologies.	South Ribble & Ribble Valley	30/11/2020	31/12/2021	£ 2,500,000		£ 2,500,000
M55 St Annes Link Road - The road is needed to satisfy the impacts from the Queensway residential development site and to overcome localised congestion problems on the B5261 which is a key corridor for both Fylde and Blackpool. It provides an alternative corridor to the M55 motorway, as well as access to existing employment areas from Lytham. It is required to enable Fylde Council deliver its local plan. It also satisfies future access needs to the Fylde coast for business (including Blackpool's Enterprise Zone), leisure activities and to+C88urism. The road also includes a parallel sustainable corridor satisfying needs of pedestrians, cyclists and equestrians.	Fylde	01/04/2021	30/10/2023	£ 5,790,000	£ 21,260,000	£ 27,050,000
Project Neptune - The first phase of a transformational mixed use development of Fleetwood Docks. It will pump prime the development and help bring forward the overall site in line with the aspirations for mixed use development in the Local Plan. This first phase includes the development of a modern purpose built Food Park and the enabling works to bring forward a first phase of serviced land suitable for waterfront residential development with high quality public realm. The Food Park development will safeguard local jobs and allow new and existing SME businesses to grow.	Wyre	30/11/2020	31/12/2021	£ 4,030,385	£ 4,166,000	£ 8,196,385
RedCAT <ul style="list-style-type: none"> • Building end to end commercialisation funding and support for low carbon technologies • Identifying the viability of technologies, market, early adopter funders, potential buyers, VC and equity investors and global roll out opportunities • Combining capital support from public, private and VC/Equity sources to enable the initial R&D costs of prototype development, demonstration, first sale product and scale up costs to be supported • Additionally, funding capital costs of Lancashire's advanced manufacturers to diversify into low carbon component manufacture • Driving the manufacture and adoption of low carbon tech across Lancashire to drive economic green recovery and resilience 	Accrington / Pan Lancashire	30/09/2020	28/02/2022	£ 1,500,000	£ 1,700,000	£ 3,200,000
Tatton - The scheme will consist of a 63 assisted living units consisting of a mix of a 1-bed and 2-bed units, a new community centre, community café, a GP Surgery and Pharmacy for the NHS, and landscape works to regenerate the existing park and gardens at the Tatton Recreation Ground providing both sporting and civic facilities. There is an identified need for assisted living accommodation and new health facilities in Chorley.	Chorley	01/01/2021	28/02/2022	£ 5,210,215	£ 11,933,000	£ 17,143,215
				£ 34,100,000	£ 79,780,000	£ 113,880,000

LEP Growing Places – Lead Sue Roberts

Background

The government provided £19.3m in 2012 for a Growing Places Fund. The fund is for capital developments to unlock stalled sites in Lancashire with an ambition that the fund should become evergreen (a recycling loan fund). The fund has achieved this and moving forward the capital continues to be re-invested in new schemes with the interest becoming part of the income for the LEP.

There are currently eleven schemes in receipt of growing places funds, eight been delivered and repaid. There are three live schemes, two schemes have been delivered and one is still in development on three sites. One site has sold a number of housing units in the quarter repaying a significant portion of their loan. However, it has been re-drawn as per the terms of their Facility Agreement, which allows for a repetitive draw on repayment to continue with the next development phase; therefore their facility remains fully drawn.

There are currently two schemes in the pipeline in active that are being active progression. One is linked to a major global inward investment enquiry (£1.5m) and the other is the regeneration and conversion of a Grade II listed building in West Lancashire. (The LEP Board will be considering this decision at the December 2020 Board meeting.

Performance

As this is a loan fund, there are no specific targets, as such no RAG rating has been applied to the KPIs. However included in the KPI table below, are the economic outputs reported by the recipients of the loans.

Development is progressing well on one scheme that is split into three sites. Housing units are being built and demand is strong. Sales have been completing and it has enabled one site to revolve the funds and continue developing out the site.

Key Performance Indicators

KPI	Actuals as at 24/08/20
Private sector investment	£103,136,991
Jobs Created	2,130
Space developed	210,769 sqm.
Housing Units	686
Original Fund Amount	£19,378,944
Capital Loaned	£31,926,046
Capital Repaid	£24,339,618
Interest Received from loans	£1,784,584
Capital to Invest *	£11,792,516

*This figure is the difference between capital loaned and repaid, taken from the original fund amount.

Risks

A new Single Portfolio Risk Register for the combined programmes has been created, which can be found at Appendix M to the main report.

LEP – Growth Deal Programme – Lead Anne-Marie Parkinson

Background

The Lancashire Growth Deal is a £320m capital grant programme, delivering 52 projects across Lancashire, aligned with four key priorities, rooted in maximising the area's competitive economic strengths. This Deal is expected to bring to Lancashire's economy; 11,000 jobs, 3,900 homes and attract £1.2bn of private sector investment.

Performance

Approvals and Contracting

The £320m Growth Deal programme is delivering in accordance with Lancashire's agreed Growth Deal milestones and Government's reporting requirements.

There are currently 52 projects within the programme of which:

- 99% of the funding is allocated to 52 projects.
- 100% of the projects have received a LEP funding approval, of which:
 - 100% (52 projects) have completed contracting via a Grant Funding Agreement;
 - 96% (50 projects) of projects have commenced their physical works;
 - 53% (28 projects) of the projects have completed their physical works; and
 - 17% (9 projects) of projects have fully completed their contracted spend and output

Key Performance Indicators – as at Qtr. 1 2021/21 (Apr – Jun 2020)

Key Performance Indicator	Actuals to Q1 20/21	Forecast to Q1 20/21	% Actual v Forecast	Forecast to 20/2021	Forecast to 24/2025	Government 'Deal' Target	RAG
Growth Deal Funding defrayed £m	170.593	170.593	100%	273.93	273.93	273.93	Green
Housing Units	756	1150	66%	3718	8248	3900	Yellow
Jobs Created Jobs Safeguarded Apprentices	3598.97	3020.6	119%	6087.9	16115.2	11000	Green
Commercial floor space constructed or refurbished (sqm)	10156.67	25818.14	39%	89265.89	252786.9	43829	Yellow
Other Investment £m	151.426	140.000	108%	159.424	367.408	140.000	Green
Length of new cycle way (km)	19.75	21.37	92%	26	28.1	0	Green
New or Improved Training Facility	42371	41794	101%	42557	42557	0	Green
Additional Learners leading to qualification (up to L4)	10370	7563.25	137%	9440	10787	0	Green
Specialist equipment	19	12	158%	112	113	0	Green
Enterprises receiving support & Business Assists (SME)	597	782.5	76%	1232	2025	0	Yellow

The table identifies the programme is forecasted to meet or exceed the five government 'deal' targets. In terms of the under underperformance of Qtr. 1 2020/21 in respect to four targets, these either relate to projects being unable to achieve / evidence practical completion due COVID 19 (e.g. LHIC), or projects being unable to provide the output verification data due to officers re-deployed on COVID related activities.

There are no concerns at present in terms of meeting the targets or locally agreed forecasts, however it is expected output forecasts will reduce, as a consequence of the impact of COVID-19. LEP Officers will continue to liaise closely with projects to establish a clearer picture over the coming months.

Programme Milestones

Milestone	Date	Comments
Programme funding allocated projects	2020	99.99% achieved
Programme funding contracted to projects	Complete	100% - Achieved
BEIS Annual Performance Review – Delivery Element - minimum of 'Good' rating achieved.	Annually	2019/20 – Good achieved
Communications Milestones Identified	Ongoing	Updated on a quarterly basis
Projects achieve objectives	2021	Currently on target
Achievement of Programme Deal Targets	2025	Currently on target
Social Value embedded in programme delivery	2016-2021	6 monthly reporting by projects
Programme Evaluation Complete	2021	On schedule

Risks

A new Single Portfolio Risk Register for the combined programmes has been created, which can be found at Appendix M to the main report.

Lancashire Skills and Employment Hub – Lead Dr Michele Lawty-Jones

Background

The Lancashire Skills and Employment Hub was established mid-2015, as the executive to the Lancashire Skills and Employment Board, now Skills and Employment Advisory Panel (SAP). The Hub is a strategic unit, gathering local labour market intelligence to identify skills and employment priorities, which are articulated in the Lancashire Skills and Employment Strategic Framework and Technical Education Vision. The Hub works with both business and providers against 4 key strategic themes: Future Workforce, Skilled and Productive Workforce, Inclusive Workforce and Informed Approach.

Performance

Current Activity

A key focus has been the impact of COVID-19 on the business and people of Lancashire. Headlines regarding activity since the last LEP Board are provided below, by the themes of the Lancashire Skills and Employment Strategic Framework. To note, the framework refresh is to be approved at the LEP Board (in December 2020) and the delivery plan and allied monitoring and evaluation framework will be used to formulate a dashboard for future programme updates.

Future Workforce: The final position for the performance of the Enterprise Adviser Network (EAN) and Careers Hub against the Gatsby Benchmarks (quality of careers provision) has been received for the last academic year (ending August 2020). As expected, performance against Benchmark 5 (employer encounters) and Benchmark 6 (experiences of the workplace) dipped due COVID-19 – this has affected performance nationally as employers are unable to go into schools and young people have been unable to undertake visits.

Work is underway by the Careers Hub team, working with U-Explore and Learn Live to develop virtual employer encounters and experiences to mitigate the risk and ensure that the aspirations of young people continue to be boosted – Princes Trust research indicates that 49% of young people think it will now be hard to get a job on leaving education and 47% think that missed time in education will put them at a disadvantage for years to come.

	Performance against BM5			Performance against BM6		
	Target	Mar 2020	Aug 2020	Target	Mar 2020	Aug 2020
EAN (all areas outside of Careers Hub)	70	79.5	62	55	65.5	57
Blackpool Opportunity Area	75	92	77	60	62	46
Careers Hub (Blackpool, Burnley, Pendle)	75	97	73	60	80	74

Average Benchmark Achievement: Lancashire EAN – 4.8, Lancashire Careers Hub – 5.6, against the 8 Gatsby Benchmarks. Both are above the national average – 3.6 and 4.7 respectively.

The Lancashire Careers Hub was officially launched at a virtual Careers Hub Conference on the 13th October. The event attracted over 160 delegates including Head Teachers, Senior Leadership Team members from educational institutions, Career Leaders, Enterprise Advisers (volunteer business leaders) and partners. This included the launch of the 'Can Do' guide by the Chief Executive of the Careers and Enterprise Company, providing insight to national best practice taking place in a virtual environment.

The first phase of delivery of T Levels (technical equivalent to A Levels) is now live, with the four early adopter colleges in Lancashire having recruited around 150 learners in total to Digital, Education & Childcare and Construction T Levels, with the majority recruiting to target. Colleges are confident in the calibre of young people they have recruited to the courses and although most Industry Placements are planned to start next spring, there are discussions taking place already with employers about potential for some experience to be virtual.

The Technical Education Steering Group has agreed the plan for the second phase of the Gatsby Foundation funded project in Lancashire which runs until December 2021. T Level related CPD is now being planned for the academic year. T Level Routeway Networks, consisting of technical education leads from colleges, for Digital, Construction, Engineering & Manufacturing, Health & Science and Education & Childcare continue to be held remotely, with good engagement. Sharing of practice is already underway from those colleges who have recruited to T Levels this year and who ran transition courses last year.

The Skills Hub continue to support the collaborative FE and HE bid for an Institute of Technology, aligned with the LEP's growth pillars, and delivering predominantly Level 4 & 5 higher technical qualifications. The deadline for proposals is 14th December.

