

LEP - Performance Committee

Special Meeting

Monday, 10th October, 2016 in Cabinet Room 'B' - The Diamond Jubilee Room, County Hall, Preston, at 11.00 am

Agenda

Part I (Items Publicly Available)

- 1. Welcome and Apologies for Absence**
- 2. Declarations of Interest**
- 3. Development of the LEP's Business and Operational Plan (Pages 1 - 14)**
The Performance Committee will receive a presentation on this item and be asked to input into the development of the Plan.
- 4. Reporting to Lancashire Enterprise Partnership Board**
- 5. Any Other Business**
- 6. Date of Next Meeting**
The next ordinary LEP Performance Committee meeting is scheduled to be held at 2pm on 22nd November 2016 at County Hall, Preston.



LEP – Sub Committee

Performance Committee

Private and Confidential: No

10th October 2016

Development of the LEP's Business and Operational Plan

Report Author: Kathryn Molloy, Head of LEP Co-ordination and Development, 01772 538790, kathryn.molloy@lancashire.gov.uk

Executive Summary

The LEP is committed to producing an updated Strategic Economic Plan in early 2017, but it is also considered timely and complementary that the LEP produces its first operational business planning document.

The suggested purpose of the document is twofold, acting as both:-

- An externally facing summary of the LEP's strategic focus, performance, achievement and challenges, set within a two to three year timeframe; and
- An annually refreshed internal operational business planning document, with a focus on LEP income and financial sustainability; key priorities for action and investment; governance structure and executive capacity issues; and the positioning of the LEP itself.

The LEP Board will consider and approve the final Business and Operational Plan. However, it is considered that the Performance sub-committee is the most appropriate part of the LEP's governance structure to develop and have oversight of this area of work, with a view to providing the LEP with a clear organisational assessment and statement of annual priorities.

Recommendation

The Performance sub-committee is recommended to:

- 1) Note, consider and discuss the format and content of the attached presentation which captures the proposed structure of the external element of the Business and Operational Plan; and
- 2) Agree to a further special LEP Performance Committee meeting to develop the operational business planning document, with consideration given to LEP income streams and priorities for action and investment in the coming year.



Background and Advice

- 1.1 The LEP is committed to re-establishing Lancashire as a major growth centre by unlocking the area's sectoral strengths and capabilities whilst also tackling its most acute growth, productivity and regeneration challenges.
- 1.2 The LEP's ambition and approach is set out in its SEP, which was published in 2014. The SEP is to be refreshed in early 2017.
- 1.3 The SEP represents a major milestone for Lancashire as the first agreed framework to gain any traction on improving the area's economic prospects. Indeed the strategic focus of the SEP has enabled the LEP and its local partners to establish a growth plan valued at nearly £1Bn with a reputation for bringing forward innovative initiatives of scale.
- 1.4 Although still a relatively new body, the LEP commands the support and confidence of key public and private sector partners in Lancashire. The contribution of private sector leaders is also valued with SME businesses and networks engaged at all levels from LEP Board through to overview and business support delivery arrangements.
- 1.5 The LEP continues to make strong progress across all of its key priorities, which is recognised by Government, and the formation of a Lancashire Combined Authority (LCA) will create the opportunity to further accelerate progress with the support of strong and inclusive civic leadership.
- 1.6 However, in order to ensure the LEP remains effective and compliant in relation to the delivery of key priorities, initiatives and investment programmes it has been proposed by the Chair of the Board, that the LEP produce its first Business and Operational Plan.
- 1.7 The LEP's three-year plan Business and Operational Plan will build on the outcome of the Board's re-purposing day in January of this year and will identify strategic focus, performance, achievements and challenges requiring consideration by the Board. The proposed operational business planning document will identify LEP income and financial sustainability; key priorities for action and investment; governance structure and executive capacity issues; and the positioning of the LEP itself.
- 1.8 It is proposed that the LEP's Business Plan will be complemented by the production of an annual Review document detailing performance against operational objectives as well a 'dashboard' report of the LEP's progress in delivering its key outputs and outcomes.
- 1.9 Furthermore, it is suggested that the Performance sub-committee is the most appropriate part of the LEP's governance structure to develop and have



oversight of this area of work, though subject to Board consideration and approval.

