

Company Number: 07388600

Lancashire Enterprise Partnership Limited Board

Tuesday, 30th January, 2018 in Committee Room 'D' (The Henry Bolingbroke Room) - County Hall, Preston, at 4.30 pm

Agenda

Part I (Items Publicly Available)

- 1. Welcome and Apologies for Absence**
- 2. Minutes of the meeting held on 7th November 2017 (Pages 1 - 10)**
- 3. Matters Arising**
- 4. Declaration of Interests (Pages 11 - 12)**
- 5. Development of a Lancashire Innovation Plan (Pages 13 - 70)**
- 6. Skills & Employment - Informed Approach: Technical Education Vision & Skills Advisory Panels (Pages 71 - 76)**
- 7. LEP Governance and Committees Decisions Report (Pages 77 - 88)**
- 8. Annual Conversation**
Oral Report
- 9. Local Enterprise Partnership - Governance and Transparency - Draft Best Practice Guidance (Pages 89 - 152)**
- 10. Growth Deal Funding Approvals (Pages 153 - 158)**
- 11. Update Report - Proposed Development of a Lancashire Urban Development Fund (UDF) (Pages 159 - 160)**
- 12. Preston Railway Station (Pages 161 - 164)**
- 13. Strategic Marketing and Communications Activity (Pages 165 - 170)**

14. Any Other Business

15. Date of Next Meeting

The next LEP Board meeting is scheduled to be held on Tuesday 24th April 2018 at 4.30pm in Committee Room 'D' - The Henry Bolingbroke Room, County Hall, Preston.

Part II (Items that are Private and Confidential)

16. Blackpool Airport Enterprise Zone – Masterplan Progress Report (Pages 171 - 174)

17. Hillhouse Technology Enterprise Zone – Masterplan Progress Report (Pages 175 - 176)

18. Operational Budget 2017/18 Update and Draft Operational Budget for 2018/19 (Pages 177 - 186)

Lancashire Enterprise Partnership Limited Board

Minutes of the Meeting held on Tuesday, 7th November, 2017 at 4.30 pm at the Committee Room 'D' (The Henry Bolingbroke Room) - County Hall, Preston

Present

Edwin Booth (Chairman)

Graham Cowley	Mick Gornall
Ann Dean	Councillor Peter Mullineaux
County Councillor Geoff Driver CBE	Councillor Phil Riley
Richard Evans	Professor Mark Smith
Dave Holmes	David Taylor
Dennis Mendoros	Councillor Mark Townsend

In Attendance

Jo Ainsworth, Specialist Advisor Finance, Lancashire County Council
Brian Bailey, Director of Planning & Prosperity, Blackburn with Darwen Borough Council
Paul Evans, Department for Business, Energy and Industrial Strategy
Andrew Good, Head of Service Financial Management, Lancashire County Council
Neil Jack, Chief Executive, Blackpool Council
Martin Kelly, Director of Economic Development, Lancashire County Council
Heather McManus, Chief Executive, South Ribble Borough Council
Andy Milroy, Senior Democratic Services Officer, Lancashire County Council
Kathryn Molloy, Head of Service LEP Coordination, Lancashire County Council
Councillor Peter Rankin, Leader, Preston City Council
Councillor Ivan Taylor, Blackpool Council

1. Welcome and Apologies for Absence

The Chairman, Edwin Booth, welcomed all to the meeting. Apologies for absence were presented from Mike Blackburn, Jim Carter and Councillor Simon Blackburn.

The following Observers were welcomed to the meeting – County Councillor Michael Green (Lancashire County Council), Councillor Ivan Taylor (Blackpool Council), Councillor Peter Rankin (Preston City Council) and Paul Evans (Department for Business, Energy and Industrial Strategy).

2. Minutes of the meeting held on 29th June 2017

Resolved: That the minutes of the Board meeting held on 29th June 2017 be approved as an accurate record and signed by the Chairman.

3. Matters Arising

None

4. Declarations of Interest

Councillor Mark Townsend declared an interest in Item 8 – Northern Cultural Regeneration Fund as it contained a proposal relating to a project in the Burnley area. It was approved by the Board that Councillor Townsend could remain for this item but would not be able to vote on this item.

David Taylor had a general declaration for recording on the general Register of Directors Interests in that a company he has an interest to taking some business advice from Boost. As there were no specific Boost items on the agenda it was approved that David could remain for all items with the general Register of Interests updated accordingly.

5. LEP Governance and Committees Decisions Report

Andy Milroy, Senior Democratic Services Officer, Lancashire County Council, presented a report (circulated) which provided the Board with an updated from each of the recent LEP Committee meetings.

It was highlighted that in addition to the updates there were separate reports relating to the Growth Deal Programme and Skills and Employment activities elsewhere on the agenda.

In addition, the report presented a copy of the 'Review of Local Enterprise Partnership Governance and Transparency' it was highlighted that the Lancashire LEP had met or exceeded the requirements of the review.

It was noted that the LEP's 3rd Annual Conversation was scheduled to take place on 27th November 2017.

Resolved: The LEP Board noted the updates provided in the report in relation to the Committees of the LEP, the findings of the Review of Local Enterprise Partnership Governance and Transparency, and, that the LEP's 3rd Annual Conversation would be held on 27th November 2017.

6. LEP Innovation Plan - Update on Progress

Andy Walker, Head of Service – Business Growth, Lancashire County Council, presented a report (circulated) which provided the LEP Board with an update on progress made to date in preparing the Innovation Plan.

It was highlighted that the process of developing a new Plan will conclude by the

end of the year and that the LEP Board's input is welcome to ensure that the evidence and asset register is correct and forms a basis for promoting the better use of resources with a suggested framework circulated at Appendix 'A' to the report.

In addition, it was highlighted that the suggested framework was split into 5 Strategic Aim's – Innovation Capability – Staying Ahead, Innovation Capability – Routeways to Excellence, Innovation Ecosystem – Building Resilience, Innovation Ecosystem – Letting the World Know and Innovation Ecosystem – Enabling Infrastructures for Innovation.

The LEP Board noted that the next steps were for LEP Officers, working with SDG Economic Development, to refine the draft Strategic Framework. This will be checked and challenged through a series of calibration calls with key Lancashire stakeholders. The project will then move onto its action planning phase, when existing and pipeline actions will be mapped and gaps identified.

An Action Planning Workshop will be held in late November, where the revised final draft Framework will be presented and actions considered. LEP Directors will be invited to attend the Action Planning Workshop as appropriate.

In addition, it was noted that the final draft Innovation Plan will be submitted to the LEP Board meeting in January 2018 for comment and approval.

Resolved: The LEP Board:

- (i) Noted the progress made to date in preparing the Innovation Plan; and
- (ii) Welcomed the engagement of industrial and education partners in the development of the Innovation Plan, and encouraged their continued involvement at a senior level to help ensure agreed priorities are aligned and supportive of their own organisational plans.

7. Update from the Lancashire Skills & Employment Board

Amanda Melton, Chair of the Lancashire Skills and Employment Board and Michele Lawty-Jones, Director of Lancashire Skills Hub, presented a report (circulated) which provided the LEP Board with an update on the recent work of the Lancashire Skills and Employment Board.

It was highlighted that key activities undertaken by the Skills and Employment Board were regarding Careers Education, Information, Advice and Guidance (CEIAG) with the Lancashire Enterprise Advisor Network beginning to roll out across the whole of the Lancashire area, following an initial pilot in Burnley and Blackburn with Darwen.

The European Structural Investment Fund (ESIF) programme continues to be delivered, however the level of ESF management information provided by the Managing Authority, the Department for Work and Pensions (DWP), continues to

be a concern, and was raised again at the ESIF Committee in September. A recent meeting between the national LEP Network and DWP officials raised similar issues.

A key focus has been the implementation of the Lancashire Skills Escalator which invests in youth and enables access to employment and employee skills support.

With regard to Growth Deal Skills Capital, 16 projects that were approved are now in delivery and are being monitored by the Growth Deal Programme Team. A number have completed the capital phase and outputs are now being monitored. Projects are progressing and all are currently RAG rated as green.

In addition, it was reported that the evidence-base that was established towards the end of 2015 to support the development of the Lancashire Skills and Employment Strategic Framework was currently being refreshed.

Finally, as referenced in the Industrial Strategy Green Paper, the Department for Education (DfE) are developing criteria for the proposed Institutes of Technology (IoT). The latest information suggests that the IoT will be designed to raise the prestige of technical education – as a credible high quality alternative to academic routes.

The Chairman, Edwin Booth, commented that a review was being undertaken to also incorporate Innovation into Skills, Employment and Business Support to be more outward looking. This review could result in combining some of the LEP Committees to form a new Committee that focuses on all of these areas.

Resolved: The LEP Board:

- (i) Noted the contents of the report.
- (ii) After providing feedback, agreed that the Lancashire Skills and Employment Board should further develop a Technical Education Vision for Lancashire; and
- (iii) Noted the Chairman's comments regarding the review of LEP Committees and the incorporation of Innovation into a LEP Committee.

8. Northern Cultural Regeneration Fund

Andy Walker presented a report (circulated) regarding the Northern Cultural Regeneration Fund (NCRF).

It was noted that the NCRF is a £15m Government fund open to all 11 LEPs within the Northern Powerhouse. The NCRF intends to make three or four large capital grants over the next three years of around £3m-£4m each. Decision on these grants will be made by April 2018.

It was highlighted that following a shortlisting process three proposals have been shortlisted for Lancashire – **Amuseum** (Blackpool), **Locus** (Burnley) and **Lancaster Arts Hub**.

The LEP Board debated the merits of all three schemes, and whilst all three were very good proposals worthy of being submitted, agreed with the recommendation contained in the report that **Amuseum** should be selected as the LEP's priority NRCF submission.

Resolved: The LEP Board:

- (i) Noted the contents of the report and the findings of the independent appraisal by Regeneris Consulting contained within Appendix 'A' to the report.
- (ii) Endorsed the Amuseum proposal as the LEP's priority NRCF submission, subject to the scheme sponsor agreeing in their final submission to address the improvement issues identified in the independent appraisal.
- (iii) Noted the strategic potential of the Locus proposal and agreed to work with the scheme sponsor and local partners, as part of a wider place-based growth framework, to support the development of the emerging business-case with Government and relevant national funding bodies; and
- (iv) Agreed to provide a budget of up to £40,000 from the LEP's Operational Budget for 2017/18, to develop a strategic framework to prioritise and maximise the impact of the cultural schemes and opportunities as economic catalysts as part of agreed place-based strategies.

9. Planning for the Right Homes in the Right Places: Consultation Proposals – Response of the Lancashire Enterprise Partnership

Kathryn Molloy, Head of Service LEP Coordination, presented a report (circulated) which provided the LEP Board with an update on the Government consultation regarding Planning for the Right Homes in the Right Places.

It was noted that the White Paper "Fixing Our Broken Housing Market" was published on 7th February 2017 and set out proposals to tackle the housing challenge the country faces. This focused on four main areas of action:

- Planning for the right homes in the right places
- Building homes faster
- Diversifying the market
- Helping people now.

The White Paper also stated that further consultation on specific issues would follow. This consultation was published on 14th September 2017 and set out those specific issues and sought view on changes to national policy.

A proposed consultation response was prepared on behalf of the Lancashire Enterprise Partnership and Preston, South Ribble and Lancashire City Deal Partners as attached at Appendix 'A' to the report.