Skilled and Productive Workforce: The Lancashire Redundancy Task Force established with partners, including DWP/Jobcentre Plus, the National Careers Service and the accountable body of the 'Skills Support for the Workforce' programme, The Growth Company, as of the end of September, had made contact with 82 companies, with support being provided to 21. There are ongoing conversations with a number of those businesses who are still in the process of consultation.

Inclusive Workforce: By the end of November all of the programmes operating under the Fast Track Digital Workforce Fund in Lancashire will have started recruitment and/or delivery. Combined, the projects aim to boost the digital skills of 389 individuals – to date 149 have been recruited. Two of the first programmes to get underway, and provide innovative learning using alternative methods of training to allow adults to boost their skills and access digital roles, included IN4.0 Talent Academy (IN4.0 Group) and DEEPer – a partnership of E4All, CB Partners and Magma Digital. The first cohort of IN4.0 Talent Academy graduates have completed the delivery and are now being supported into jobs. By clicking the links, you can hear from some of cohort one on why they signed up to the programme and how they have found the programme or listen to Joel's experience working with an employer to support and develop the business whilst gaining valuable work experience and professional insight.

The success of the Fast Track Fund has attracted attention from other government departments. A further £1.5million from the Department for Education (DfE) has been secured over the summer. The LDSP, GMCA and DCMS are now working with the DfE on a Digital Bootcamps pilot that extends the current work of the Fast Track Fund and will influence the future shape of the National Skills Fund.

Cross cutting: The www.skillsforwork.info microsite was launched at the end of June. The site was developed in direct response to COVID-19 and brings together skills and employment offers from over 50 partners for Lancashire residents. The site has had 12,895 page views to date, with 2,245 clicks through to external partner/provision websites. This includes 2,847 so far in November, with 675 clicks through. The microsite continues to be promoted through regular slots on Radio Lancashire, the 'Skills Up' campaign targeted at 16-24 year olds, a social media campaign and through partner websites.

There are now 97 businesses registered to the Lancashire Skills Pledge <https://www.lancshireskillshub.co.uk/lancashire-skills-pledge/>, with 68 of those businesses actively involved in the delivery of 149 pledge activities. Promotion of the Lancashire Skills

Pledge dipped during the first lockdown, but a refreshed plan is now in place with a celebration event planned to rebuild momentum.

A summary position of the ESF programme has been compiled, providing the position at the end of September in regard to outputs achieved since the beginning of the programme in early 2017 from projects. This is against a portfolio of projects allocated £98m. The Skills Hub has strategic oversight of the programme and brings together projects through the Adults Skills Forum, Employer Skills Forum and the Youth Steering Group – the forums aim to ensure that ESF provision is complementary, targeted at areas of need (in-line with labour market intelligence) and supports individuals up the Lancashire Skills Escalator and into sustained employment. To note, the DWP Managing Authority is responsible for contract management.

Beneficiaries	Outputs and Outcomes achieved to September 2020
Young People	Supported 5,683 young people who are at risk of or NEET (Not in Education, Employment or Training), with 2,954 moving into a positive destination
Unemployed or Inactive Adults	Supported 18,764 adults, with 6,318 moving into a positive destination
Employers	Engaged with 4,129 businesses, upskilling 11,425 employees

The key risk associated with ESF funds and ESIF funds more generally is the transition to the proposed domestic programme – the UK Shared Prosperity Fund, of which there is very little detail yet available from Government.

Informed Approach: The Skills and Economic Intelligence Officer has been tracking available data in regard to the impact of COVID-19 and sharing this with partners through the Skills Hub COVID-19 Stakeholder Forums to ensure that skills and employment provision is flexed in accordance with need.

Stephen van Rooyen (EVP and CEO, UK and Europe at Sky) has been announced as the chair of the new national Skills and Productivity Board. The work of the Skills and Productivity Board will be carried out by a panel of five leading skills and labour market economists, supported by Department for Education (DfE) officials. It is intended that the Local Skills Reports published by local LEP Skills Advisory Panels will complement and add to the national evidence for the Skills and Productivity Board. The DfE have only this month published the final guidance regarding the proposed Local Skills Reports. The requirement to produce a Local Skills Report by the end of this financial year, however has not changed. The refresh of the Lancashire Skills and Employment Strategic Framework will support the production of the Lancashire Local Skills Report.

The consultation has been completed on the refresh of the Lancashire Skills and Employment strategic Framework and the framework reviewed accordingly. A separate paper is provided on this, with view to the framework being approved for publication in January.

Risks

A new Single Portfolio Risk Register for the combined programmes has been created, which can be found at Appendix M to the main report.

Lancashire LEP Social Value – Lead Martin Hill

Background

Lancashire Enterprise Partnership has successfully embedded Social Value within its key infrastructure investment programmes through the adoption of a LEP wide Social Value Framework. The framework utilises the National Themes Outcomes and Measures to embed social value within the procurement, monitoring and evaluation of projects across the LEP's project and programme portfolio including the Growth Deal, City Deal, Boost business support and Rosebud Business Finance programmes.

Social Value Framework

As outlined in the LEP Programme Report of June of this year, the framework utilises indicators drawn from the National Social Value Themes Outcomes and Measures, or TOM's for short, which allows the attribution of financial values for a range of outcomes which are derived from Government Office Green Book unit cost values.

The framework provides target outputs against a number of measures which are informed by the Lancashire Employment and Skills Strategic Framework themes (Future Workforce, Inclusive Workforce and Skilled and Productive Workforce).

Performance

The Growth Deal Social Value Impact

The impact of the adoption of this approach can be seen at programme and project level. The Growth Deal programme generated a total **of £31.1 million** of added social value as at the last reporting period (start to Qtr. 4 2019-20). The table below provides a detailed breakdown of social value delivered across the framework metrics:

Future Workforce

Metric	To date	Indicative Social Value
Hours volunteered to support learning and education through curriculum links, careers and STEM activity.	531	£84,271.39
Number of work experience placements for 15-18 year olds at Lancashire schools and colleges	213	£33,702.99
Number of undergraduate project placements offered to Lancashire's Universities.	101	£15,981.23
Number of graduate internships for graduates living in Lancashire	22	£20,886.36

Inclusive Workforce

Metric	To date	Indicative Social Value
Number of local people (FTE) employed on contract through construction phase activity (limited project level data available)	335	£9,633,930.00
Number of work placements or trails offered to unemployed Lancashire residents.	87	£51,834.60
Working days committed from business volunteers to mentor NEET ('not in education, employment or training') young people (16-18 year olds).	43	£37,811.62
Number of employment opportunities offered to Lancashire residents that are unemployed or at a disadvantage.	45	£853,425.00

Skilled and Productive Workforce

Metric	To date	Indicative Social Value
Number of apprenticeships (16-18 year old and Adults).	622	£6,708,145.60
Commitment to workforce planning and investment in training of employees.	1050	£271,372.50
Investment in leadership skills	212	£1,424,576.40

Wider Community Benefits

Metric	To date	Indicative Social Value
Community based projects driven by the local communities in which the project is based.	146	£16,423.54
Procurement of local Lancashire based supply chain through the contract (limited project level data available)		£11,911,670.95
Procurement and commissioning of local SMEs and social enterprises / third sector organisations (limited project level data available)		£2,763,315.95

In addition to the above outcomes, Robertson Construction are currently recruiting a total of three Trainee Site Managers to work on projects facilitated by Growth Deal funding.

City Deal Social Value

The adoption of the 'The Central Lancashire Employment and Skills Supplementary Planning Document' (SPD) is embedded within a number of projects and developments across the Central Lancashire footprint. This is evident in the number of projects who have developed an Employment and Skills Plan and are working toward the delivery of social value outcomes during the 'works' phase of the project. These include:

- Preston Western Distributor/Costain
- Goosnargh Development/Seddon
- UCLan Student Centre/Bowmer Kirkland
- UCLan Infrastructure Work/Balfour Beatty
- D'Urton Lane Development - Wilmot Dixon/Trafford Housing Trust
- Altcar Lane/Lovell

Local Procurement

Local procurement commitments are a common theme across all of the employment and skills plans currently in place. These include commitments around local spend as a percentage of subcontract package let, spend with Small to Medium Sized businesses and third sector procurement.

A number of the contractors that are currently live on site have engaged with the Central Lancashire Construction Skills Hub to hold 'Meet the Buyer' events in partnership with Preston's College, Bowmer Kirkland and Seddon. Lovell had pencilled in a 'Meet the Buyer' event for opportunities generated through their site at Altcar Lane but the tightening of Covid-19 restrictions may ultimately impact upon the timings of this event.

Monitoring & Reporting

The onset of the Covid- 19 pandemic has brought with it numerous challenges as many of these projects have been subject to reduced activity to accommodate safe working practices and have furloughed key staff involved in the delivery of employment and skills outputs.

The City Deal Skills and Employment Coordinator will work closely with the contractors nominated Community Relations Manager to identify opportunities with the principle contractor and wider supply chain. The City Deal Skills and Employment Coordinator will provide a link between local schools, colleges, universities and pre-employment providers and the Community Relations Manager to ensure that opportunities within the supply chain are identified prior to commencement on site.

Performance across these projects will be monitored on a half yearly basis throughout the construction phase of the projects. Project performance data will be submitted to the City Deal Project Team and reported to the City Deal Executive and Stewardship Board for review annually.

All of the 'live' projects outlined have been subject to delays and disruption due to the impact of the pandemic but despite this there have been some impressive results generated from a number of those projects being delivered by Lovell, Seddon, Bowmer Kirkland and Costain which will be collated ahead of the next report to the City Deal Executive and Stewardship Board scheduled for the 3rd February 2021.

Wider LEP Programme Social Value

As previously outlined, the embedding of social value requirements within the service specifications for Boost has also generated some very positive results. In the first year of adoption (2019), the framework has generated **£511,503.00** of added social value from a total contract value of £1.58 million. Social value will continue to be monitored as the programme moves forward.

In addition to the social value delivered through the Boost programme we are already seeing the wider benefits in terms of the number of signatories signing up to the skills pledge as a direct result of the social value measures adopted on the programme.

This approach will be adopted for the projects selected for the recently announced 'Getting Building Better Fund' for 'shovel ready' projects. The Lancashire LEP has been allocated £34.1m from the GBF for a wide-ranging package of projects that will deliver a much-needed boost to the local economy. The Skills Hub will be working with these projects as the business cases are developed to scope opportunities for social value to be delivered throughout the works and operational phases of the selected projects with key deliverables set out in the project funding agreements.

The combined Social and Economic Value Impact as at 31st March 2020 (2019/20) is **£31.6m** (Growth Deal and Boost programmes), which is an increase of **18%** on the previous years (2018/19 impact = £25.9m). This figure will continue to increase as the other LEP programmes (City Deal, Getting Building Fund etc) commence to report Social and Economic Value Impact.

A review of the Social Value achieved through the LEP programmes and activities will be undertaken, with a commitment from the LEP Board to produce a new Social Charter for the LEP, which will enhance the success that has been achieved to date.