- 1.10 In terms of developing the proposed Business and Operational Plan, the special meeting will set aside discussion time to reflect on the progress the LEP has made in recent years, especially in light of available capacity, with an assessment of current priorities and future opportunities. The LEP's thinking and approach to achieving growth, mobilising local and national partners (public and private) to focus on new key initiatives, whilst lifting Lancashire's external profile have also evolved and this informed analysis will help to contextualise the development of the proposed Business and Operational Plan.



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Business and Operational Plan 2016/17 – 2019/20

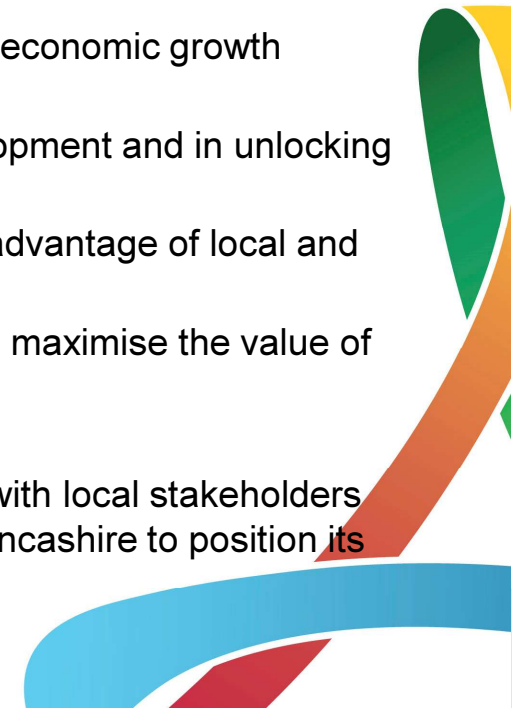
**Presentation to LEP Performance Sub-Committee
10th October 2016**





Introduction

- LEP established in 2011 as a private sector led public/private partnership for Lancashire, chaired by Edwin Booth
- LEP has developed an investment growth programme valued at nearly £1 Billion – a level of performance only bettered by a few larger Core City LEPs with much greater capacity
- 50 major initiatives planned/underway across all parts of Lancashire with key programmes delivering ahead of schedule and exceeding delivery targets
- A robust Strategic Economic Plan (SEP) and business case approach informs key decision making
- LEP has enabled local partners to bring forward new initiatives of scale underpinned by innovative investment frameworks
- Focus has been on securing infrastructure investment to deliver housing and economic growth outcomes
- Strength has been in providing strategic support to partners in scheme development and in unlocking delivery of schemes
- LEP and local partners continue to work on strategic project pipeline to take advantage of local and national investment streams and new policy initiatives
- Now about focusing efforts on ‘knitting together’ investments and initiatives to maximise the value of investments
- Driving innovation, productivity and growth whilst reflecting the role of place
- LEP recognises the need to raise its profile and strengthen communications with local stakeholders and views the Northern Powerhouse as a positive framework that enables Lancashire to position its economic strengths and forge stronger cross-boundary linkages





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LEP Purpose on a Page



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DREAM | To be universally recognised as the engine of transformation for Lancashire's economy