The LEP Board welcomed the opportunity to respond to the current consultation proposals. It was noted that the response focused on the strategic matters arising from the proposed approach to a standard method for calculating housing need and improving how local authorities work together to meet housing and other requirements across boundaries.

Resolved: The LEP Board

- (i) Approved the proposed response, attached at Appendix 'A', on the basis that reference to growth areas in Lancashire within the response was widened to capture locations across the County and not just reference to the City Deal footprint; and
- (ii) Approved the submission of the response to Government by the 9th November 2017 deadline.

10. Lancashire European Structural and Investment Fund (ESIF) programme - Update on Performance and Future Planning

Sean McGrath, External Investment and Funding, Lancashire County Council presented a report (circulated) which updated the LEP Board on the Lancashire European Structural and Investment Fund (ESIF) Programme.

ESIF

It was highlighted that the Lancashire ESIF Committee has overseen a number of calls across a range of activities since the ESIF programme was launched. At the time of writing £95m has been contracted, another £30m of projects is currently in appraisal, with up to £50m of calls planned to be issued in November 2017. This leaves approximately £47m of funds (21% of the programme total) possibly 'at risk' if not committed to projects prior to Brexit (March 2019).

Two key risks to the delivery of Lancashire's ESIF programme are delays in future calls, thereby not giving enough time before BREXIT for projects to be approved and delivered, and the availability of match-funding to support new project ideas and the continued delivery of programme outputs. These are in addition to ensuring that projects spend to financial profile to ensure that all funds are spend as planned.

ESIF Committee officers are engaged with Managing Authorities to ensure that local priority activity is identified for calls as soon as possible. However, given that the project calls schedule is being driven by national considerations and Managing Authority capacity, as opposed to local requirements, there may well continue to be a mismatch between local need for calls and the national position. However, where appropriate, call information is ready locally to ensure calls can

be issued by Managing Authorities as soon as they give the go ahead.

ESF

For ESF, it was highlighted that there is £13m of ESF resources that were originally allocated to the ESFA (from the original £40m allocated) still be to be committed. Due to issues regarding the future of the former Skills Funding Agency, only £27m of the original £40m was contracted for delivery until March 2018. As yet it is still not certain whether the ESFA will be able to continue delivery post March 2018 and if not whether other match-funding will be made available.

EAFRD

Regarding the EAFRD programme all resources will be included in calls to be issued by December 2017. There will not be a local Rural Broadband call as the Government have issued a national call with a deadline of May 2018. Only those organisations currently leading on the delivery of Superfast Broadband, the County Council in the case of Lancashire, are eligible to bid. Early discussions have already started with Districts on eligible areas with regard to support for rural businesses.

Key forward planning issues were also reported to the Board, as set out in the report.

Resolved: The LEP Board noted the contents of the report, including current commitment levels and planned future activity. In particular the Board considered and noted:

- (i) The overall performance of the ESIF programme;
- (ii) The issues related to the European Social Fund (ESF), as detailed in paragraph 2.3 (in the report); and
- (iii) The broader issues related to the future of the ESIF programme and the need to plan for a successor programme(s) as highlighted in Section 3 (of the report).

11. Strategic Marketing and Communications Activity Update

Ruth Connor, Chief Executive, Marketing Lancashire presented a report (circulated) which contained an update on recent Strategic Marketing and Communications Activities relating to the LEP.

The update included feedback on the LEP presence at the Insider Business of Lancashire Conference, the Paris Airshow and MIPIM UK. Updates on Skills and Training publicity, Place North West Transport Summit, City Deal communications, Northern Powerhouse engagement, Growth Deal Communications and forthcoming PR opportunities and milestones.

Resolved: The LEP Board:

- (i) Noted the report, and
- (ii) Noted that the Chief Executive of Marketing Lancashire, as the LEP's Media, Communications and PR lead, continues to provide regular updates to the LEP Board on strategic marketing and communications activity and outputs.

12. Any Other Business

The Chairman reported that LEP Director Richard Evans would be stepping down before the next LEP Board meeting to be held in January 2018 and wished to place on record his thanks and best wishes to Richard for his hard work on the LEP Board and Chairmanship of the LEP Performance Committee.

It was noted that discussions were taking place with KPMG to identify a "like for like" replacement for Richard.

The LEP Board also thanked Richard and wished him well for the future.

13. Date of Next Meeting

The LEP Board noted that the next Board meeting is scheduled for Tuesday 30th January 2018, 4:30pm in Committee Room 'D' – The Henry Bolingbroke Room, County Hall, Preston.

Part II (Private and Confidential)

At this point the LEP Board approved that the meeting move into Part II, Private and Confidential, to consider the remaining three reports as they contained information provided in confidence as defined in the Freedom of Information Act 2000. It was considered that in all the circumstances of the case the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

14. Establishment of an Urban Development Loan Fund for Lancashire Using European Structural and Investment Funding

Kathryn Molloy presented the report (circulated) regarding the Establishment of an Urban Development Loan Fund for Lancashire Using European Structural and Investment Funding.

Initially it was suggested that the proposed Investment Strategy be developed by the end of December 2017 so that it can inform the completion of a full application, with the full application presented to the next LEP Board meeting in January 2018 for approval.

It was agreed by the LEP Board that it wasn't necessary to wait until the January 2018 LEP Board meeting and that should the proposed Investment Strategy be drawn up earlier and that, if necessary, the LEP Executive Committee be asked to approve it.

Resolved: The LEP Board:

- (i) Approved the development of an Urban Development Fund (UDF) for Lancashire.
- (ii) Authorised LCC and LEP officers, under the guidance of the Directors for Economic Development and Financial Resources at Lancashire County Council, to liaise with the Department for Communities and Local Government, the Managing Authority for ESIF, to develop a full application to establish a UDF for Lancashire.
- (iii) Agreed that, if necessary, the LEP Executive Committee approve the application, prior to the LEP Board meeting in January 2018 with any decision by the Executive Committee reported to the LEP Board meeting in January 2018.
- (iv) Requested that LEP officers commence detailed discussions with Lancashire County Council, as the Accountable Body for the LEP, with regard to securing LCC approval to act as the lead applicant and Accountable Body for the UDF; and
- (v) Approved a maximum sum of £20,000 from the LEP's 2017/18 Operational Budget to support the appointment of consultants to develop the Investment Strategy for Lancashire's proposed UDF.

15. Growth Deal Programme Update and Project Funding Approval

Kathryn Molloy and Graham Cowley presented a report (circulated) seeking a funding approval from the Board for the proposed Advanced Manufacturing Research Centre (AMRC) NW project which has secured a £15m funding allocation from Lancashire's Growth Deal. The report also provided the Board with updates in respect of three other Growth Deal schemes, namely Blackpool Tramway Extension, Preston Western Distributor (PWD) and the Health Innovation Campus (HIC).

Resolved: The LEP Board:

- (i) Noted the contents of the report.
- (ii) Approved a conditional funding allocation of up to £15M to the AMRC NW project subject to:
 - Confirmation of ESIF revenue funding to enable the project to be operational;
 - Establishment of a governance structure which provides for the LEP to

- be a long-term strategic partner with the AMRC;
- Establishment of formal partnerships between AMRC NW and Lancashire HE providers;
- Procurement of the scheme to be shared with Lancashire County Council, as Accountable Body for the LEP, to ensure value for money and deliverability with any cost overruns to be met by the scheme sponsor;
- Conclusion of a land agreement between Lancashire County Council and Sheffield University in respect of land at Samlesbury Enterprise Zone; and
- Approval of a further £5M of Growth Deal funding to the project to support the delivery of the preferred option, subject to the recommendation of the Growth Deal Management Board following its December meeting.

- (iii) Authorised the LEP's Executive Committee via written procedure to approve a funding allocation up to a maximum of £16.4M for the Blackpool Tramway Extension project subject to the recommendation of Transport for Lancashire.
- (iv) Noted the position in respect of the Preston Western Distributor project and request that a further update is provided to the meeting of the LEP Board in April 2018.
- (v) Noted the position in respect of the Health Innovation Campus project and request that a further update is provided to the next meeting of the LEP Board in January 2018; and
- (vi) Noted the key findings of the first Interim Evaluation Report of Lancashire's Growth Deal which were attached at Appendix 'A' (to the report).

16. Appointment of a new LEP Director

The Chairman, Edwin Booth, presented a report (circulated) containing detailed information regarding a proposed new LEP Director.

Resolved: The LEP Board supported the appointment of Mark Rawstron as a LEP Director and requested that the company Member approve his appointment as a LEP Director.

17. BAE Update

Dave Holmes, BAE Systems and LEP Director, provided the LEP Board with a verbal update on recent developments at BAE Systems.

Resolved: The LEP Board noted the update provided.

Agenda Item 4

Director's Declaration of Interest in Proposed Transaction or Arrangement

LANCASHIRE ENTERPRISE PARTNERSHIP LIMITED

Name	
Date of Notification	
Date of Consideration of Item (i.e. date of Board meeting)	30.01.2018
Item Number (if relevant)	
Description of Transaction	
Nature of Interest	



Lancashire Enterprise Partnership Limited

Private and Confidential: No

Tuesday, 30 January 2018

Development of a Lancashire Innovation Plan

(Appendices 'A' and 'B' refer)

**Report Author: Andy Walker, Head of Service – Business Growth,
Tel: 01772 535629, andy.walker@lancashire.gov.uk**

Executive Summary

In preparation for the refresh of the LEP's Strategic Economic Plan (SEP) and the requirement to develop a Local Industrial Strategy, work is underway to improve Lancashire's economic evidence-base and frame potential priorities and thematic programmes of work, including innovation.

Over the last four months, the LEP and key partners (including the UK's Smart Specialisation Hub) have undertaken significant work in developing an understanding of Lancashire's innovation capacity and capabilities. For example, our work with other Northern LEPs, through national initiatives such as securing Science and Innovation Audit status, which Lancashire successfully achieved with Sheffield City Region. However, this work highlighted that Lancashire can achieve much more by establishing an agreed Innovation Plan with strong governance arrangements linked to the work of the LEP and its key partners. The Government's Industrial Strategy further underlines the value of adopting such a place-based approach to innovation.

The Board has previously agreed funding support to engage consultants to support the preparation of a Lancashire Innovation Plan (Appendix 'A'). A number of LEP Directors have engaged in the Plan's development along with other senior leaders drawn from business, local authority, and university and college sectors. The draft final report is presented for comment and approval by the LEP Board.

Recommendation

The Board is asked to:

- 1) Receive a presentation on the conclusions of draft Lancashire Innovation Plan;
- 2) Propose any final amendments to the draft Lancashire Innovation Plan;
- 3) Subject to any changes, accept the document as the Innovation Plan of the Lancashire Enterprise Partnership; and



- 4) Agree to the establishment of a new innovation governance arrangements, as part of the refresh of the LEP's Assurance Framework, to be presented to the next Board meeting in April.

Background and Advice

Supporting businesses and supply chains to actively engage with and accelerate their innovation processes is one of the most effective actions that the LEP and its key partners can pursue to improve the productivity and competitiveness of the local economy.

The Draft Lancashire Innovation Plan as attached at Appendix 'A' to this report is the product of a six-month process, supported by consultants SDG Economic Development consultants, which has considered:

- A refreshed evidence base and summary SWOT review of Lancashire's economy and existing innovation activities;
- A framework and vision for an Innovation Plan; and
- The actions and resource necessary to drive forward Lancashire's ambition around this key policy theme.