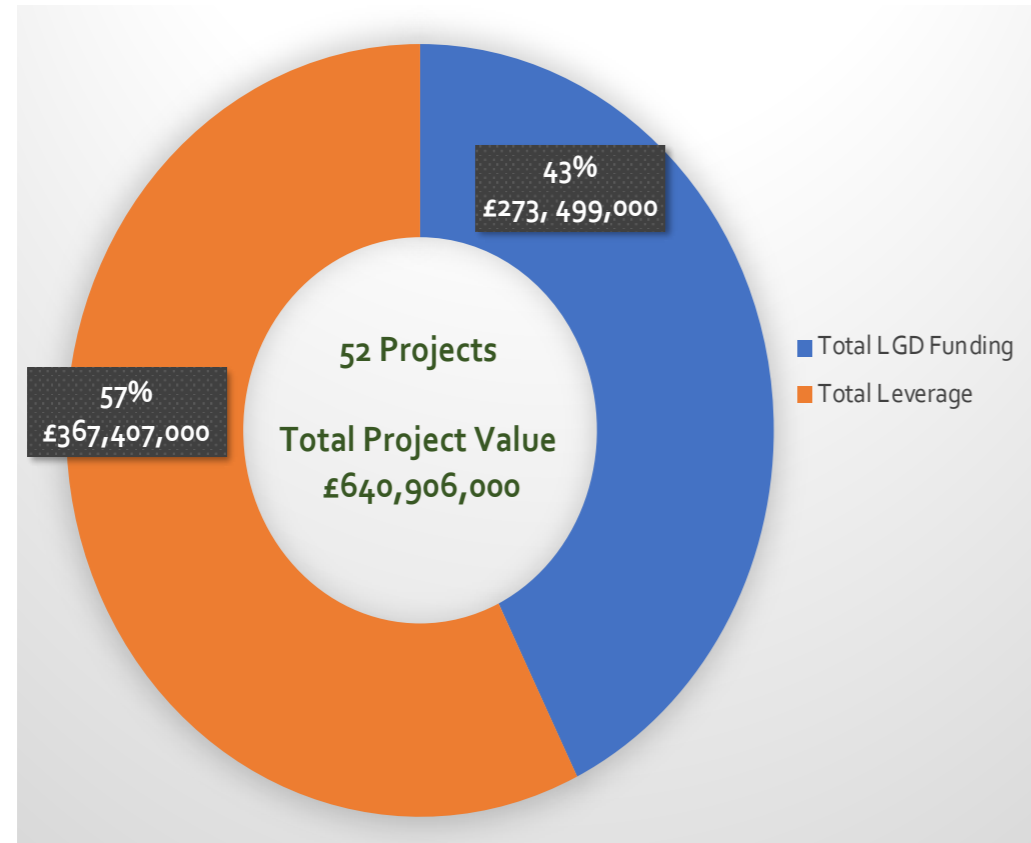
Lancashire
Enterprise Partnership

LANCASHIRE LOCAL GROWTH DEAL – DASHBOARD – KEY FACTS AND FIGURES

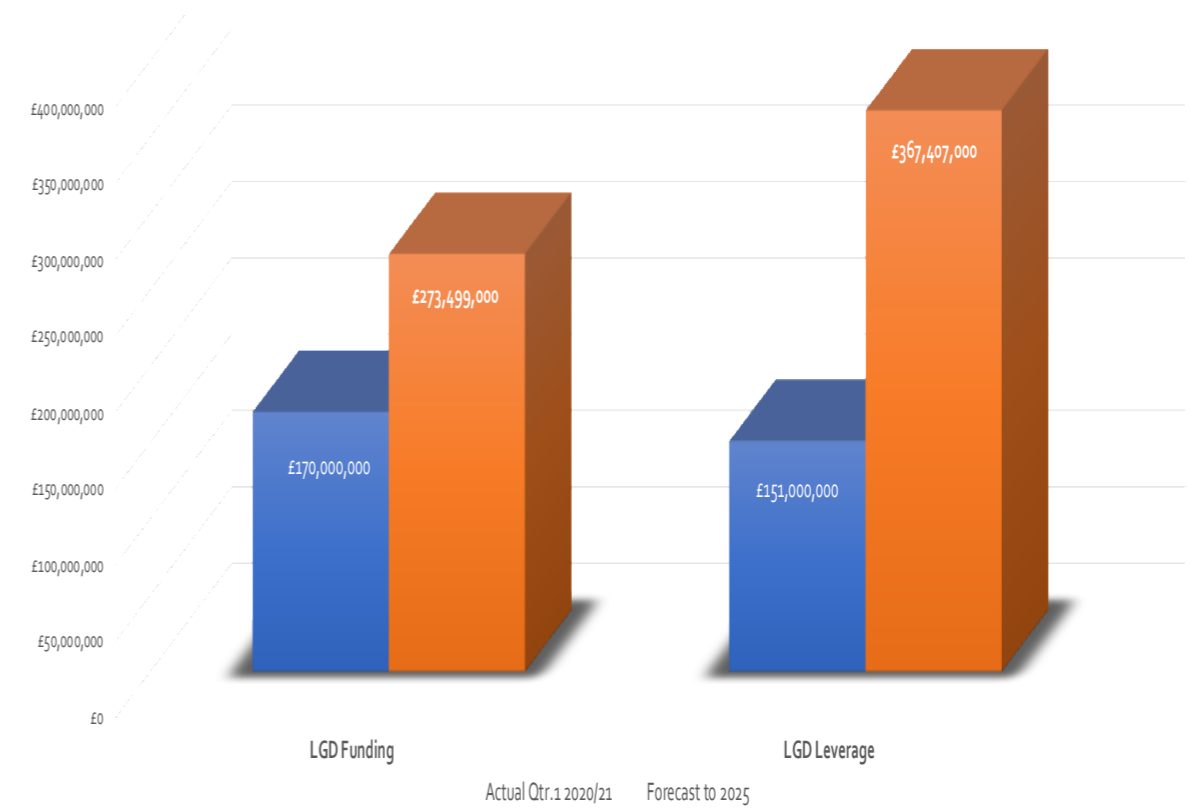


Growth Deal Financial

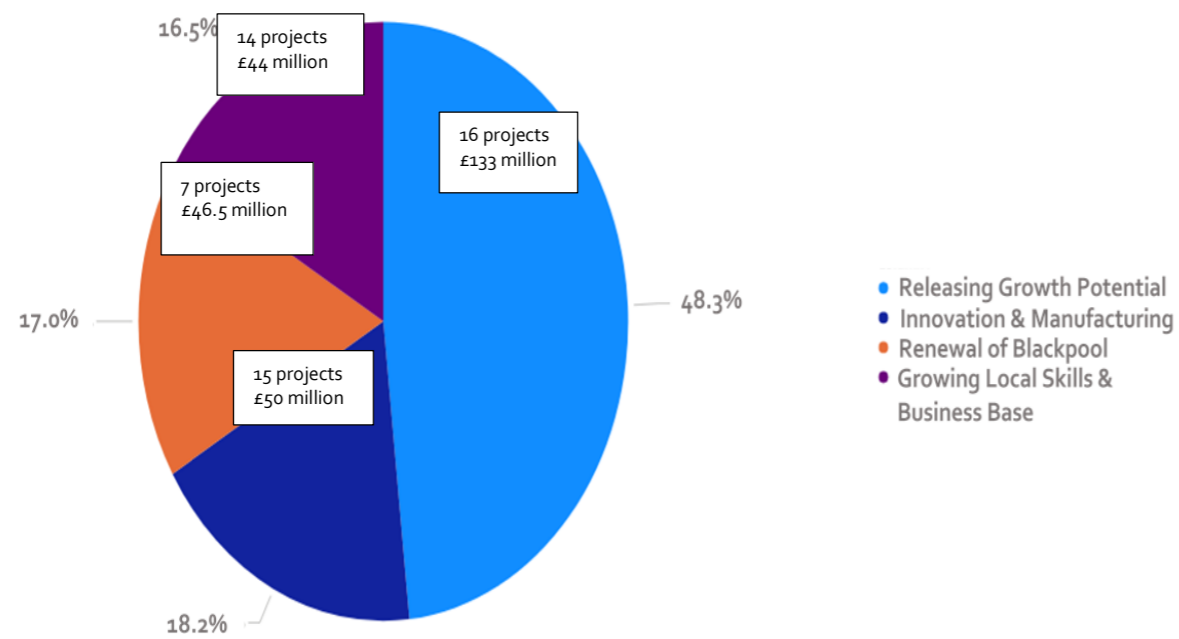
Growth Deal Finance - Forecasts Growth Deal Funding v Leverage (as Qtr. 1 2020/21)



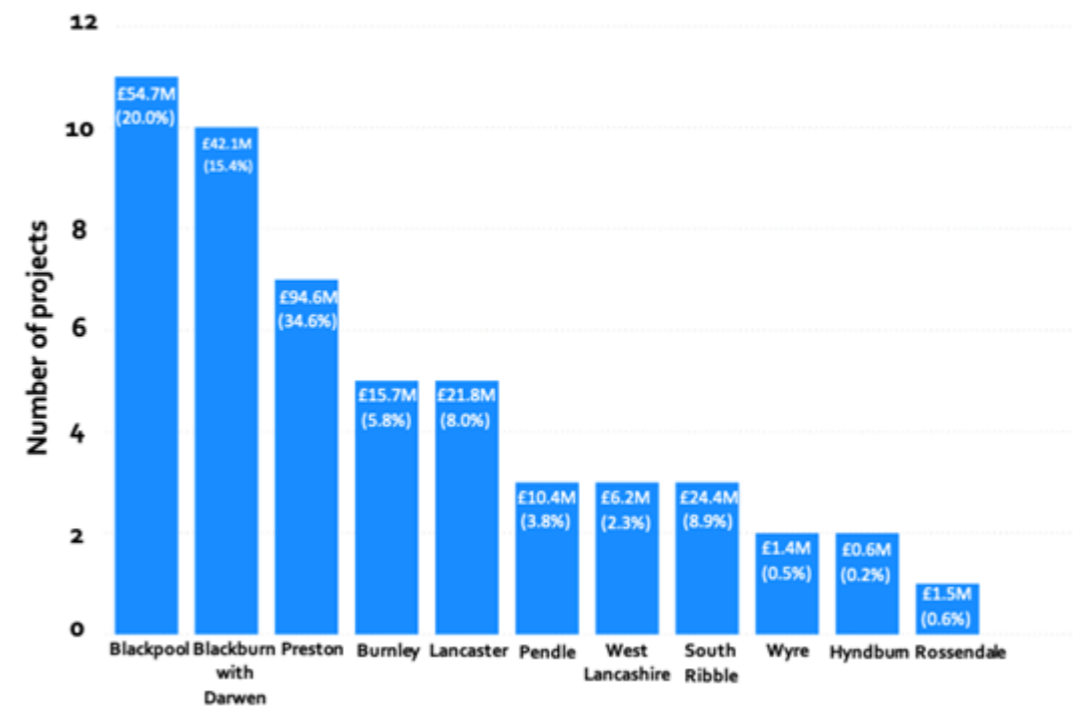
Growth Deal Finance - Actuals to Qtr.1 20/21 v Forecast to 2025