SPIRIT | Driving a more prosperous Lancashire

BELIEFS

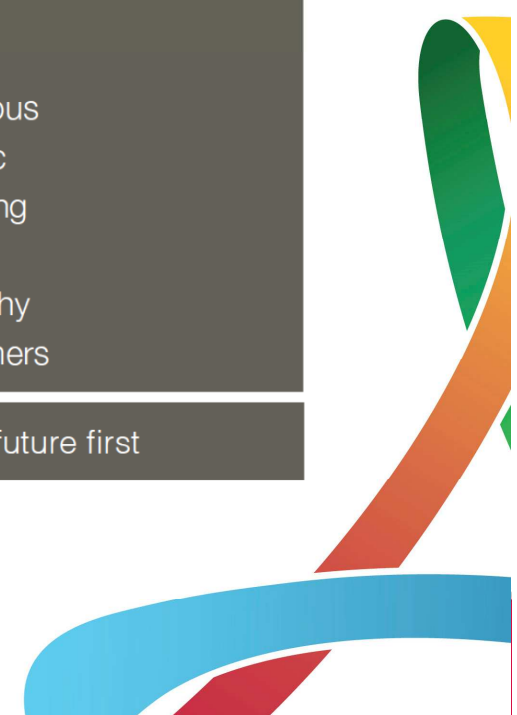
- Helping create and nurture a sustainable and enduring future for Lancashire
- Being proud of our history and build a legacy to be proud of
- Sharing and celebrating the successes of Lancashire, and what it has to offer
- Creating the environment for effective collaboration and partnerships
- Making Lancashire the preferred place to invest, driven by our agility and competitiveness
- Creating a long term growth environment that is attractive and compelling to new international investors
- Playing a leading role in creating an environment for improving lives through accelerating economic growth
- Driving and enabling the continual development of local talent, matched to economic opportunities

CHARACTER

- Creative
- Agile
- Courageous
- Optimistic
- Demanding
- Resilient
- Trustworthy
- Transformers

GIC | To halve Lancashire's performance gap to the rest of the country whilst increasing the number of high value jobs

FOCUS | Get to the future first





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Suggested Structure

1. Foreword
2. The Lancashire Narrative
3. Powering Success
 - Strategic Context
 - Progress and Delivery
4. “Get to the Future First”
5. Invest for Growth

Part 2 – Operational Plan 2017-18





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Foreword

- Purpose on a Page Ambition.
- A globally competitive economy.
- Key economic metrics
- Established and emerging sector strengths
- Build on Science and Innovation Audit with Sheffield City Region – establishment of Northern Powerhouse Advanced Manufacturing Corridor.
- £1billion Growth Plan of key initiatives
- Focus on productivity, innovation and internationalisation
- Focus on up-skilling and apprenticeships, replacement skills demand
- Boost Business Lancashire – working with businesses
- Investment and loan products to support business growth – Growing Places, NP Investment Fund, Rosebud
- Working with Shadow Lancashire Combined Authority
- Refresh SEP
- Vision targets – jobs numbers etc





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Powering Success

Strategic Context

- First Business Plan reflecting SEP objectives
- Resources secured to date
- Refreshed SEP in light of new political agenda
- Re-emergence of industrial strategy with place based focus
- Active role in Northern Powerhouse
- Key focus on innovation and productivity
- Key focus to drive productivity and growth in Lancashire's business base
- Inward investment, exploiting globally competitive sectors and strengths
- Developing skills base
- Refresh SEP to reflect updated analyses





Powering Success 2

Progress and Delivery

- Secured £252m Growth Deal: one of the largest allocations outside the Core Cities
- Number of Growth Deal projects live and delivering. Fully deployed Skills Capital Allocation.
- City Deal Programme: 10-year Transport Funding Allocation.
- Establishment of Transport for Lancashire and active role in Transport for the North.
- Northern Powerhouse agenda
- Boost performance
- Growing Places Funding
- 4 Enterprise Zones
- Building on Science and Innovation Audit
- Strong Governance and Accountability





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“Get to the Future First”

- Purpose on a Page
- Delivery of existing and new initiatives
- Refreshed SEP
- Focus on driving innovation, productivity and business growth
- Reflect new national policy approaches
- Play a full part in realising the Northern Powerhouse
- Working with Lancashire Combined Authority





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Invest for Growth

- Capacity and capability
 - Strategic support to partners in scheme development
 - Unlocking the delivery of key schemes
 - Sustain and refresh project pipeline
 - Knitting together and driving value out of prior investments
- Commissioning vs delivery
- Fully explore income generation opportunities
- Increased focus on Inward Investment
- Showcasing Lancashire and promoting the Lancashire narrative – MIPIM UK etc





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Annual Operational Plan

- **LEP Income Streams**
- **Operational Objectives**
- **Capacity and Resource**