The Innovation Plan is also underpinned by a data "vault" that can be drawn on to inform the refresh of the LEP's Strategic Economic Plan and has started the process of collating an Innovation Asset Register for Lancashire (Appendix 'B'). The latter is a living document which begins to bring together:

- World class, technology-driven, companies;
- Innovation and technology facilities, with a track-record / obligation to engage business (including LEP Growth Deal beneficiaries);
- Innovation support programmes; and
- Innovations promoters/champions with national influence.

The Action Plan aims to ensure that this innovation "eco-system" can start to work together more effectively to drive innovation in Lancashire and build links with others who share or complement Lancashire's strengths. The Strategic Framework which has arisen from the analysis can be summarised as having five Strategic Aims and three Cross Cutting Themes:

Strategic Aims

- Innovation Capability – 'Staying Ahead'
- Innovation Capability – 'Routeways to Excellence'
- Innovation Ecosystem – Building Resilience
- Innovation Ecosystem – Enabling Infrastructures for Innovation



- Innovation Ecosystem – Letting the World Know

Cross Cutting Themes

- Use-inspired in our R&D and its deployment
- Excellence in delivery, driven by real evaluation and learning
- Collaborating to compete for Lancashire

In terms of progressing the actions which underpin these themes, there are some clear immediate opportunities to create capacity and fund activity. HEI colleagues have agreed to jointly fund a new Innovation Manager post to help support the LEP's innovation priorities. In March this year, a call will be issued based on the gaps identified within the Strategic Framework, to make best use of the £2.5m ERDF funds available for innovation activity. This should result in an initial programme of "innovation" activity worth up to £5m.

To lead and drive forward these and future opportunities, the Board is asked to agree to establishing new innovation partnership arrangements for Lancashire within the LEP's overarching governance structure. If this approach is supported by the Board, the LEP's forthcoming refresh of its Assurance Framework would enable such a proposal to come forward and provide the opportunity to integrate current Committee arrangements. This approach would also enable the LEP to engage with new business leaders and partners that are focused on realising new innovation opportunities and their benefits to Lancashire.

Appendix 'A'

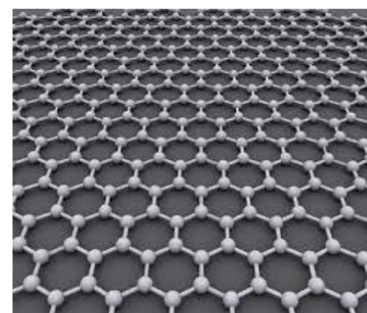


Lancashire Innovation Plan

A draft Final Report
24 January 2018

Lancashire County Council

231-495-01
[Click here to enter text.](#)



Draft Final Report for LEP Review

Lancashire Innovation Plan

A draft Final Report
24 January 2018

Lancashire County Council

231-495-01
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Draft Final Report for LEP Review

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A Asset List

Executive Summary

The Commission

Lancashire's Local Enterprise Partnership commissioned SDG Economic Development to develop Lancashire's Innovation Plan, a new Strategic Framework to drive forward drive forward innovation across the County. Building on the work done to inform Lancashire and Sheffield's Science and Innovation Audit in 2016, the Plan provides a practical analysis of the economic role and contribution of innovation in the County's economy, with an informed assessment of how Lancashire's innovation resources – actual and latent – can be better led and deployed to drive productivity, industrial resilience, and sectoral agility in the County's economy.

Context

Innovation is increasingly viewed as the key driver to improving productivity across the UK. Businesses that innovate grow faster than those that do not, and innovating economies are more resilient to market and technology change, and better equipped to plot their own futures than those that do not. Sub-nationally, innovation was identified as one of the key enablers of the Northern Powerhouse, and innovation was front-and-centre of last November's UK Industrial Strategy. Internationally, work by the Organisation of Economic Development and Cooperation (OECD) is highlighting the importance of innovation, as technology brings once distant markets increasingly close to one another. So, innovation matters, and must increasingly be an imperative for how Lancashire 'works'.

So, what is the local economic context we face? Gross Value Added (GVA) per head, the commonly used measure of productivity, across Lancashire's local authorities ranges from £31,494, (amongst the top 50 districts in the UK and within the top 20 outside London and the South East) to £14,524 (380th of 395 areas). So, our first challenge is to use innovation to help drive-up the productivity performance of our sub-areas to the levels of our county's best. Second, we have many strengths and assets to build on to move our productivity efforts forward. We are home to leading global businesses at the cutting edge of innovation in Advanced Manufacturing, supported by a supply chain cluster of high-tech SMEs. There are longstanding and well-known strengths in Aerospace, Automotive, and Energy industries and exciting emerging strengths in sectors including Digital and Applied Healthcare. Moreover, the County is home to high performing universities and Further Education providers, including national centres of research excellence and knowledge transfer partnerships.

It is against this background that this Plan sets out how we will use innovation more widely, deeply and, importantly, visibly to drive the resilience and productivity of our economy, and enable Lancashire to achieve its full economic potential and role and sub-national and national levels. Informed by evidence and extensive consultation, this Plan has been prepared to support the innovation agenda in the County through to 2030. The Plan is not a set of rules or regulations, but rather a route map on how we want to build, diffuse, and embed innovation. It seeks to develop further what we do well currently, identify and stimulate new routeways to innovation, and develop the infrastructures required to innovate across our economy, for the benefit of our businesses, people and communities. And, as technology and markets do not stand still, this Plan has been designed with flexibility at its core, enabling us to act dynamically in the face of those new challenges that we will face in the coming years.

Plan Process

The Plan's development launched with a series of Scoping Calls with key senior stakeholders from across the private and public sectors. These included representatives from the Advanced Manufacturing, Aerospace, Automotive, Nuclear, Digital, and Health Sectors. The purpose of these calls was to obtain early-stage inputs from well-placed experts on the aspects of innovation activity and development in Lancashire that the emerging Plan needed to address.

Alongside these consultations, a comprehensive analysis of socio-economic and innovation datasets, econometric projections, and a formal 'Call for Evidence' from key stakeholders in Lancashire. These analyses were combined to form an assessment of the strengths, weaknesses, opportunities, and threats (SWOT) of Lancashire's innovation 'ecosystem', providing a clear and objective assessment of where we start from innovation-wise, and where we might go to. The data analyses and SWOT assessment were presented at a SWOT workshop to provide a check-and-challenge to the data and to augment the initial evidence assessment. In addition to the SWOT analysis and data analysis, an asset list of Lancashire's innovation assets was developed and iterated throughout. This 'Asset List' is a live document which will be maintained on an ongoing basis.

Following the SWOT workshop, a draft Strategic Innovation Framework was developed. To test the emerging Framework a second workshop was held with stakeholders from across the County. The workshop provided additional data analysis and market futures research to enhance the evidence base, enabled the draft Framework.

A final workshop was held to drive the draft Framework from concept in to operating reality, with the latter focussing on identifying the key actions, both existing and new, that are required to turn the framework into action. These fed in to the development of the 'Action Agenda' which is described later in this document.

Overall, the Plan's development has involved over 70 individuals drawn from over 50 organisations from within and outwith the County. This is the launch platform we start from, and as the Plan is now implemented formally we will develop and build on this.

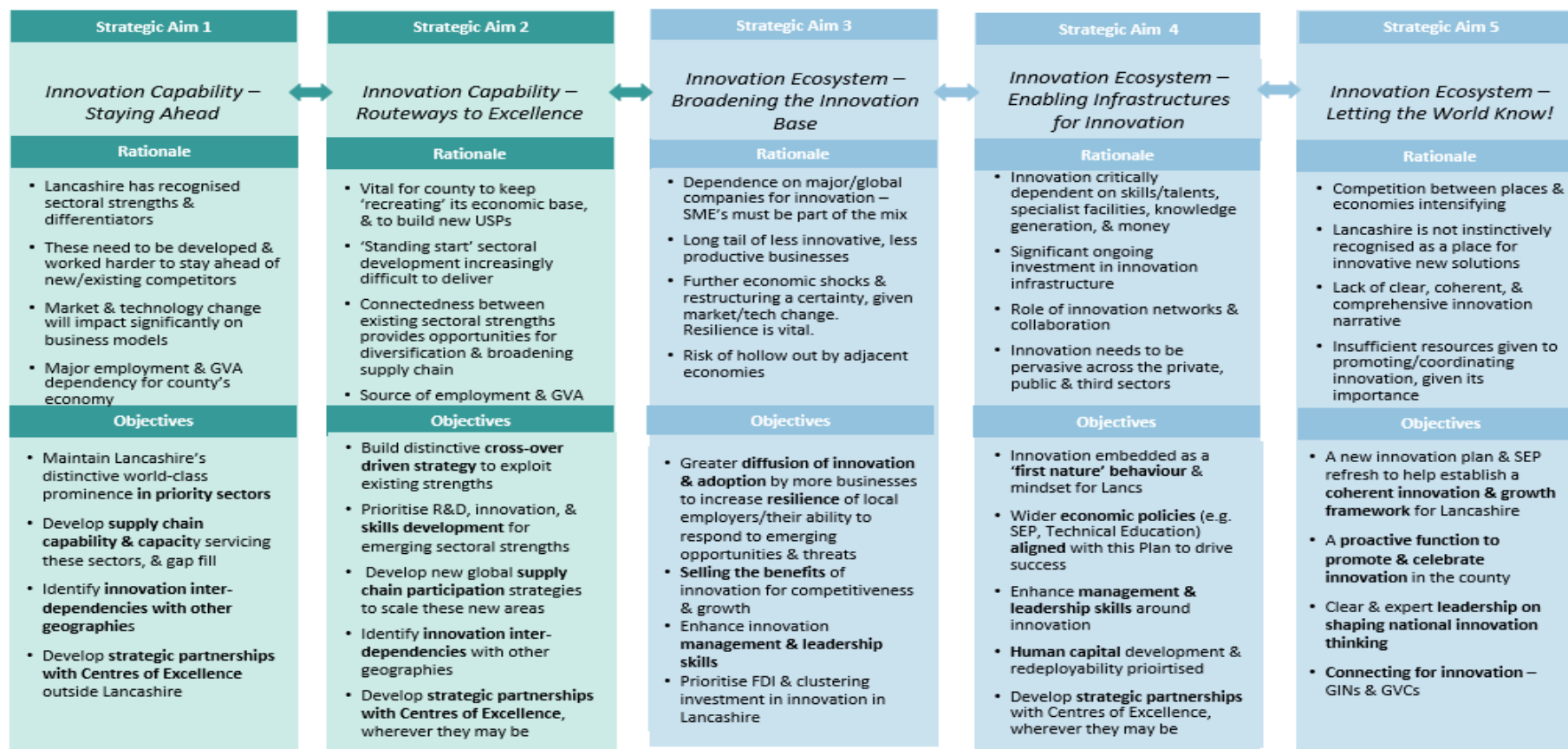
And the Plan's underpinning framework?