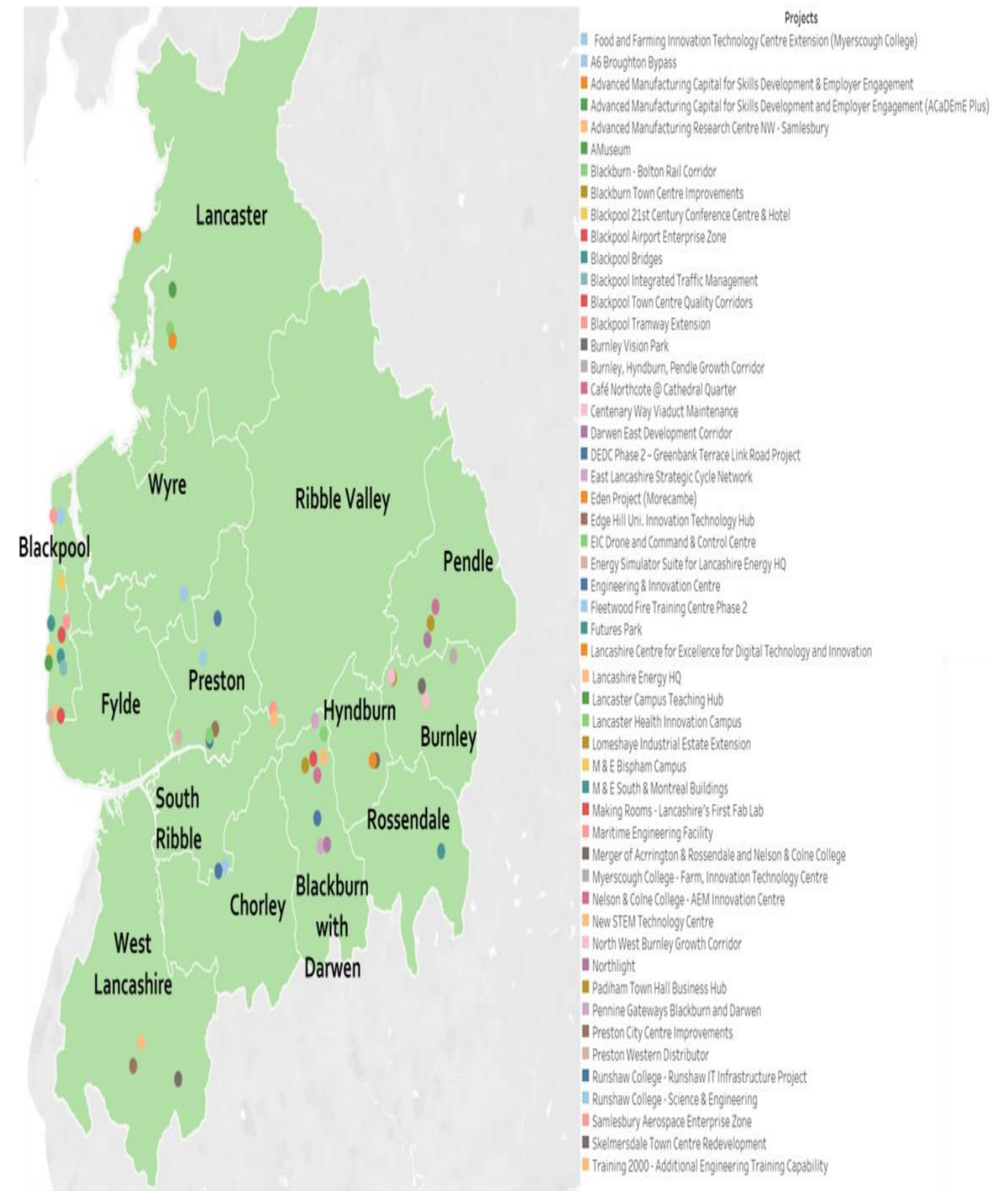
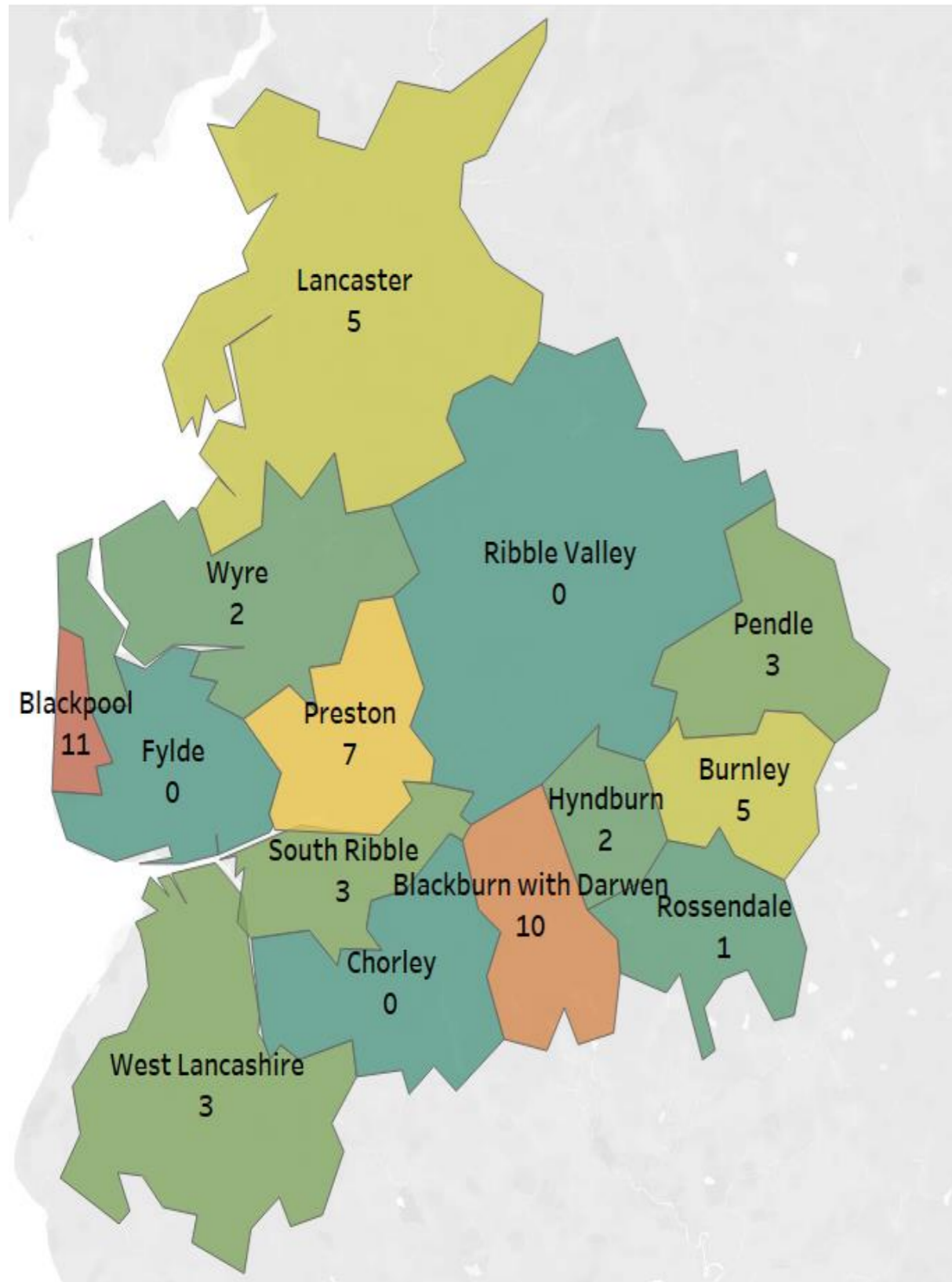
% of Growth Deal Funding (Forecast) per Growth Deal Theme



% of Growth Deal Funding (Forecast) by District



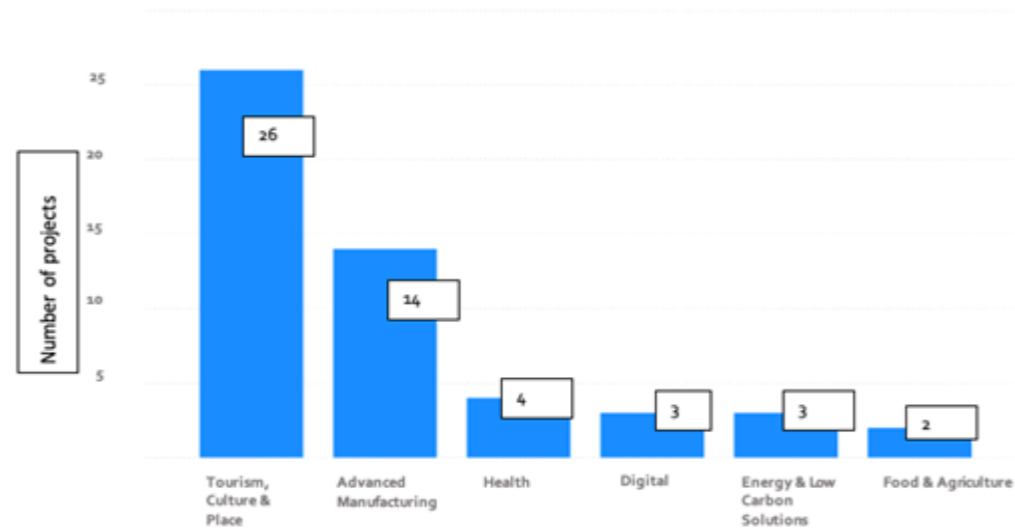
Growth Deal Projects Location Map



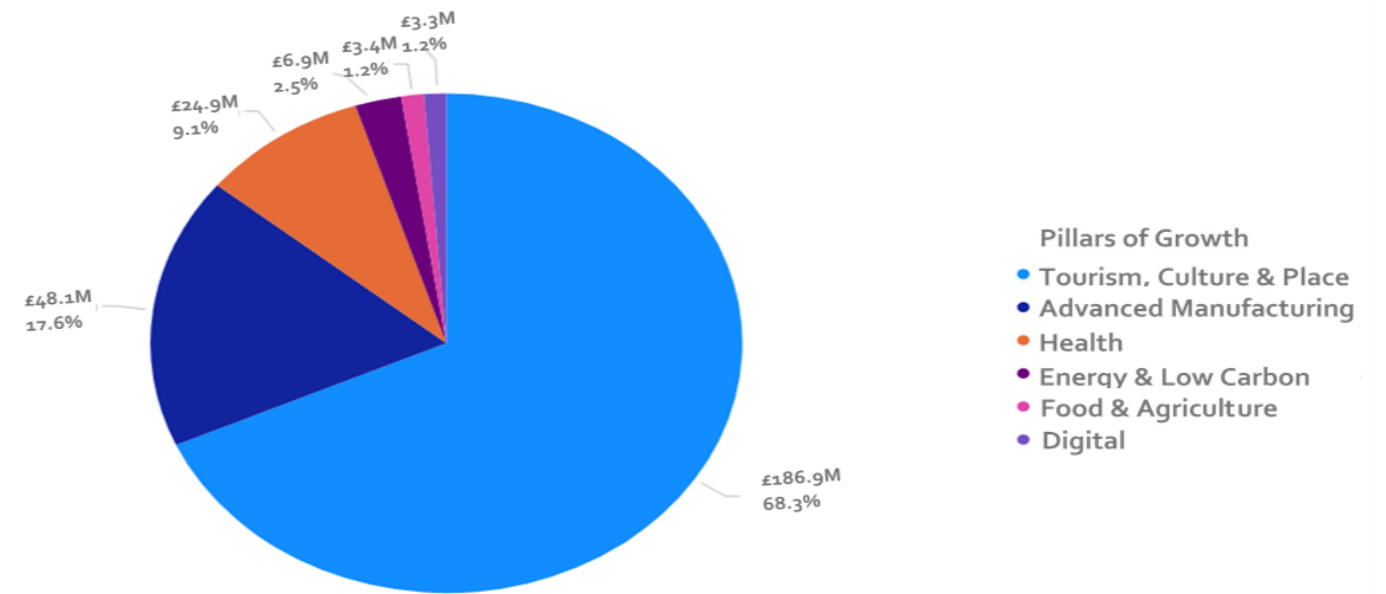
Note: Most of the LGD funded projects are delivered in areas with relatively low index of Multiple Deprivation – IMD (i.e. relatively high level of deprivation) or, relatively high unemployment. Blackburn and Blackpool have a high unemployment rate and low IMD (i.e. high deprivation). The number of projects delivered in these areas is greater than others.

Growth Deal Funding aligned to LEP Strategic Framework

No. of projects per Pillar of Growth – LEP Strategic Framework



% of investment per Pillar of Growth – LEP Strategic Framework

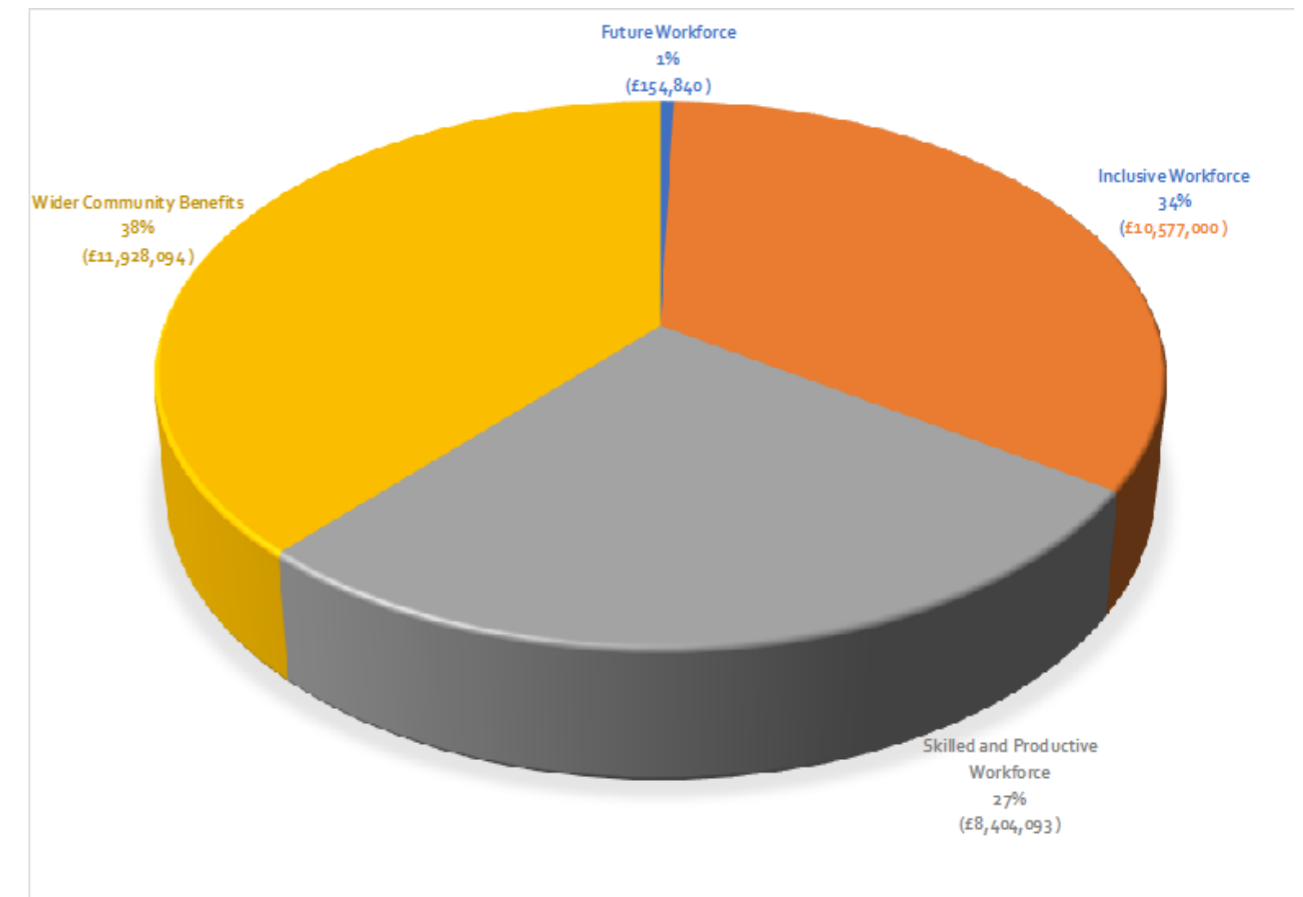


Growth Deal Economic and Social Impact

Growth Deal Programme Core KPI – Actuals & Forecasts as at Qtr. 1 2020/21

	Growth Deal Metrics	Actuals (Qtr. 120/21 ¹)	Forecasts (to 2025)	% Actual v Forecasts	Government Deal targets	% Actual vs Government Deal target
	Leverage (£m)	£151m	£367m	41%	£140m	108%
	Housing units	756	8,248	9%	3,900	19%
	Jobs	3,599	16,115	22%	11,000	33%
	Learners	10,370	10,787	96%	-	-
	Enterprises / Business Assists	597	2,025	29%	-	-
	Commercial floor space sum	10,156	252,786	4%	43,829	23%
	New or improved training facility sum	42,371	42,557	99.6%	-	-
	New Roads	1.9km	1.9km	100%	-	-

Social and Economic Value Impact – Actuals as at Qtr. 4 2019/20



Details of Risk				Inherent Risk Score	Existing Controls	Residual Risk Score	Actions			Target Score	Action Status
Ref	Risk Description	Result	Owner				Proposed Action Plans	Action Owner	Target Date		
1	Growing Places										
1.1	Growing Places Fund fails to deploy funds	No income to the LEP from this work stream. This will limit the LEP's ability to deliver economic impact in Lancashire	Commercial & Business Support Manager	12	Quarterly Performance Reporting Urgent Business Procedure for new loans and changes to existing loans Building a strong pipeline of interest -Growing Places page on LEP website with Expression of Interest	9	Growing Places Marketing Plan Case Studies on the website PR on Growing Places Loans and successes	Commercial & Business Support Manager	Jan-21	6	ongoing
1.2	Impact of Covid 19 on existing loans, pipeline and ability to deploy funds	Existing loans may not be able to repay on a timely basis, may want suspension of interest for a period of time, pipeline could fall away and little interest in fund due to other preferable offers	Commercial & Business Support Manager	20	Quarterly Performance Reporting Flexibilities from Government regarding Growing Places criteria LEP Board consideration of individual loans - possible suspensions of interest accrued and/or delayed payments may be agreed	9	Growing Places Marketing Plan for each sector group New Criteria for Growing Places Loans for board approval Update website with new developments PR on Growing Places Loans and successes	Commercial & Business Support Manager	Oct-21	6	ongoing
1.3	Failure for the loans to be repaid	Loss of interest income and loss of capital meaning less funds to deploy in the long term	Commercial & Business Support Manager	12	Quarterly Performance Monitoring Robust Facility Agreements with step in rights Monitoring Reports from the LEP's monitoring Surveyor Annual accounts from the borrowers Monthly monitoring as per the terms and conditions of the Facility Agreements	6	Ongoing monitoring of live schemes as per the terms of the Facility Agreements LEP Board consideration of revised terms to enhance probability of repayment	Commercial & Business Support Manager	Mar-21	6	ongoing
1.4	Failure to grow the pipeline	Lack of growth in the pipeline will result in no more loans being agreed, therefore loss of income for the LEP	Commercial & Business Support Manager	12	Quarterly Performance Monitoring Promoted on the LEP website with an Expression of Interest form	9	Marketing Campaign Any changes to criteria promoted on LEP website and through marketing campaign if agreed PR on Growing Places successes and impacts	Commercial & Business Support Manager	Dec-20	6	ongoing
1.5	Failure to achieve strategic impact	Lost opportunity to feed into the Strategic Framework and deliver impactful outcomes for the Lancashire economy	Commercial & Business Support Manager	12	Quarterly Performance Monitoring Sector Working Groups	6	Alignment of marketing activity with KPIs of Strategic Framework and priorities of the Local Industrial Strategy and Recovery Plan PR on Growing Places successes and impacts	Commercial & Business Support Manager	Dec-20	6	ongoing
2	Growth Deal										
2.1	Realising the strategic potential of the collective programme	Lost opportunity to extract strategic impact from the programme.	Programme Manager	6	LEP has core team of staff re the delivery of individual programmes	4	Align programmes to strategic framework. Cross programme links to maximise growth.	Programme Manager	Jan-21	4	ongoing

2.2	Failure to deliver the contracted targets (expenditure / outputs)	High reputational damage to the LEP with Government and local population. Impact on ability to secure future funding from Government.	Programme Manager	12	Quarterly monitoring of targets / metrics, reporting to Growth Deal Management Board and LEP Board. Corrective action measures implemented where required. Social Value reporting	6	Clarify government targets, On-going monitoring, Members Direction, Bring forward projects which address gaps in performance, Change control measurers, Response to COVID-19 impact	Programme Manager	Mar-21	6	ongoing
2.3	COVID-19 Impact	Some programmes closed down, some slowed down, some using alternative ways to deliver	Programme Manager	20	Identify financial solutions for the programme and each project, Support Project Managers in the delivery of projects, Increase monitoring visits when safe to do so, Continue to work with BEIS, Report to LEP Board / Sub Committees.	12	Work with projects to implement government guidelines to enable them to continue with the projects and support with information regarding the whole programme targets and outputs.	Programme Manager	Mar-21	12	ongoing
2.4	State Aid Compliance	Funds clawed back by Government / European Commission	Programme Manager	6	Complete SANI report for 2018 & 2019, State Aid on LEP Website.	4	Continue to work with LCC colleagues as Accountable body to ensure timely information to government and to upload on to the LEP website.	Programme Manager	Mar-21	4	ongoing
2.5	Unable to attract future funding opportunities re lack of performance	Lost opportunity to deliver significant impact	Programme Manager	8	Information on progress and successful projects on LEP website	6	Clear Strategic Pipeline Identification of PR Communication Opportunities MP Engagement Successful Evaluation Collation of case studies	Programme Manager	Dec-20	6	ongoing
2.6	Complete contracting (GFA) for all schemes	Fund not spend and therefore returned to Government.	Programme Manager	8	Quarterly reporting to Growth Deal Management Board and LEP Board. Corrective action measures implemented where required.	6	Contracting is expected to be completed by the end of September 20 for the remaining schemes.	Programme Manager	Nov-20	6	ongoing
3	Enterprise Zones										
3.1	EZ's fail to achieve strategic objectives including attracting inward investment growth businesses in specific sectors	Few businesses locating on the EZ's with critical mass of clusters not achieved.	Business Support and Commercial Manager / Programme Manager	20	Clear understanding of the strategic objectives by partners and robust reporting to EZ Committee and LEP Board Fiscal Incentives in place, simplified planning process (LDO) or Local Plans in place and targeted marketing of sites EZ enquires to be shared across 4 sites Engagement with the Department of International Trade. Engagement with LEP network regarding a case for a refresh of EZ's Engagement with key sector partners and agencies, and growth of business development opportunities through provision of Center Propositions by LEP working groups	16	KPI's to be developed and reporting to Quarterly EZ committee. Ensure alignment to strategic framework Commission review of LAMEC sites to provide recommendations on improvements to performance. Reveiw and update of Commercial Development Frameworks (where necessary) to provide market relevant plots	Business Support and Commercial Manager / Programme Manager	Dec-20	9	ongoing
3.2	Insufficient businesses locate on the EZ's to generate the business rates needed to repay the cost of infrastructure and utilities.	LEP is servicing a large debt without the necessary income to repay	CEO/ Business Support and Commercial Manager / Programme Manager	15	Enterprise Zone Governance Committee quarterly reporting Strategic Marketing activity co-ordintaed with key partners	15	Robust Business Rates agreements between LEP/LCC/ relevant Local Authorities, where appropriate Formal agreement between LEP and LCC regarding costs, interest rate charged and repayment Quarterly Performance Reporting included in Programme Report to LEP Board Joint Commercial Agent approach being considered to support efficient sharing of enquiries	Business Support and Commercial Manager / Programme Manager	Dec-20	9	ongoing
3.3	EZ enquires to be shared across EZs.	Enquiries lost and opportunities missed for businesses to locate on to an appropriate site in LAMEC	Business Support and Commercial Manager / Programme Manager	12	Quarterly performance data on enquiries received at EZ Committee Co-ordinated enquiry handling process currently adopted through direct LEP enquiries	9	Enquiry protocols to be agreed and implemented Plans to drive up enquiries and generate interest in the LAMEC sites Consistent KPIs to be developed and monitored, across EZ sites Joint Commercial Agent approach being considered to support efficient sharing of enquiries	Business Support and Commercial Manager / Programme Manager	Dec-20	6	ongoing