At the heart of the Innovation is a simple framework which sets our focus areas for attention as we all work to progress innovation in the County. Key components of the framework are:

- A Vision which describes the County's long-term innovation intent;
- Five Strategic Aims which, at a strategic level, define those objectives the Innovation Plan is seeking to realise; These are configured as a '2x3' structure: two of our Aims relate to our *innovation capability* – the ability of existing and new businesses to develop, adopt, and commercialise innovation, and three Aims relate to building our *innovation ecosystem* – building the infrastructures, the mindsets, and the marketing capability necessary for innovation;
- Within each Strategic Aim, a rationale for why this Aim is required, and a series of supporting objectives which define the broad areas of practical activity that will be pursued to achieve the Strategic Aims; and
- A defined suite of actions to progress the Plan. These are a mixture of short, medium, and long-term actions that complement and enhance existing and ongoing actions.

Our framework is depicted on the following page.

VISION: by 2030 Lancashire will have positioned itself as a globally connected & resilient innovation ecosystem. The way we innovate will embody excellence & collaboration, feeding through to greater commercialisation, entrepreneurship & competitiveness in our economy. We will have a track record as a centre for globally competitive knowledge clusters & talent, & as a developer of new solutions to the emerging challenges of our world.



Application-inspired in our R&D & its deployment
 Excellence in delivery, driven by *real* evaluation & learning
 Collaborating for a competitive Lancashire

Action Agenda

To make this Plan a reality, a series of actions are presented to deliver the Strategic Aims in our Action Agenda.

- For Strategic Aim 1 'Staying Ahead', key actions will involve:
 - Focus on delivering the *Made Smart Review's* North West National Adoption Programme Pilot;
 - Connecting with Centres of Excellence outside Lancashire;
 - Working in collaboration with large employers in the County to strengthen innovation capabilities of their supply chains;
 - Developing a network of Lancashire 'Innovation Ambassadors' to work with local SMEs; and
 - Implementing a Lancashire Technology and Market Foresight Observatory.
- For Strategic Aim 2 'New Routeways to Excellence', key actions involve:
 - Developing supply chain crossover networks;
 - Encouraging an increase in Knowledge Transfer Partnerships (KTPs);
 - Developing Test Beds in new sectors such as Digital, and monthly initiatives such as 'Failure Labs' and hackathons, with a different sector focus each month; and
 - A key action under this Aim will be work, led by the LEP, to start to analyse rigorously how overlaps and synergies between the activities and technologies of our existing sectors can be drawn out to define new areas of sectoral strength that we can develop.
- For Strategic Aim 3 'Broadening the Innovation Base', key actions involve:
 - Enhancing existing or developing a new leadership programme focussing on innovation;
 - Ensuring relevant capital developments include provision for incubating innovation-led start-ups;
 - Facilitating networking between innovation and incubation centres to share best practice; and
 - Developing a programme of visits from innovation success stories across the world to Lancashire, helping to stimulate global networking, and bringing best practice to Lancashire's attention.
- For Strategic Aim 4 'Enabling Infrastructures for Innovation', key actions involve:
 - Creating an innovation graduate placement programme for SMEs;
 - Developing a single point of contact programme of support for innovation-led start-up or early-stage businesses;
 - Exploring options for creating a Lancashire Innovation Fund for early-stage funding for innovation-led start-ups;
 - Developing a programme to promote innovation across public and third sectors; and
 - Embedding Intellectual Property (IP) in innovation initiatives.
- To deliver Strategic Aim 5 'Letting the World Know!', key actions involve:
 - Holding an annual Innovation Showcase to celebrate successful innovation;
 - Developing a Lancashire Innovation marketing strategy;
 - Developing, and disseminating a portfolio of Lancashire innovation case studies; and

- Lancashire setting the innovation agenda in National Forums.

Governance

Strong leadership, collaboration, and willingness to deliver change are fundamental to making this Plan a reality. Leaders from across private and public sectors will need to come together to deliver innovation for Lancashire. This will require a well governed and appropriately resourced approach to implementation. Making the most of existing resources and re-calibrating these to support the Aims of this Plan will be vital to its success.

The LEP has a vital role to play in driving this Plan and its success. Accordingly, the Plan proposes a LEP Innovation Board to provide the strategic leadership and accountability for this Plan and its delivery. The Board will be private sector-led, but be representative of publicly-funded partners and representatives of the key innovation assets in Lancashire. The Board will sit underneath and report to the LEP Main Board. Reporting to the Innovation Board, a new Innovation Director will be appointed to co-ordinate and lead the operational delivery of the Innovation Plan, drawing in relevant delivery partners to progress actions. The Innovation Board will integrate and complement existing innovation fora, such as the emerging HEI Innovation forum (which brings together HEI representatives on common innovation-facing issues), so driving an unified approach to innovation in the County.

1 Foreword

[NB – PLACEHOLDER FOR FOREWORD FROM EDWIN BOOTH]

Draft Final Report for LEP Review

2 Lancashire's Innovation Plan

Introduction

- 2.1 Innovation is at the heart of the UK's Industrial Strategy, as a key driver to improving productivity across the UK. Businesses that innovate grow faster than those that do not. The desire for innovation to drive productivity is increasingly prevalent across the North and within Lancashire. As the Independent Economic Review showed, the North has significant innovation assets on which to build and develop to close the productivity gap with the rest of the UK. As this Plan will show, Lancashire has substantial innovation assets, and innovation potential, to play a leading role in driving innovation and improving productivity in the North.
- 2.2 This is an evidence-informed innovation plan for Lancashire, commissioned by Lancashire Enterprise Partnership, and intended to establish a vision, framework and action plan for innovation in the County to 2030. It aims to:
- Boost Lancashire's innovative capacity and strengthen its broader innovation ecosystem;
 - Stimulate new ideas and thinking around embedding a more innovative culture in Lancashire;
 - Set a clear direction of travel for Lancashire's innovation agenda, underpinned by a coherent package of priorities and activities;
 - Encourage greater collaboration within Lancashire and between Lancashire and national and international partners;
 - Engage all stakeholders including businesses large and small, universities, colleges, local and national government; and
 - Establish a new model for the leadership and governance of Lancashire's innovation agenda.
- 2.3 Informed by Nesta, our definition of innovation here is the successful exploitation of new ideas, recognising that innovation need not derive from an advance in science or technology, but radical innovation often does. Innovation that does derive from an advance in the Science and Technology base needs more than this to achieve commercial success, and applies equally to products, processes, services, and business models. Innovation is not just the preserve of the private sector, it is equally appropriate and necessary in the public and community and voluntary sectors.
- 2.4 We are not starting with a blank canvass. Lancashire has many strengths and assets to build on. It is home to leading global businesses at the cutting edge of innovation in advanced manufacturing, supported by a supply chain cluster of high tech SMEs. These high value-add businesses are amongst the most productive in the country. Our strong manufacturing base is spearheaded by aerospace, automotive and energy industries but we have other key sectoral strengths including digital and healthcare. We are also home to high performing universities and Further Education providers, including national centres of research excellence.
- 2.5 When thinking about innovation, it is natural to focus on technology, research and the economy. But we must not overlook Lancashire's wider offer. We have a great opportunities to work with neighbouring cities, a high quality of life and a diverse urban and rural environment. We must make the most of this to attract and retain the people and businesses who will drive the innovation agenda locally, drawing on access to resources and partners nationally.

- 2.6 Despite the strengths we have to build on, we also face significant challenges. In totality, our economy is not performing as well as it could be. Across the board our productivity is low relative to national and regional levels and our skills base continues to lag behind. Lancashire's economy as a whole is underperforming compared with the national average, but this masks areas of high productivity: GVA per head across Lancashire's local authorities ranges from £31,494, (amongst the top 50 districts in the UK and within the top 20 outside London and the South East) to £14,524 (380th of 395 areas). We also face great uncertainty in wider national and global contexts - Brexit looms large and the pace of technological change is transforming where, and how, business is done. Of course, we are not unique in facing these challenges but we must find our own, place- and people-specific solutions for dealing with them.
- 2.7 The recent national Industrial Strategy and its accompanying Sector Deals represent a new chapter in how we as a country take a more proactive and interventionist approach to growing our economy. This Innovation Plan represents a central plank in Lancashire's response to this new national agenda, sitting as part of the County's overarching economic strategy. This Plan must sit at the heart of our proposed new local industrial strategy. It is designed to help boost productivity, raise R&D investment, grow local businesses and attract new firms, create new and better jobs. Ultimately, we want to embed an innovation culture which allows us to punch above our weight, enhance our resilience, and enables us to capitalise on change and opportunities in the global economy.
- 2.8 The context of the Industrial Strategy, alongside the launch of this Innovation Plan provides a momentum for driving forward the agenda which must not be lost. The levels of engagement, from local stakeholders, secured in developing this Plan have provided a clear demonstration not only of the capacity and expertise that exists locally, but also the appetite for a more prominent, purposeful and impactful innovation agenda in Lancashire. We must raise our level of ambition and back this up with the appropriate leadership arrangements and resources. This Plan provides us with the basis for achieving our aims.
- 2.9 The structure and content of the rest of this document is as follows:
- Chapter 2 sets out the global innovation trends that are impacting not only Lancashire's economy but national and international economies. It summarises the implications to this Plan and Lancashire's innovation agenda of key policies at Lancashire, the North, and UK levels;
 - Chapter 3 presents an analysis of relevant literature, secondary data, and econometric forecasting to identify the core components of Lancashire's economic and innovation landscape;
 - Chapter 4 then assesses the strengths, weaknesses, opportunities, and threats facing Lancashire's innovation ecosystem;
 - Chapter 5 presents our Vision for how Lancashire's innovation economy can look in 2030;
 - Chapter 6 presents the Strategic Framework for this Plan, setting out the five Strategic Aims and three Cross-cutting Themes, as well as the Rationale and Objectives for each Aim;
 - Chapter 7 presents our 'Action Agenda', where we set out the practical actions required to support delivery of the Strategic Aims. These are a mixture of 'quick wins', medium term programmes, and long-term culture change; and
 - Chapter 8 looks at the Governance structures required for effective and ongoing management and leadership of innovation in Lancashire.

Draft Final Report for LEP Review

3 Innovation Trends and Policy Context

This section sets out the trends, policies, and future market and technology changes within which this Plan sits and must respond to.

Global Innovation Trends

- 3.1 Lancashire's economy is one piece in a regional, national, and global jigsaw. This innovation Plan plugs into this wider economic and policy context, building on key initiatives such as the recent Industrial Strategy, the Norther Powerhouse, and the Science and Innovation audits.
- 3.2 In term of global trends, Global value chains (GVCs) and Global Innovation Networks (GINs) have become a central feature of world trade, encompassing developing, emerging, and developed economies. The process of producing goods is increasingly carried out wherever the necessary skills and materials are available. How Lancashire's businesses can connect in to these value chains and innovation networks should form a key component of Lancashire's innovation offer.
- 3.3 Rapid market and technology change has been a key feature of all economies and shows no signs of slowing down. The 'Eight Great Technologies' identified by the then Chancellor in 2012 still hold significant relevance today. Lancashire has strengths in a number of these areas. They are:
- Big data and energy-efficient computing
 - Satellites and commercial applications of space
 - Robotics and autonomous systems (also a key feature of the recently published Industrial Strategy White Paper)
 - Synthetic biology
 - Regenerative medicine
 - Agri-science
 - Advanced materials and nanotechnology
 - Energy and its storage
- 3.4 In addition to new technologies, new business models will continue to change the way we work. These new models revolve around a number of themes that are relevant across multiple sectors. These include:
- Vertical integration and distributed collaboration;
 - Outsourcing and automation of high value 'knowledge work';
 - Migration to the web, and leverage of 'long-tail' markets;
 - An ageing workforce, working longer;
 - Increasingly complex and connected markets, with increased risks;
 - 'Non-routine' activities that cannot be automated – such as innovation, leadership & sales - will dominate employment progressively;
 - 'Creativity' will be the most important leadership competency for future successful businesses; and
 - Intelligence, agility, and responsiveness will be the key characteristics of business performance.