3.4	Lack of fiscal incentives leading to lack of enquiries	Lost momentum on EZ activity. Reduced ability of EZ's to repay prudential borrowing from business rates growth.	Business Support and Commercial Manager / Programme Manager	16	Engagement with the LEP Network Proposition into the Comprehensive Spending Review from LEP Network Link into other government policies such as Freeports, Department for International Trade new Export and Investment Strategy	9	Complete and return the LEP Network questionnaire for LAMEC Refresh of EZ modelling assumptions Strategic & co-ordinated marketing campaign	Business Support and Commercial Manager / Programme Manager	Dec-20	6	ongoing
3.5	Covid-19 impact on delivery of sites	Delays in construction, temporary lack of market demand and negative impact of the pandemic on existing businesses on sites.	Business Support and Commercial Manager / Programme Manager	20	Safety guidelines now in place Getting Building Fund allocation for some infrastructure work on one site Enterprise Zone Governance Committee quarterly reporting	12	Clear marketing strategy with implementation underway Refresh of marketing plan, website and social media Liaison with contractors on site to mitigate delays	Business Support and Commercial Manager / Programme Manager	Dec-20	9	ongoing
3.6	Site issues causing delays in delivery	Delays in planning, need for flood mitigation measures, utility upgrades, purchase rights over land and restrictive agreements	Business Support and Commercial Manager / Programme Manager	20	Enterprise Zone Governance Committee quarterly reporting	12	Liaison with accountable bodies, local authorities and site owners to deliver solutions to the issues.	Business Support and Commercial Manager / Programme Manager	Mar-21	9	ongoing
4	Skills Hub										
4.1	Skills and Employment Advisory Panel (SAP) effectively established and delivering against government guidance in relation to governance and analytical role	Inability to deliver against the Lancashire Skills and Employment Strategic Framework and drive up skills and employment across the local labour market	Director of the Skills Hub	16	SAP Terms of Reference aligned with guidance from government and approved by DfE. Analytical capacity enhanced through the appointment of a Skills and Economic Intelligence Offer. Grant currently in place until end of March 2021 - risk in regarding to sustainability.	12	Monitor effectiveness of the SAP through regular DfE Reviews and the development of a Local Skills Report, which report on progress against the strategic framework.	Director of the Skills Hub	Mar-21	6	ongoing
4.2	Implementation of the Lancashire Skills and Employment Strategic Framework and allied Lancashire Technical Education Vision	Inability to deliver against the Lancashire Skills and Employment Strategic Framework and drive up skills and employment across the local labour market	Director of the Skills Hub	16	Implementation of the framework is monitored by the SAP.	9	Monitoring and Evaluation Framework in development as part of the refresh of the Skills and Employment Strategic Framework. Monitoring and Evaluation is undertaken annually.	Director of the Skills Hub	Jan-21	9	ongoing

5.1	Failure to deliver the contracted targets (expenditure / outputs)	Funds clawed back by Government / European Commission	Head of Business Growth	12	Projects submit reprofiles and PMT to monitor these to ensure compliance with GFA Regular contract review meetings Growth Deal Management Board quarterly reporting Performance reported to LCC (Accountable Body) Quarterly reporting to MHCLG	6	Regularly monitoring of service provider performance against targets and any resulting actions actively pursued LCC to press MHCLG for authority to submit the change control	Head of Business Growth	Jun-23	6	ongoing
5.2	Risk over market dilution in regard to start up business support particularly the universities – what offers/volumes are there?	Confusion in the marketplace about where to get business support from. Dilution of the Boost message and ultimately not enough businesses using the Boost service	Head of Business Growth	12	Robust engagement with the universities Marketing and communication plan in place with PR provider	3	LCC will facilitate a meeting with the universities to discuss the 'crowded landscape' across Lancashire. Continuing review of Boost messages.	Head of Business Growth	Dec-20	3	ongoing
5.3	Covid risks to Boost delivery profile along with risks to individuals/workers	Assimilation of information coming out of government with regards to Growth Hubs and to pivot from Growth messages to supporting businesses messages.	Head of Business Growth	6	Urgent guidance sought from MHCLG on implications for project delivery profile and contracted targets. Informed businesses and individuals regarding government and NHS guidance on social distancing Supported businesses and individuals in the recovery phase of pandemic PMT to reviewed latest guidance and communicated flexibilities to delivery partners Contract Review meetings Growth Deal Management Board quarterly reporting Weekly reporting to BEIS re Covid and Brexit issue	3	Thrice weekly updates from providers Continuing review and amendment of Boost messages Boost website updates	Head of Business Growth	Dec-20	3	ongoing
6	City Deal										
6.1	Failure to deliver housing and jobs target.	Loss of income for the local authorities due to lack of new homes bonus and future council tax receipts. Lack of house building due to lack of demand (job creation)	City Deal Programme Manager	16	City Deal Combined Executive and Stewardship Boards quarterly reporting	12	Continue to work with South Ribble and Preston councils on the City Deal Review. Work with Government regarding the New Homes Bonus.	City Deal Programme Manager	Dec-23	9	ongoing
6.2	Covid risks to the delivery of City Deal	Core outputs in this programme relate to housing and jobs, which are likely to be hugely impacted by a downturn in the housing and employment markets	City Deal Programme Manager	16	City Deal Combined Executive and Stewardship Boards quarterly reporting	12	Continue to work with Government regarding a recovery plan	City Deal Programme Manager	Mar-21	9	ongoing

6.3	Changes to the planning system arising from recently published planning white paper could impact on income into the deal from CIL and S106 payments.	Delays to the programme may occur as solutions to the issues are resolved and core outputs may not be achieved	City Deal Programme Manager	16	City Deal Combined Executive and Stewardship Boards quarterly reporting	12	Respond to the City Deal consultation on the planning white paper by 29 October	City Deal Programme Manager	Nov-20	9	ongoing
7	Inward Investment										
7.1	Covid 19 impacts the number of Inward Investment enquiries	Foreign Direct Investment has shrunk as a result of the pandemic	Business Support and Commercial Manager/Head of Business Growth	20	Engagement with the Department of International Trade Engagement with the Northern Powerhouse Trade and Investment Group Working with other Northern LEPs to promote the Lancashire offer	15	Department of International Trade are revising their Investment Strategy to ensure that UK remains attractive to Foreign Direct Investment post Brexit The new Office of Investment as part of the new strategy	Business Support and Commercial Manager/Head of Business Growth	Dec-21	12	ongoing
7.2	The failure of the UK economy to bounce back and prove attractive to foreign investors	The UK is in a longer recession than the rest of the world. As a result the UK is not attractive to Foreign Companies	Business Support and Commercial Manager/Head of Business Growth	29	Work with the Department of International trade to promote the Lancashire offer, through their network of Embassies and Consulates worldwide. The new Office of Investment as part of DiT to promote the UK offer, including Lancashire's	15	DiT are consulting on a new Investment Strategy which Lancashire has contributed to, focussing on growth sectors. Government are funding new trade advisors including one in Lancashire to support exporters which will in turn support Foreign Owned Companies	Business Support and Commercial Manager/Head of Business Growth	Dec-21	12	ongoing
7.3	The appetite of Foreign Owned Companies to invest	As a result of the pandemic, Brexit and recession Foreign Owned Companies do not go ahead with investment plans.	Business Support and Commercial Manager/Head of Business Growth	20	Lancashire Key Account Manager supports Foreign Owned Companies to access local and national support offers. Companies can access Department for International Trade data for building a business case for their internal processes to get the funding they need to grow.	15	Lancashire Key Account Manger reporting to DiT will ensure real time data is captured and can be acted upon. This information feeds into the LEP's sector groups where appropriate and informs policy and interventions. Not all sectors are affected and there are some opportunities for growth.	Business Support and Commercial Manager/Head of Business Growth	Dec-21	12	ongoing
7.4	Foreign Owned Businesses looking to shrink its business or withdraw from the UK	As a result of the global pandemic and recession Foreign Owned Companies decide to withdraw from the UK.	Business Support and Commercial Manager/Head of Business Growth	20	The Lancashire Key Account Manager works closely with Foreign Owned Businesses to ensure they are linked into local support offers in Boost, Lancashire's Growth Hub and Key Initiatives along with national programmes such as R&D Tax Credits and Patent Box	15	Sector groups of the LEP engage with Foreign Owned Companies so policies and interventions include their input. Trade bodies such as the Aerospace Alliance and the Northern Automotive Alliance supports Foreign Owned Companies in Lancashire and provides intelligence to the LEP. The Lancashire Key Account manager raises concerns with DiT/LCC/LEP if companies are considering withdrawing from the UK to inform policy and interventions	Business Support and Commercial Manager/Head of Business Growth	Dec-21	12	ongoing



Lancashire Enterprise Partnership Limited

Private and Confidential: NO

Date: Tuesday, 8 December 2020

LEP Board Financial Update - October 2020

(Appendix 'A' refers)

**Report Author: Sarah Kemp, LEP Chief Executive, 01772 531885 ,
Sarah.kemp@lancashirelep.co.uk**

Executive Summary

This report presents the Lancashire Enterprise Partnership Board with an update on LEP finances since the last Board meeting and an update on financial forecast to March 2021.

Recommendation

The Lancashire Enterprise Partnership Board is asked to note :

- (i) The position on income and expenditure of the LEPs Operating Budget to October 2020 and changes to the forecast to year end March 2021.
- (ii) The end of year forecast of an in year deficit of £1,560,725 based on the use of retained reserves to fund the delivery of this years agreed budget plus the changes notified in this report.
- (iii) The estimated position at year end of available reserves of £912,284; and
- (iv) The Section 151 officer commentary on the operating budget position and its implications medium term financial strategy.

Background and Advice

The Board are requested to note the main changes in this account since September 2020, and the operating budget attached at Appendix 'A'.

1.0 Income

Actual Income has changed by:

- A reduction in growing places interest to £171,091 following the cancellation of an invoice previously raised as agreed at previous board meetings.



- A new income source of interest earned on LEP controlled funds held by the Accountable Body. This is £56,915 to October and will accumulate on a daily basis on funds held after payments to grant recipients are made.

2.0 Expenditure

Salaries

- Monthly salaries are in line with the approved budget for the existing LEP staff, there are new posts being recruited and in planning whose salaries are not yet forecast in these figures.

Core Running Costs

- Rental invoices of £2,838 have been paid since September.
- A new forecast has been added for annual charges for treasury management charges and provision of banking facilities of £15,200. This relates to the income attributed from LEP controlled funds above and is based on the provision of similar services to other organisations.
- A further forecast will be added in coming months for the cost of accountable body support, the figure of which is yet to be agreed.