- 3.5 With the details of post-Brexit Britain's economic landscape continuing to emerge, many uncertainties remain. However, one thing is certain, innovation will need to be a fundamental part of local economic growth and in driving productivity increases. Business-as-usual will not tackle the existing challenges, nor capitalise on the opportunities or mitigate the risks of Britain's new trading relationships. As with the GVC and GIN connectivity referred to above, adopting an international trading perspective will be an important part of growing Lancashire's innovation capability and commercialisation.

UK Policy

- 3.6 The recent *Industrial Strategy Building a Britain fit for the future* White Paper sets out a more interventionist approach to stimulating the economy and driving productivity across the UK. Several proposed initiatives are of direct relevance to this Plan, and are in areas in which Lancashire is well-positioned to capitalise on.
- 3.7 The *Made Smarter Review 2017* focussed on the challenges in industrial digitalisation. The Review acknowledged the opportunities the North West could capitalise on. The Review recommends investment in a new National Adoption Programme (NAP). This would accelerate the development and diffusion of Industrial Digital Technologies (IDTS) through focused support to small and medium-sized enterprises in the UK regions. As part of the NAP development, a three-year pilot project will be undertaken in the North West. The project aims to increase GVA by 15% over the pilot period – delivering an estimated £70 million benefit. The pilot will support twenty emerging technology start-ups working directly with industry on new projects.
- 3.8 The North West was chosen partly because of the region's substantial manufacturing output, producing almost 10% of the UK's total exports, and its prominence in several industrial sectors such as aerospace, automotive, chemicals, biomanufacturing and agriculture. Lancashire has significant strengths in these areas and should be at the forefront of delivering, and benefiting from, the pilot.

Box 1: The Industrial Strategy

Industrial Strategy Building a Britain fit for the future White Paper

The *Industrial Strategy Building a Britain fit for the future* White Paper sets out the Government's plan to boost productivity and earning power throughout the UK. Innovation, through ideas generation and adoption, is a fundamental pillar of the plan.

The White Paper sets out the 'Four Grand Challenges' for the UK economy. These are:

- putting the UK at the forefront of the artificial intelligence and data revolution;
- maximising the advantages for UK industry from the global shift to clean growth;
- being a world leader in shaping the future of mobility; and
- harnessing the power of innovation to help meet the needs of an ageing society.

To support the rapid adoption of AI technologies at scale, a new Office for AI will be set up and will work initially with six priority business sectors, most of which Lancashire has considerable strengths in, including cybersecurity, manufacturing, energy, and agricultural technology.

An ambition for clean growth will be supported by Government support for smart energy systems, innovation in the low carbon industry, and innovation in high-efficiency agriculture. There are considerable Lancastrian strengths in these areas that could be harnessed to capitalise on this.

The £115m Strength in Places Fund looks to support areas to build on their science and innovation strengths and develop stronger local networks. Lancashire can be well placed to access this funding.

The launch and roll-out of Sector Deals, partnerships between government and industry, aiming to increase sector productivity. The first Sector Deals are in life sciences, construction, artificial intelligence, nuclear and the automotive sector.

3.15 The Department for Business, Energy, and Industrial Strategy (BEIS) has commissioned Science and Innovation Audits help local areas to map their research and innovation strengths, and identify areas of potential global competitive advantage. Each Audit has a theme, and a number of these are of direct relevance for Lancashire, including:

- North West Nuclear Arc Consortium - New nuclear technology;
- North West Coastal Arc Eco-Innovation Partnership - Low carbon energy and eco-innovation;
- Northern Powerhouse Chemicals and Processing Science – Chemicals;
- Northern Powerhouse in Health Research – Medical; and
- Sheffield City Region and Lancashire – High value manufacturing (see Box 2).

Box 2: Science and Innovation Audit

Sheffield City Region and Lancashire: Science and Innovation Audit

The *Sheffield City Region and Lancashire: Science and Innovation Audit* will inform investment decisions to stimulate productivity and economic growth across the Lancashire, Sheffield, and the wider Northern Powerhouse; driving the region's contribution to the national industrial strategy and economic growth.

This document was focussed on driving productivity growth through innovation in high value manufacturing. The Audit proposes that the technological innovation in automation, robotics, data analytics, and new manufacturing techniques that drive Industry 4.0 are existing innovation strengths in the region. This, coupled with the successful translational research institutions that can drive innovation and skills, can enable Lancashire to position itself as a centre of innovation in high value manufacturing and drive productivity growth across the County.

Regional Strategies

3.18 The Northern Powerhouse Partnership focusses on encouraging cities and counties to work together across the North of England. The priorities for the Partnership are:

- Infrastructure and Assets – including transport, telecoms, housing, and new technology;
- Education and Skills – including basic skills through to higher level and technical skills that support innovation, and the HEI sector;
- International Competitiveness – focussing on fostering an enterprise culture, innovation, trade and international investment; and
- Leadership and Learning – leadership within companies, promoting best practice to civil leaders and Mayors.

3.19 Advanced Manufacturing and Materials, Energy, Digital, and Health Innovation were identified as the four prime capabilities of the North by the *Northern Powerhouse Independent Economic Review (NPIER)*. These are the economic sectors through which the North of England has the greatest global competitive advantages, and can be nationally and internationally competitive in. These are all sectors in which Lancashire has significant existing and emerging strengths and can play a leading role in continuing to strengthen and expand the North's capabilities in these areas.

3.20 The 11 LEPs in the North of England are looking to develop a regional approach to innovation – 'Innovate North'. This is a unique attempt to work collaboratively at scale to harness the power and benefits of innovation. The collaboration intends to do this by maximising the commercial and social application of the North's significant assets and capabilities. Lancashire should play a vital role in delivering the innovation agenda across the Northern Powerhouse.

Local Strategies

- 3.21 Innovation excellence is one of the key objectives of *Lancashire's Strategic Economic Plan (SEP) 2015-25*. To support the delivery of this objective the Lancashire Growth Deal established a £270m investment framework. Examples of initiatives receiving funding as part of this framework, and that contribute to delivering the innovation excellence objective, include:
- Lancaster Health Innovation Campus;
 - Centre for Quantum Technology Innovation at Lancaster;
 - Cyber Security Innovation Centre at Lancaster; and
 - Engineering Innovation Centre at Preston.
- 3.22 These initiatives, alongside a multitude of other assets and actions display the commitment of local partners in key growth sectors to collaboratively deliver a step-change in innovation in Lancashire, and the sectoral and smart specialisation strengths on which this plan seeks to build.
- 3.23 The *Lancashire Skills and Employment Strategic Framework* provides the template for public investment in skills and employment activities in the County, and outlines the direction skills and employment providers need to take to best address need. It seeks to re-establish Lancashire as an economic powerhouse and a national centre of excellence in advanced manufacturing by maximising its clear competitive strengths and capabilities in the aerospace, automotive, energy and health science related sectors.
- 3.24 Currently under development, the *Lancashire Technical Education Vision* will develop a framework for a dynamic and high performing technical education system in the County that will raise skills and develop the talent pool to support key existing and emerging sectors.
- 3.25 This Innovation Plan builds on and complements these existing strategic plans whilst responding to the opportunities and challenges emerging from the evidence base and stakeholder consultations.

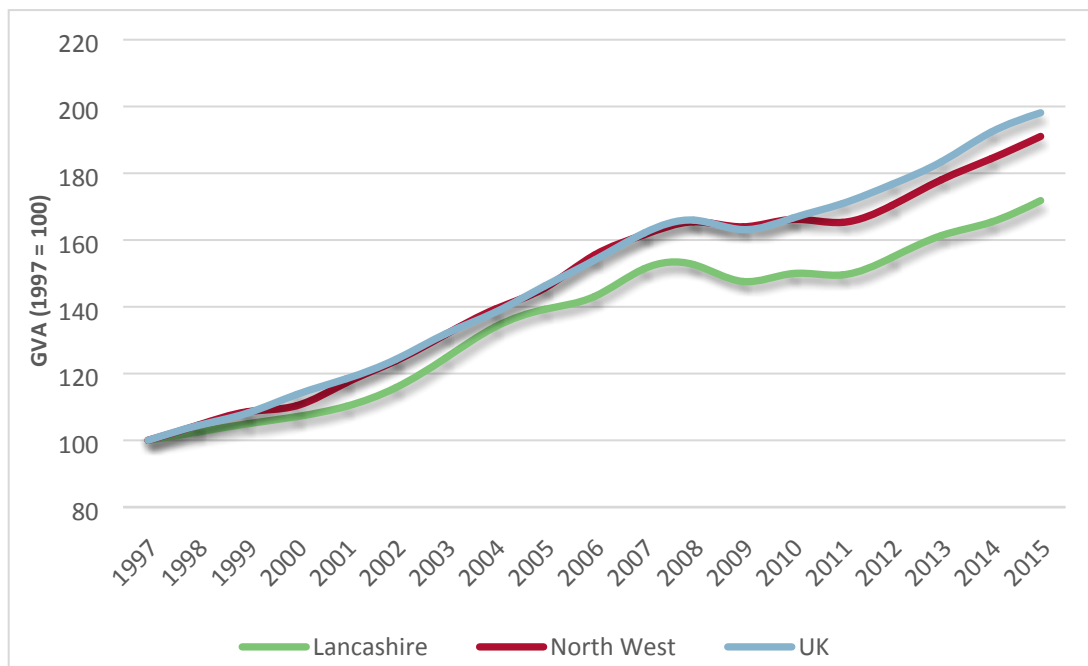
4 Lancashire's Economic and Innovation Landscape

This section presents the key trends and forecasts to show how Lancashire is performing, and is likely to perform, as an economy and as an innovation ecosystem.

The Lancashire Economy

- 4.1 With a resident population of just under 1.5m, supporting around 630,000 jobs, and containing around 52,000 businesses, Lancashire is a key component of the North West's economy. Lancashire contains globally significant firms in sectors such as aerospace and nuclear, including BAE Systems, Rolls Royce, and Westinghouse as well as a significant SME base (98% of businesses in Lancashire employ fewer than 50 people). It also benefits from four universities in the area, providing a valuable mix of research-oriented and applied innovation opportunities. Lancashire experienced a decline in employment between 2007 and 2012, and has since reversed that trend, with employment now above pre-2007 levels. This is a similar trend to the North West and UK; but Lancashire's employment growth is slower than both.
- 4.2 Despite pockets of high performance and productivity, Lancashire's economy, like the majority across the North of England, is underperforming, and not reaching its full potential. The primary indicator to measure an economy's overall performance is Gross Value Added (GVA). Lancashire generated a GVA figure of £29bn in 2015, 18.5% of the North West's total. This compares with 21% of the North West's employment, 20% of North West's total business base, and 20% of the North West's working age population. As we have seen, the spread of productivity across Lancashire varies greatly between areas within the County. The average for the County can mask areas of high value and high productivity businesses.
- 4.3 Although there has been consistent growth in GVA in Lancashire, it is slower than the North West and UK, and that productivity gap has widened in recent years. As shown in Figure 1:

Figure 1 – GVA Growth



4.4 GVA per employee in Lancashire was £42,100 in 2015, against a figure of £50,800 for the UK, 83% of the UK average. In 2015, Lancashire's GVA per employee was 83% of the UK average, and this issue of productivity is a long-standing and embedded one. This productivity gap matters: if GVA per employee in 2015 was at the UK level, the Lancashire economy would have generated an extra £3.1bn. The closing of this increasing productivity deficit remains a key challenge for Lancashire.