Project Support

- Payments of £17,441 have been paid to external assurers to allow growth deal funds to be granted to projects.
- The provision for support to Eden project has been removed as they have secured Growth Deal funding in its place.
- Provision is covered for the amounts in the Strategic Framework Development report of £290,000; £220,000 in Strategic Framework Delivery line and £70,000 in the LIS production line
- General Project Funding provision remains forecast at £510,000 with no expenditure to date.

Marketing & communications activity

- Expenditure of £4,500 in the period on support for tourism, culture and Place sector group, and towards the Insider event on Enterprise Zones held in October 2020.

Fees and charges

- Payments in the period of £33,914 for the services of senior consultancy support. The forecast is for this to end at December 2020.

LEP restructuring

- Payments made of £23,555 consisting of £3,575 for consultancy services for the aerospace sector and £19,980 for GVA and employment data projections.



- Forecasts are as budget apart from the inclusion of a provision for the one agreed indemnity for staff redundancy liabilities. These will need to increase as the number of permanent staff increases and the forecasts will be adjusted accordingly going forward.

3.0 Forecasts

The forecast for the year has changed from a forecast net expenditure of £1,686,666 as at September to £1,560,725 as at October.

The forecast reserve position as at March 2021 will be reserves of £912,284.

These forecasts continue to include the provision of £510,000 for general project funding but the provision for commitment to Eden of the north has been removed. If this remaining provision was removed the remaining reserves would £1,422,284.

4.0 Section 151 Commentary

The LEP started the year with healthy reserves which are being used to support its current activity. Basic operating costs currently make up in excess of 90% of the forecast annual income despite significant increases this year and excluding the additional costs yet to be added as set out in the strategic framework report. This significantly constrains future investment decisions the LEP may wish to make to promote local opportunities or in response to HMG initiatives. Directors will need to prioritise their spending choices to ensure they retain a sustainable operating model to deliver their strategic ambitions.

Income levels are vulnerable to future Government spending decisions, also Growth Deal funds are due to be expended by 31st March 2021 and the Getting Building Better fund by mid-2022. It is expected that alternative funds though may be available, not least of which will be opportunities arising from the £4bn levelling up fund announced in last week's Spending Review should these flow through the LEPs for allocation.

As the LEP enters its next phase as captured in the emerging strategic framework, including the development of the medium term financial strategy, and the conclusions of the governance review, the Board will want to ensure it maintains a suitable pathway to delivering its objectives.

List of Background Papers

Paper	Date	Contact/Tel
None		



Reason for inclusion in Part II, if appropriate

N/A

Appendix A
Lancashire Enterprise Partnership
Forecast Profit and Loss Account - 2020-21

	2020-21	2020-21	2020-21	2020-21
	Budget	Actuals to oct 20	Forecast	Variance Budget to Forecast
Income				
DCLG income - strategic	250,000	250,000	250,000	-
DCLG income - core	250,000	250,000	250,000	-
LCC	250,000		250,000	-
Growing Places Interest received		171,091	171,091	171,091
Interest received on funds		56,915	56,915	56,915
Total Income	750,000	728,006	978,006	228,006
Expenditure				
<i>Staffing</i>				
CEO and interim CEO Costs	151,200	107,957	152,334	- 1,134
LEP core staff	374,500	91,746	377,309	- 2,809
LEP contribution to Skills Hub staff	104,000	22,638	104,780	- 780
	629,700	222,342	634,423	- 4,723
<i>Core Running Costs</i>				
Accommodation	20,000	9,935	20,000	-
Treasury management costs			15,200	- 15,200
Accountable Body Support Agreement				-
Running costs estimate	25,000	10,122	25,000	-
	45,000	20,057	60,200	- 15,200
<i>Project Support</i>				
Additional Eden Commitment (19-20 Provision)	500,000			-
County of Culture support (19-20 provision)	92,000	92,000	92,000	-
Festival of making	50,000		50,000	-
LEP programme consultancy and assurance	100,000	32,441	100,000	-
Pride of Place Support	50,000	50,000	50,000	-
LIS production		18,486	93,486	-
Strategic Framework Delivery plan			220,000	-
General Project Funding	510,000		510,000	-
	1,302,000	192,927	1,115,486	-
<i>Marketing & communications activity</i>				
Specific agreed marketing projects	120,000	87,328	120,000	-
	120,000	87,328	-	-
<i>Marketing & communications commissions</i>				
Achievements brochure and annual publications	10,000		10,000	-
	10,000	-	10,000	-
<i>Fees and charges</i>				
Legal Support	75,000	18,125	75,000	-
Company Secretary	43,000		43,000	-
Temporary Consultancy Support	142,220	150,972	200,622	- 58,402
	260,220	169,097	318,622	- 58,402
<i>LEP Restructuring Budget</i>				
Consultancy and professional support	150,000	52,005	150,000	-
Recruitment costs	30,000	4,445	30,000	-
Provision for staff indemnity liabilities		100,000	100,000	-
	180,000	156,450	280,000	-
Total Expenditure	2,546,920	848,201	2,538,731	- 78,325
Net P&L	- 1,796,920	- 120,196	- 1,560,725	306,330
Reserves				
LEP account balance brought forward, including Growing Places interest	2,473,009	2,473,009	2,473,009	
Balance of P&L above	- 1,796,920	- 120,196	- 1,560,725	
Total LEP funding available	676,089	2,352,813	912,284	

Lancashire Enterprise Partnership Limited

Private and Confidential: NO

Date: Tuesday, 8 December 2020

Governance and Committees Report

**Report Author: Misbah Mahmood, Holly Tween, Tel: 01772 530818,
Misbah.Mahmood@lancashire.gov.uk, holly.tween@lancashire.gov.uk**

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 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.

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 Enterprise Zone Governance Committee Member
- 2 x Performance Committee vacancies for a Chairman and an additional Committee Member
- 1 x Growth Deal Management Board Chairman
- 4 x Skills and Employment Advisory Panel Private Sector vacancies



The LEP Board is asked to **note** the following Committee Member changes that respective organisations have made:

- Andrew Dewhurst has resigned as a Committee Member on the Skills and Employment Advisory Panel. A recruitment process has commenced to fill this vacancy
- Neil Conlon has been confirmed as Vice Chair of the Skills and Employment Advisory Panel

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

1. Urgency Business Procedure Decisions

Getting Building funding – 09 October 2020

Lancashire Enterprise Partnership Board approves Getting Building Funding approvals for the following projects, subject to the conditions as detailed within the report, and the finalisation and execution by Lancashire County Council (as accountable body for the LEP) under the guidance of the Director of Corporate Services of a Grant Funding Agreement and other relevant legal documentation as may be necessary to protect the interests of the LEP:

- Abingdon Street Market - £3.634m
- Hillhouse International Business Park - £0.504m
- Houndshell Shopping Centre Extension - £5.000m
- M55 St Annes Link Road - £5.790m
- RedCAT - £1.500m

Getting Building funding – 09 November 2020

Lancashire Enterprise Partnership Board approves Getting Building Funding for the following projects, subject to the conditions as detailed within this report, and the finalisation and execution by Lancashire County Council (as accountable body for the LEP) under the guidance of the Director of Corporate Services of a Grant Funding Agreement and other relevant legal documentation as may be necessary to protect the interests of the LEP:

- Alker Lane - £2,250,000
- Burnley Town Centre Master Plan - Pioneer Place Retail / Leisure Development - £3,681,400
- Project Neptune - £4,030,385
- Tatton project - £5,210,215
- Low Carbon Smart Building Demonstrator - £2,500,000

2. Transport for Lancashire Committee

There have been no meetings of the Transport for Lancashire Committee since the last update.



Full agendas and minutes for Transport for Lancashire meetings can be accessed here: <http://council.lancashire.gov.uk/ieListMeetings.aspx?CommitteeId=956>

3. City Deal Executive and Stewardship Board

The Combined City Deal Executive and Stewardship Board met on 06 October 2020 and considered / approved the following:

Homes England Quarterly Report Q1 and Q2 – the Board noted the update presentation from Homes England, and noted specifically:

- Operations across all sites had ceased following the Covid-19 outbreak and the national lockdown.
- The third phase of the Cottam Hall project had been completed.
- The Preston East Expansion site was being marketed and initial bids had
- Operations were starting to continue following the end of the national lockdown.
- There were 24 completions carried out.
- The tender process to appoint the developer partner in relation to Phase 5 of Cottam Hall had started.
- The masterplan for Pickerings Farm had been refused by the Planning Committee meeting at South Ribble Borough Council held on 17 September 2020. Discussions were continuing with officers.
- Although no loan or grant payments were made during Q1 and Q2, it was expected that payments would be made throughout the remainder of the year.

City Deal Social Value update – the Board noted details of the Social Value Case Study undertaken in relation to the Penwortham Bypass, John Horrocks Way, which highlighted the social and economic benefits of the project and requested recruitment opportunities be targeted to those sectors and communities who had adversely been affected by the Covid-19 pandemic

Infrastructure Delivery Performance Monitoring report – the Board noted the report which provided a progress update on the City Deal infrastructure projects during Quarter 1, highlighting the status of each of the projects and showing which projects were on track, those that were delayed due to Covid-19 and those with issues that needed to be resolved.

City Deal Review – the Board noted the private and confidential report and:

- i. Supported the work being undertaken to negotiate and agree a revised funding model and legal terms; and
- ii. Requested that the negotiations be concluded in order to receive final proposals for adoption at the Executive and Stewardship Board meeting scheduled for 1st December 2020.

A582 South Ribble Western Distributor - the Board received a private and confidential report which was noted

Preston Western Distributor update – the Board received a private and confidential report which was noted along with the current financial position



City Deal Finance Monitoring Report Q1 – the Board received a private and confidential report which was noted.

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

The Growth Deal Management Board met on 18 November 2020 and considered / approved the following:

Growth Deal Programme and Project update – the committee received a private and confidential report on the programme and resolved:

- i. The Local Grant Funding Agreement be approved for the Eden of the North project
- ii. The Change Request is approved for the Lancashire Energy HQ project
- iii. The LEP Programme Manager to request the legal documents and pre-let agreement for the Northlight project to be signed by the end of November.

Programme Evaluation – the committee received a private and confidential update, which was noted.

Finance Report – the committee received a private and confidential report showing the fund's position at July 2020, which was noted.

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

The Enterprise Zone Governance Committee met on 15 September 2020 and considered / approved the following:

Blackpool Airport Enterprise Zone update - the committee received a private and confidential report and resolved that David Taylor/David Holmes have a conversation with Stephen Young in regards to enquiries received from government agencies in particular around cyber to ensure they are aligned with the comms and strategy.

Hillhouse Technology Enterprise Zone update - the committee received a private and confidential report which was noted.

Samlesbury Aerospace and Warton Aviation Enterprise Zones update - the committee received a private and confidential report which was noted, and resolved that representatives from Marketing Lancashire be invited to the next meeting so the committee can provide an update on progress with a view to developing an integrated marketing plan across all four Enterprise Zones.

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 11 November 2020 and considered / approved the following:

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

- A Chair had been announced for the national Skills and Productivity Board. Local Skills Reports from the Skills Advisory Panels would feed into this Board
- The first delivery of T levels was live; approximately 150 learners recruited so far to Digital, Education & Childcare, and Construction T levels across the four early adopter colleges in Lancashire. Routeway Networks were continuing remotely
- The Lancashire Digital Skills Partnership was named winner of the Digital Skills or Inclusion Initiative of the Year Award 2020 at the Digital Leaders 100 Awards Ceremony on 15 October
- The Lancashire Skills Hub launched a social media campaign on 7 October to encourage 16-24 year olds to stay in or return to education, and has approached partners to support the campaign, which has attracted over £7,500 so far
- An advert had been placed on the LEP and Skills Hub website for new employer members – the deadline for expressions of interest was 23 November

Lancashire Skills & Employment Strategic Framework Refresh – the committee noted that consultation had begun on the Strategic Framework Refresh. Meetings had taken place with LEP Directors, two consultations had been completed via Zoom with 48 partners and employers and 13 of the 15 Local Authorities had been consulted.

ESF Programme update – the committee received a presentation covering partners and partnership products, including the Skills for Work microsite, the covid response and case studies.

Lancashire Institute of Technology – the committee received a private and confidential update on the wave 2 application, due for submission on 14 December, which was noted

Redundancy Taskforce Report – the committee received a private and confidential update, which was noted

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. Performance Committee

There have been no meetings of the Performance Committee since the last update.



8. Business Support Management Board

The Business Support Management Board met on 29 October 2020 and considered / approved the following:

Kickstart Programme – the committee received a presentation from DWP outlining the Kickstart Scheme, different youth offers and the job finding support services, that was noted

Update on the British Business Bank and Northern Powerhouse Investment Fund – the committee received a presentation outlining the objectives and current programmes of the British Business Bank including Bounce Back Loans, Future Fund and Coronavirus Business Interruption Loan Scheme as well as the Northern Powerhouse Investment Fund, which was noted

Phoenix Programme – the committee received a presentation updating on the Phoenix project covering research so far and outlining the proposed 6 remote working principles, with an aim to encourage employers to sign up to these principles, and resolved that:

- i. support was given for an event on 25 November for LEPs. Business support organisations and growth hubs
- ii. the various offers of support be followed up outside the meeting

Growth Hub Bi-Annual Report – the committee received a private and confidential report on the Growth Hub bi-annual report to be submitted to the Department for Business Energy and Industrial Strategy (BEIS), which was noted

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

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

9. Innovation Board

The Innovation Board met on 06 November 2020 and considered/approved the following:

Membership - The Board noted a report regarding membership and resolved that Board members forward any contact details for potential candidates to fill the 3 vacancies to the Chair and Maya Ellis, the Innovation and Digital Lead for Economic Development at Lancashire County Council, for consideration.

Feedback from Innovation Festival – the Board received an overview of the Festival and the Board resolved:

- i. That the 3 vacancies and the identified gaps in representation on the Board, as specified above, are noted.
- ii. That Board members forward any contact details for potential candidates to fill the 3 vacancies to the Chair and Maya Ellis, the Innovation and Digital Lead for Economic Development at Lancashire County Council, for consideration.



Updates from Board members – the Board received a presentation on how the Company was working with the Board to promote the Business Innovation Support offer to Lancashire businesses and attract new business into the County and resolved: That Board members be consulted by email and asked for their views on the following which can then be referred to Marketing Lancashire in order to help define and target future promotional activity.

- What are the significant innovation based events during the year?
- What are the main publications with a focus on innovation?
- Who are the major influencers in the field of innovation?

Project Mapping – the Board received a report on activity to date regarding the mapping of existing and potential innovation projects across Lancashire, and resolved:

- i. That the proposed list of headings and organisations/projects to be used as part of the project mapping of potential innovation projects across Lancashire, as set out in the report presented, is approved.
- ii. That Board Members are requested to respond to the project mapping exercise and share relevant lists of existing/potential projects from their organisations.

SEED Health Alliance update – the Board received a presentation from the Innovation Agency on the Social, Economic and Environmental Determinants (SEED) Health Alliance. The Board noted that the Alliance was in the process of making a bid to the Health Foundation for the establishment of an Innovation Hub, as set out in the report, which would assist with the alignment of partners to improve health and patient care.

Innovation Projects Portfolio updates – the Board received an update on work being done in association with the Massachusetts Institute of Technology (MIT) Reap programme, which was noted.

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

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

List of Background Papers

None

Reason for inclusion in Part II, if appropriate

N/A

Lancashire Enterprise Partnership Limited

Private and Confidential: NO

Date: Tuesday, 8 December 2020

LEP Joint Scrutiny Committee

Report Author: Laura Sales, Director of Corporate Services and Company Secretary laura.sales@lancashire.gov.uk

Executive Summary

This report is regarding the requirement for the Lancashire Enterprise Partnership to have in place Joint Scrutiny arrangements in accordance with Government guidance and requests that authority be delegated to the LEP Chief Executive Officer to finalise the Terms and Conditions of a LEP Joint Scrutiny Committee for Lancashire with the Accountable Body and the Local Authorities in Lancashire.

Recommendation

The Lancashire Enterprise Partnership Board are asked to delegate authority to the LEP Chief Executive to:

- (i) Finalise the Joint Scrutiny Committee Terms of Reference, seeking approval from the LEP Accountable Body and by Lancashire Leaders.
- (ii) Identify an Independent Chairperson in agreement with the LEP Accountable Body and Lancashire Leaders; and
- (iii) Liaise with the LEP Company Secretary to arrange the first meeting of the new Joint Scrutiny Committee by the end of March 2021.

Background and Advice

National Framework Requirements for LEPs

In January 2019 Government published a new National Local Growth Assurance Framework which applies to all Local Enterprise Partnerships in England.

The National Local Growth Assurance Framework is underpinned by "The Seven Principles of Public Life" (The Nolan Principles) and all LEPs should comply with the spirit of the principles.

One of the seven principles is regarding accountability and, as LEPs are considered to be utilising public funding, holders of public office (in this case the LEP) are



accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

Scrutiny Arrangements – Requirement for LEPs

The National Framework states that LEPs should agree with their Accountable Body the appropriate scrutiny arrangements to ensure that decisions (taken by LEPs) have the necessary independent and external scrutiny in place.

In addition to any agreed internal scrutiny arrangements within the LEP, the LEP should participate in relevant Local Authority scrutiny arrangements to guarantee the effective and appropriate democratic scrutiny of their investment decisions. LEPs should ensure this engagement by either:

- making an open offer to attend Local Authority Scrutiny Committees in their area and attending when requested; this will enable democratic scrutiny to take place when required and enable LEP decision makers to be held to account;
- creating a joint Local Authority Scrutiny Committee, comprised of all Local Authorities from the LEP area, who meet to scrutinise and examine LEP decisions; or
- creating a joint Scrutiny Committee which comprises of all Local Authorities from the LEP area and relevant representatives that can provide scrutiny from a business perspective, who meet to scrutinise and examine LEP decisions.

These arrangements should be clearly set out in the LEP Assurance Framework and on the LEP website. An update on these arrangements should be included in the annual performance review statement from the LEP Chief Executive and Chair.

Purpose of LEP Scrutiny

All LEPs must report to Government via the Ministry of Housing, Communities and Local Government (MHCLG) and Department for Business, Energy and Industrial Strategy (BEIS) via its Cities and Local Growth Unit (CLGU), through this process LEPs are monitored and regulated, ensuring compliance with Government requirements and are subject to annual performance reviews. This should be seen as a moderation / regulation role.

LEP Scrutiny serves a different, but similarly important role, which is to provide locally elected members, elected by the public to serve their local communities, the opportunity to scrutinise the work of LEPs on behalf of the areas constituents.

The principal purpose of Scrutiny is to influence the policies and decisions made in relation to the delivery of services undertaken using public funding, in this case by LEPs. A scrutiny committee should gather evidence on issues affecting local people and make recommendations to the LEP based on its findings.



A scrutiny process provides an opportunity to investigate any issue which affects the local area or the area's inhabitants. However, effective scrutiny work relies on 'soft' influencing power, as the committee has no formal power to compel changes.

For this reason, it is important to think about how the scrutiny process can be used to build a positive working relationship with those who are the subject of scrutiny's recommendations.

Effective Scrutiny

For scrutiny to be effective it should be seen in the role of a 'critical friend' to the LEP and it is important to identify areas where decisions could be improved and how to prevent mistakes being made or repeated.

It is important to emphasise that the focus should be on forward thinking and making positive changes, rather than seeing the role of scrutiny as negative or primarily being one of apportioning blame such an approach will help to foster positive and constructive relationships between scrutiny, local councillors, LEP directors and officers.

The purpose of scrutiny is ultimately to improve the lives of local people through improved public services.

Joint Scrutiny Committee for Lancashire's LEP – Progress to date

On the 9th September 2019 a report was presented, and approved by the Lancashire Leaders Group for the Lancashire Enterprise Partnership to pursue the third option within the Government Framework – to create a joint Scrutiny Committee comprising of all 15 Local Authorities from the Lancashire LEP area and a relevant representative that can provide scrutiny from a business perspective to act as an Independent Chairperson, who meet to scrutinise and examine LEP decisions.

On 30th September 2019 the Lancashire LEP Board met and approved

- (i) The principle that the LEP's existing Performance Committee be abolished and that it be replaced with a Joint Scrutiny Committee;
- (ii) That the Chief Executive and Chair be authorised to negotiate and agree the structure of the terms of reference of the Scrutiny Committee with Lancashire Leaders Group; and
- (iii) Upon agreement of the terms of reference of the Scrutiny Committee by the Chair and Chief Executive, that the LEP Board's approval be sought to the detailed arrangements prior to implementation (including any consequential changes that are required to the LEP's Local Assurance Framework).

With the above resolutions subject, ultimately, to agreement as the most suitable method by the Accountable Body for the LEP.



Through the remainder of 2019 and into 2020 Terms of Reference for a Joint Scrutiny Committee were drafted by the Accountable Body based on the National Framework requirements, agreements made by Lancashire Leaders and the Lancashire LEP. These were based on various Scrutiny Committees Terms of Reference in those LEP areas where a Scrutiny Committee is already established.

These Terms of Reference have been shared with the LEP Chairman and Chief Executive Officer.

The LEP Chief Executive has consulted with BEIS Compliance Unit on a proposal to have the 12 District Councils in Lancashire rotate on an annual basis – 6 to be Committee Members one year with the other 6 replacing them as Committee Members the following year and vice versa. This would mean that the Committee Membership would, at any given time, consist of 10 Committee Members:

- An Independent Chairperson
- 3 x Upper Tier Local Authorities in Lancashire
- 6 x District Local Authorities in Lancashire (rotating annually)

The LEP Chief Executive has advised that BEIS Compliance Unit notes the exceptional local authority structures in Lancashire and is of the view this proposal would be acceptable.

Joint Scrutiny Committee for Lancashire's LEP – Next Steps

It is important that the Lancashire LEP establishes its scrutiny arrangements before the end of the financial year 2020/21 to ensure compliance with its requirements, therefore, in order to ensure the Scrutiny Committee can be created as soon as practicable that further authority be delegated by the LEP Board to the LEP Chief Executive to finalise the Terms of Reference with the follow next steps identified:

- LEP Board authorise the LEP Chief Executive to finalise the Joint Scrutiny Committee Terms of Reference on the basis set out above – 10 Committee Members with District Councils rotating annually.
- Final Terms of Reference agreed by LEP Chief Executive, Accountable Body and by Lancashire Leaders (via email circulation)
- Joint Scrutiny Committee is established with an Independent Chairperson identified and approved by the LEP Chief Executive, Accountable Body and Lancashire Leaders.
- Respective councils are requested to nominate their representatives (in accordance with requirements, council members shall not be from a council's executive body)
- A first Joint Scrutiny Meeting shall then be arranged before financial year end 2020/21.
- It is proposed that the Joint Scrutiny Committee shall meet twice a year as a minimum.



List of Background Papers

Paper	Date	Contact/Tel
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None

Reason for inclusion in Part II, if appropriate

N/A

Agenda Item 17

Document is Restricted

Agenda Item 18

Document is Restricted