4.5 This productivity gap exists not because employees in Lancashire do not work as hard as people in other areas. Rather, there are three key drivers:

- Structural change - a shift away from manufacturing to lower productivity occupations – often services and retail;
- Skills - a legacy of educational underachievement and skills gaps in key sectors; and
- Innovation and entrepreneurship - lower levels of R&D expenditure, exacerbated by low start-up rates and lower inward investment.

The Changing Shape of Lancashire's Economy

4.6 Econometric forecasts¹ suggest that, under a 'do nothing' scenario, the productivity gap will remain. By 2036, GVA in Lancashire is due to increase by just over 30% to £38.5bn. Over the same period, UK GVA is forecasted to increase by just over 40%: the productivity gap will grow. If Lancashire's GVA grew at the same rate as the UK over this period this would result in an additional £2.5bn in GVA by 2036.

4.7 Employment growth is also forecast to remain slower than that of the UK. By 2036, employment in Lancashire is set to grow by 2.7% (an additional 19,000 jobs). Over the same period the UK employment is due to increase by 7.3%. If Lancashire's employment grew at the same rate as the UK this would result in an extra 53,000 jobs in the local economy.

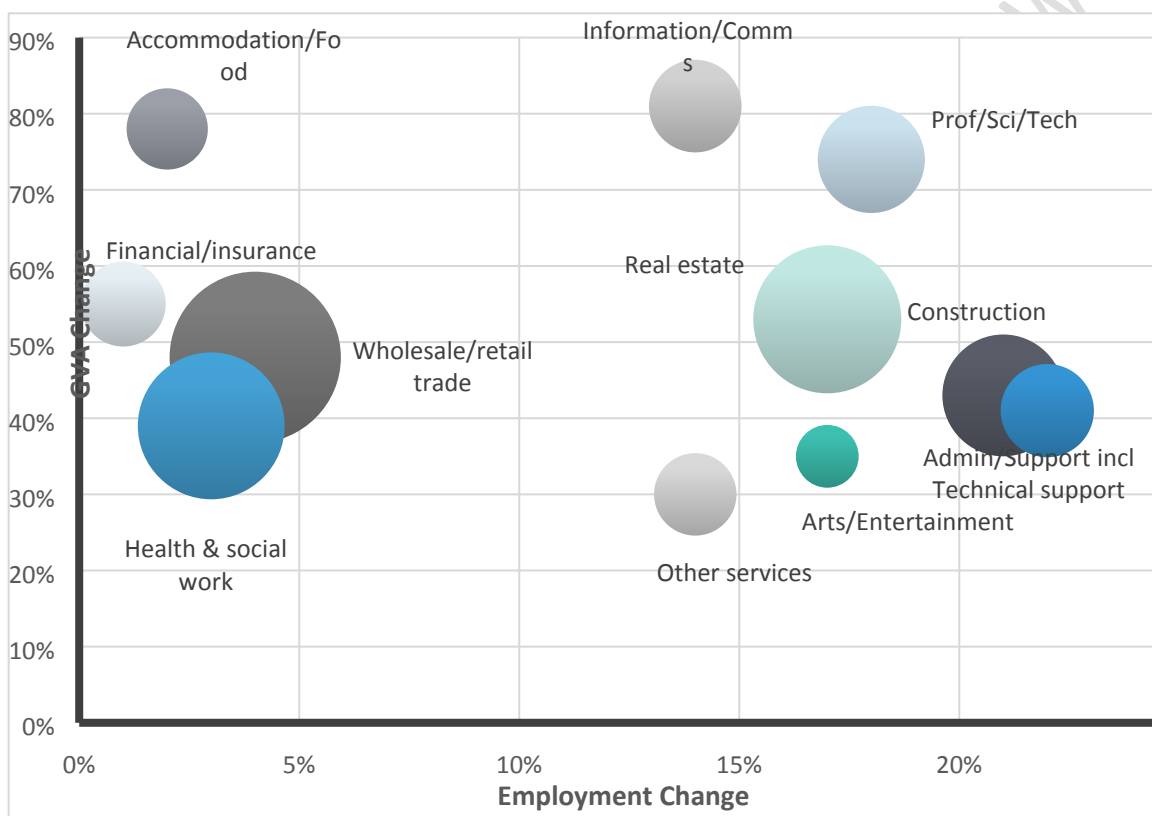
¹ Taken from Oxford Economics' *Greater Manchester Forecasting Model (GMFM) 2017*

4.8 Moreover, Lancashire's economy will experience significant change over the next two decades. Sectors are expected to perform in one of two ways:

- *Expanding sectors* which are forecasted to grow in both GVA and employment; and
- *Adjusting sectors* where GVA will increase but employment is likely to decrease.

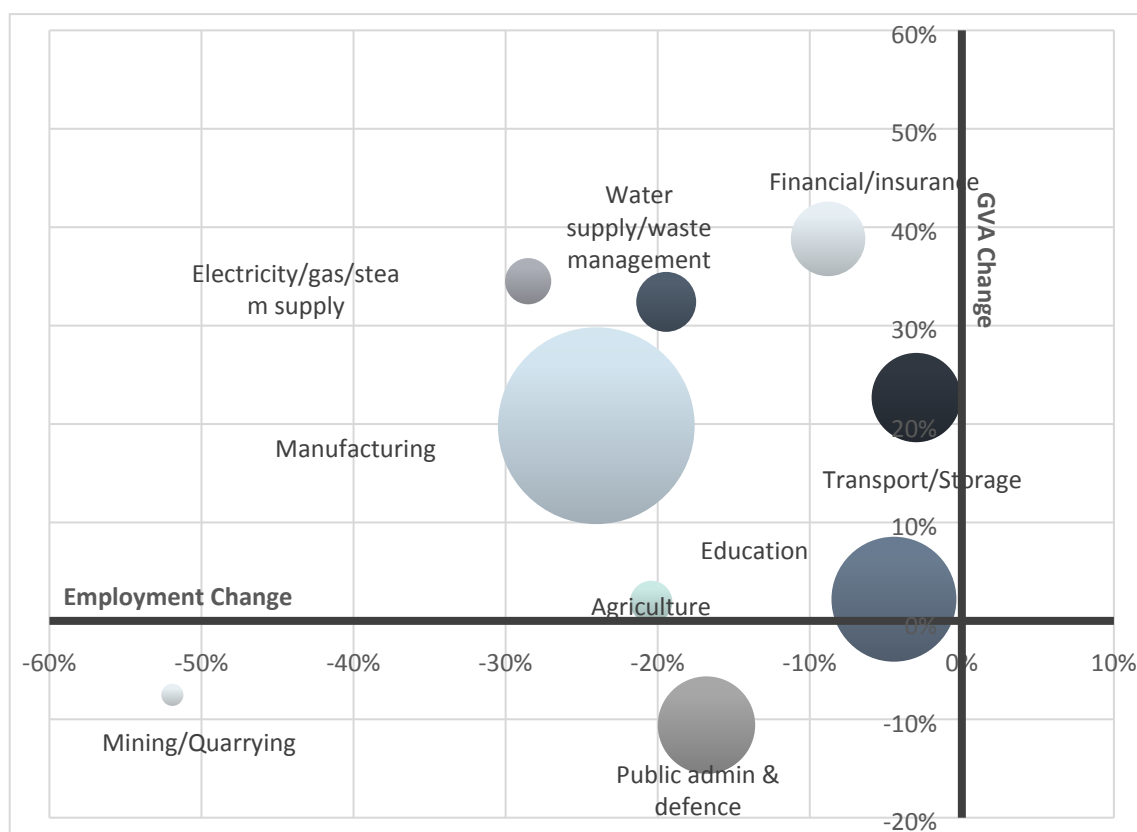
4.9 Figure 2 below shows the *Expanding sectors*. Significant growth in both GVA and employment is forecasted in service sectors such as Professional, Scientific, and Technical, Admin & Support (including Technical Support), and Information & Communications. Most sectors are forecasted to grow in GVA and employment. This data is at a broad sectoral level, which can miss the nuances and variety of job roles within each sector.

Figure 2 – Expanding Sectors



4.10 Figure 3 below shows the *Adjusting sectors*. Most significantly, the current key employment sector of manufacturing is forecast to decline in employment by 24% (c.20,000 jobs) by 2036. This trend is expected nationally, however is expected to be more keenly felt in Lancashire due to the size of the sector in the County. That manufacturing is forecast to grow in GVA despite this points to the productivity opportunities and employment challenges that Industry 4.0 presents. It is important to remember that these forecasts are 'policy-off', meaning they do not consider different policy scenarios or their implications. Interventions such as those advocated later in this Plan, alongside ongoing actions across the County and North, can address these potential employment challenges.

Figure 3 – Adjusting Sectors



Innovation and Knowledge

- 4.11 Table 1 below gives an overview of Lancashire's current performance on innovation indicators relating to STEM, graduate retention, and R&D expenditure.

Table 1 – Innovation and Knowledge Indicators

Indicator	Lancs LEP	North West	UK	Source/ Date
Graduate retention rates	80%	77% (NW average)	68% (All-LEP average)	HESA 2012/13
Undergrads in STEM/non-STEM	34%/66%	35%/65%	35%/65% (England)	HESA 2013/14
FT Post-grads in STEM/non-STEM	49%/51%	68%/32%	65%/35% (England)	HESA 2013/14
University spin-outs/start-ups since 2000	27 (1% of UK total)	156 (7% of UK total)	2,293	Spinouts UK/2017
Total R&D Expenditure (£ per person employed)	£525	£1,093	£1,070	Eurostat + BRES/2011

of which Business R&D expenditure (BERD)	£388 (74%)	£851 (78%)	£765 (71%)	Eurostat + BRES/2011
Employment in Professional, Scientific & Technical (% of all jobs)	5%	7%	8% (GB)	BRES/2015
Residents employed in STEM subjects	6.2%	6.9%	7.2%	APS/2014

- 4.12 There are positive signs in graduate retention rates in the short term, as a higher proportion of graduates remain in the area six months after graduating compared to the national average. The proportion of undergraduates studying STEM subjects is in line with the regional and national picture, suggesting that Lancashire is attracting and retaining graduates in key subjects. Private sector R&D per employee is less than half the national average however, which could indicate either a low take-up of R&D tax credits by Lancashire businesses or that simply not enough is being spent on private sector R&D in Lancashire.
- 4.13 The *Research Excellence Framework 2014* demonstrated that the County's HEIs have significant research strengths in several areas. In particular, the following subjects were highlighted as being highly rated:
- Computer Science;
 - Mathematical Science;
 - General Engineering;
 - Chemistry;
 - Physics;
 - Earth Systems and Environmental Sciences; and
 - Allied Health Professions.
- 4.14 Patent data provides one of several indicators of innovation performance, but is subject to biases and limitations created principally by differences between industries in the 'propensity to patent'. This means that the usefulness of patents as a measure of innovation emphasis across different LEPs is limited by the extent to which industries protect their intellectual property using patents. This limitation is however consistent across all LEPs. Firm-specific propensities to patent are commonly assumed to be a weaker source of bias than industry-specific sources.
- 4.15 Through analysis of patent applications data kindly provided by the Intellectual Property Office (IPO), Lancashire's strong emphasis on Civil Engineering patents stands out. This is broadly in line with, but much higher than, the emphasis on both the rest of the Northern Powerhouse LEPs and all LEPs. Other noteworthy aspects are prominence in mechanical elements and in thermal processes and apparatus. These areas show relatively high levels of patenting activity in Lancashire.

5 Lancashire's Innovation Ecosystem

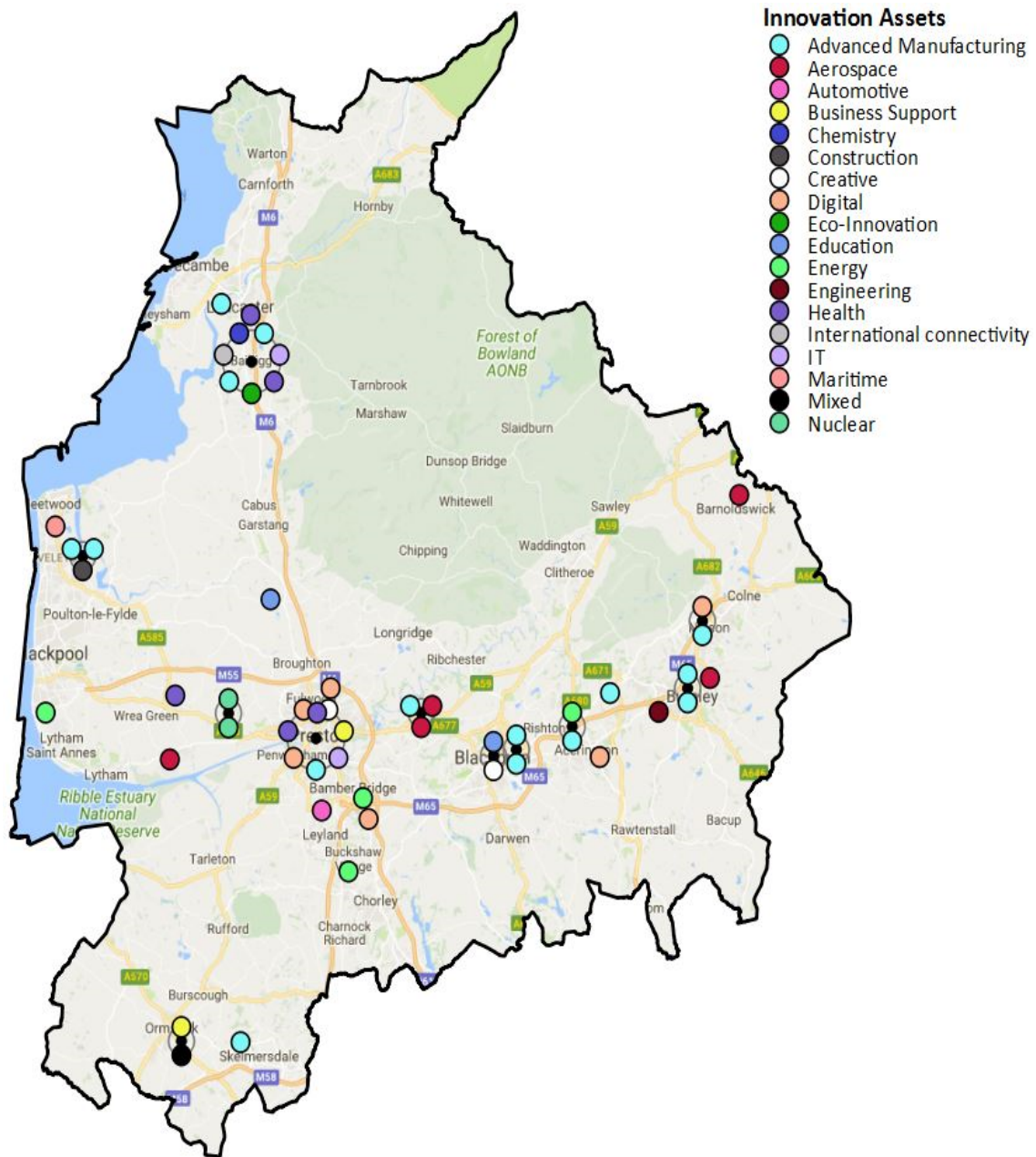
This section sets out the strengths, weaknesses, opportunities, and threats (SWOT) assessment of the Lancashire innovation ecosystem

- 5.1 Through a range of stakeholder consultations, data analysis, and a review of over 40 documents received via a 'Call for Evidence', this section will present the strengths, weaknesses, opportunities, and threats (SWOT) for innovation in Lancashire.
- 5.2 The SWOT was conducted through four lenses. These are:
- People/Human Capital – covering demographics, mindsets, skills and occupation offer, education, and access to work;
 - Infrastructure/Assets – covering location, cost, housing, environment, transport, digital/energy/waste/water/flood risk infrastructures;
 - Knowledge – covering Further and Higher Education, research institutions, innovation systems, networks, and commercialisation processes; and
 - Money and External Business Expertise – covering access to finance, accounting and legal professions, intellectual property management, and marketing.

Strengths

- 5.3 Lancashire has well established and recognised strengths in the Aerospace, Automotive, Energy, Nuclear, Digital, and Health Innovation sectors. There are strengths in biological sciences, life sciences and healthcare, advanced manufacturing and materials, and digital. Protecting, enhancing, and diffusing these strengths across their supply chains and across sectors will be a key feature of the future innovation landscape in Lancashire.
- 5.4 The local HEIs have research strengths in STEM subjects, in particular Computer Science, Mathematical Science, and General Engineering, and provide significant research and consultancy services (with a total income of £26m from contract research and consultancy services across the four HEIs in 2015/16). There are translational research centres such as the Engineering Innovation Centre at UCLAN, the North West Advanced Manufacturing Research Centre at Samlesbury, and the forthcoming Lancaster Health Innovation Campus which can be catalysts for research development and adoption across the local economy and beyond.
- 5.5 Graduate retention rates are relatively good in Lancashire, and strong Further and Higher Education provision is starting to show in the improving rates of residents with higher level skills. Maintaining and continually improving these will be key in ensuring a pipeline of talent to support Lancashire's businesses and innovation capabilities.
- 5.6 Analysis of the IPO patenting data indicates strong intellectual property advances in areas such as Civil Engineering, Mechanical Elements, Medical and Computer Technology, and Thermal Processes. Ongoing analysis of patenting data can provide an indication of emerging innovation specialisms and differentiators. Providing support for businesses in generating and managing their intellectual property can help them to protect their intellectual property assets and maximise the value from them.

Figure 4 – Lancashire Innovation Asset Map



5.7 As Figure 4 above shows, Lancashire also has considerable innovation assets that can be developed, connected, and utilised to support this Plan’s innovation agenda. As part of this Plan’s preparation, an asset mapping exercise was undertaken through consultation with stakeholders. The mapping identified:

- 54 assets that characterise innovation, falling into 16 sectors;
- The most represented sectors include Advanced Manufacturing (15), Digital (6), Energy (5), Aerospace (5), and Health (5);
- There is a concentration of assets along a West to East corridor (M55-M6-M65);
- There is a large concentration of assets around the Lancaster University and UCLAN Campuses;
- Digital assets appear to be disparately distributed, with no apparent signs of clustering; and

- The forthcoming Eco-Innovation Science and Innovation Audit will add to this mapping.

5.8 The key message here is that there are significant innovation assets and areas of innovation strength in Lancashire. These need to be supported, developed, and expanded to ensure these stay ahead of the competition and play a greater role in innovation and productivity in Lancashire.

Weaknesses

- 5.9 The productivity gap (where Lancashire is at 83% of the UK's level of GVA per worker, and 93% the level of the UK excluding London and the South East), and relatively slow GVA growth are long-standing challenges in the area. Lancashire is not unique in this regard. The focus on the average can mask areas of high value-added businesses, particularly in advanced manufacturing. A lack of inward investment and new office space in key centres has prevented the development of a high performing service sector based around a regional centre, a challenge compounded by Lancashire's geography and location.
- 5.10 Larger businesses are well connected to higher level skills and export opportunities, SME connectivity to talent and international trade opportunities is more limited. This can restrict the survival chances and growth of smaller businesses. This also contributes to the current lack of innovation diffusion and the long tail of less innovative companies, which was identified as a national problem in the Industrial Strategy.
- 5.11 Although higher level skills are improving, the proportion of residents with NVQ4 (graduate level) and above is still lower than the national rate (32.8% compared to 38.2%). Reducing this gap can play a large role in reducing the productivity gap, as lower level skills are cited as a key factor in productivity deficits.
- 5.12 There is currently a low level of R&D expenditure per person employed in Lancashire, which is just less than half the national average. This could be due to a lack of take-up in R&D tax credits, particularly in sectors other than manufacturing. Large companies often report R&D spend through their headquarters, meaning a large company with a site in Lancashire, even one that primarily focuses on R&D, will be under-reported in terms of R&D spend. This can lead to Lancashire being under-represented in R&D spend statistics. However, how to increase both R&D tax credits take-up and overall private sector R&D investment, in both time and money, is still a significant innovation challenge for Lancashire.

Opportunities

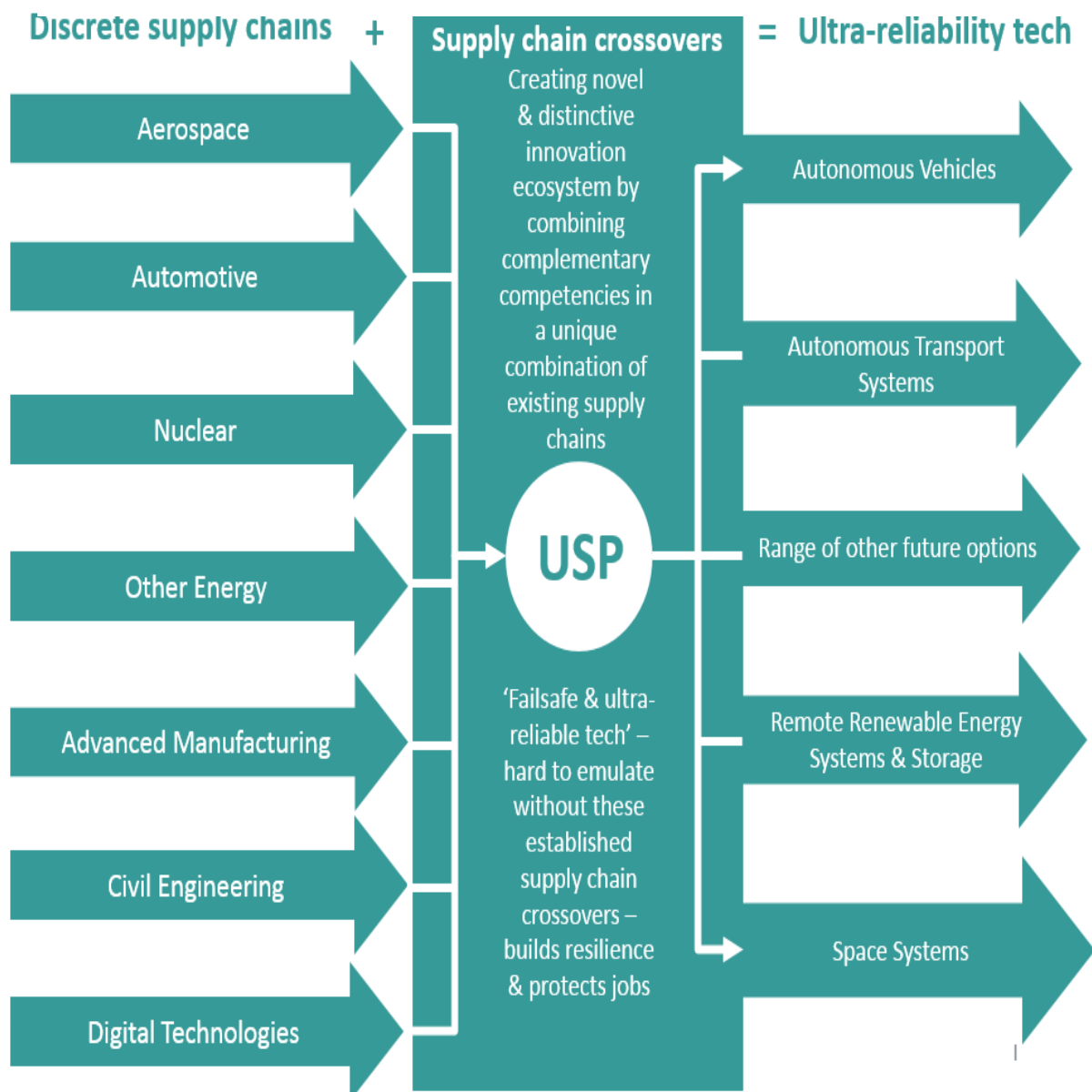
- 5.13 Lancashire's strengths in industries at the forefront of Industry 4.0 mean it is well placed to capitalise on the productivity improvements associated with increased automation and adoption of new technology. Developing an innovation corridor in advanced manufacturing, as recommended by the SIA, is one way the benefits of Industry 4.0 can be maximised.
- 5.14 The connectedness and adjacency of several high-tech sectors present real sectoral cross-over opportunities for Lancashire. This is the ways in which the different established activities in Lancashire can be brought together to drive new innovations. An example of this is how automotive and aerospace technology and digital systems are integrated to develop autonomous vehicles.
- 5.15 As the Industrial Strategy is being implemented, there will be opportunities for Lancashire to position itself as a flagship area for some of the key initiatives including cyber security, health innovation, and clean growth. There will be a need to ensure Lancashire is in a position to

articulate its offer in these areas with an emphasis on innovation. There have been considerable, and much needed, investment in capital innovation schemes in Lancashire covering key sectors. The opportunity now is to ensure that these are utilised and their effectiveness is maximised, and the use of these schemes could be a key selling point for Lancashire.

- 5.16 Partnerships and collaboration between businesses and the knowledge base, as well as with Centres of Excellence both within and outside of Lancashire should be a focus of the coming years. This willingness to work cross-sectorally and beyond the Lancashire boundary will open up new routeways for innovation for Lancashire institutions. These crossovers can provide major opportunities for Lancashire because there is an unusual mix of sectors and supply chains in the County – a mix with untapped potential to combine capabilities to open up new competitive opportunities. An example of this is given in the panel at Figure 5, this focuses on how Lancashire’s existing supply chain strengths might be mixed to produce a new capability in ‘ultra-reliable technologies’.

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Figure 5 – Potential Supply Chain Crossovers



Threats

- 5.17 Growing competition from overseas, particularly in key sectors such as aerospace and automotive, presents an ongoing threat. As developing economies can often produce at a lower cost this presents cost challenges for Lancashire businesses. The ability to remain competitive in these markets will be just as important as being productive.
- 5.18 There is a perception currently of a dependence on major employers and multi-nationals for innovation and a focus on key sectors potentially at expense of other, emerging sectors. The focus on diffusion of innovation, in both initial support and in adoption, throughout supply chains and across sectors will go some way to changing this perception.
- 5.19 In uncertain international trading conditions, multi-nationals that have supply chains in Lancashire may look to take these off-shore. Alternatively, multi-nationals with supply chains abroad may look to 'on-shore' these. The challenge for Lancashire will be to protect existing supply chains and be able to 'bid' for any new opportunities that may arise.

- 5.20 As with much of the UK, Lancashire faces the challenge of replacing an ageing workforce, as well as a forecast employment decline in some key sectors such as manufacturing. There are challenges around re-training and re-skilling those whose roles are affected by increased automation, as well as need to maintain a pipeline of talent to meet this demand.
- 5.21 Lancashire's location and geography presents ongoing connectivity challenges, and the county can be 'passed by' by key infrastructures. Other areas nearby, such as Sheffield, Manchester, and Liverpool have a stronger 'innovation profile', with a defined leadership and national assets. Both working with these areas to develop stronger links and showing what Lancashire can offer that is unique from them will be an ongoing strategic challenge.

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6 Our Vision for an Innovation Economy

Given the preceding analysis, our vision statement for Lancashire's Innovation Economy is as follows:

By 2030 Lancashire will have positioned itself as an internationally connected and resilient innovation ecosystem. The way we innovate will embody excellence and collaboration, feeding through to greater commercialisation, entrepreneurship and competitiveness in our economy. We will have a track record as a centre for globally competitive knowledge clusters and talent, and as a developer of new solutions to the emerging challenges of our world.

- 6.1 Our vision sees Lancashire as an internationally connected innovation ecosystem. This means Lancashire proactively adopts and implements innovations from elsewhere and ideas generated in Lancashire are exported across the globe. By 'doing' innovation better, Lancashire's economy will be more resilient and capable of managing economic shocks, through greater diffusion and adoption of innovation across sectors and throughout supply chains, and ensuring a supply of talent to businesses of all sizes.
- 6.2 Lancashire will 'collaborate to compete', by driving crossovers between sectors to develop new innovation opportunities and markets. Through strategic marketing, business support, and intellectual property management, Lancashire will develop greater commercialisation opportunities, support innovation-led business start-ups, and remain competitive in existing sector strengths and become competitive in emerging sectors.
- 6.3 Lancashire's existing and new knowledge clusters will operate at a global scale, attracting research talent in key specialisms and developing new research specialisms and commercialisation opportunities. Solutions to emerging challenges in energy, health, mobility, and data security will be developed in Lancashire.
- 6.4 Many of the aspects of our vision apply elsewhere. However, this is to be expected given the world's economies are increasingly connected, both digitally and through global value chains and business networks. We do not apologise for defining common challenges with other places. But in our Plan, we will address these with Lancastrian determination, and invention, making sure we understand what works for our place, our businesses, and our people.
- 6.5 The next section will outline the Strategic Framework for delivering this vision.

7 Our Strategic Framework for an Innovation Economy

This section sets out our Strategic Framework, and the Aims that will deliver the vision set out in the previous chapter.

Framework Structure

- 7.1 Our Framework for innovation is made up of five Strategic Aims. These are configured as a '2x3' structure: two of our Aims relate to our innovation capability – the ability of existing and new businesses to develop, adopt, and commercialise innovation, and three Aims relate to our innovation ecosystem – building the infrastructures, the mindset, the marketing capability necessary for innovation. This will be delivered through a mixture of 'quick wins', medium-term programmes, and long-term culture change. Quick wins are possible: if Lancashire's businesses matched current best practice (such as in the nuclear sector and Japanese advanced manufacturing) this would immediately result in significant productivity gains. The medium-term programmes and longer term culture change are the focus of our Framework.
- 7.2 Underpinning the five Aims are three 'cross-cutting themes'. These are the key behaviours that will characterise the way this Framework is implemented and progressed.

Innovation Capability

Strategic Aim 1 – 'Staying Ahead'

- 7.3 Lancashire has recognised sectoral strengths and differentiators that are a core component of the local economy. These are under threat from increased global competition and need to be developed, enhanced, and connected with other sectors to stay ahead of new and existing competitors. Significant market and technology change is coming, and indeed is already underway in many sectors. These changes also present significant opportunities for Lancashire to unlock productivity and participate in new and emerging global supply chains.
- 7.4 This will impact significantly on business models and employment, and Lancashire's existing sector strengths will need to anticipate these changes to embrace the opportunities and mitigate the risks posed by them. Protecting and enhancing these long-standing sectoral strengths is fundamental for Lancashire as they represent a major employment and GVA contribution to the county
- 7.5 To maintain these existing capabilities, this Strategic Aim will focus on:
- Maintaining Lancashire's distinctive world-class prominence in priority sectors;
 - Developing supply chain capability and capacity servicing these sectors, and gap fill;
 - Identifying innovation inter-dependencies with other geographies; and
 - Developing strategic partnerships with Centres of Excellence outside Lancashire.

Strategic Aim 2 – 'New Routeways to Excellence'

- 7.6 In addition to these existing strengths, it is vital that Lancashire continues to develop and recreate its economic base, and create presence and expertise in new sectors, allowing us to exploit market and technology change. Sectoral development is increasingly difficult to deliver

from a standing start and emerging sectors need to be identified and nurtured at an early stage. Connectedness between our existing sectoral strengths provides opportunities for the diversification and broadening of the supply chain and can provide expanded or new sources of employment and GVA.

7.7 To develop these routeways to excellence, this Strategic Aim will focus on:

- Building distinctive cross-over driven strategy (where different sectoral strengths ‘cross-over’ into new sectors) to exploit existing strengths;
- Prioritising R&D, innovation, & skills development for emerging sectoral strengths;
- Developing new global supply chain participation strategies to scale these new areas;
- Identifying innovation inter-dependencies with other geographies; and
- Developing strategic partnerships with Centres of Excellence, wherever they may be.

Innovation Ecosystem

Strategic Aim 3 – ‘Broadening the Innovation Base’

7.8 To combat the current perceived dependence on large and multinational companies for innovation, SMEs must be seen as an integral part of the innovation mix across all sectors. This will tackle the problem in Lancashire, and indeed the UK as it was pointed out in the Industrial Strategy White Paper, of a long tail of less innovative and less productive companies.

7.9 With further economic shocks, and economic restructuring, a certainty given the rate of market and technology change, resilience is vital to the ongoing success of an economy. By broadening innovation capacity and capability across the whole of the local economy, the effects of an economic shock to one of the large companies in Lancashire can be better absorbed. Without a broader innovation base, there is also the risk of a hollowing out of the Lancashire economy to adjacent economies.

7.10 To broaden the innovation base, this Strategic Aim will focus on:

- Creating greater diffusion of innovation and adoption across the local economy to increase the resilience of local employers and their ability to respond to emerging opportunities and threats;
- Selling the benefits of innovation for competitiveness and growth;
- Enhancing management and leadership skills around innovation; and
- Prioritising FDI and clustering investment in innovation in Lancashire.

Strategic Aim 4 – ‘Enabling Infrastructures for Innovation’

7.11 Innovation is critically dependent on a mix of skills and talent, access to specialist facilities, knowledge and ideas generation, and funding. These are required for innovation to be developed, adopted, and commercialised. As part of this, there has been significant investment in innovation infrastructure in Lancashire, developing facilities in key sectors.

7.12 This is about having the ‘soft’ infrastructures in place utilising innovation networks and collaboration across private and public sector organisations. Ultimately, innovation needs to be a pervasive mindset and behaviour across organisations of all sizes in the private, public, and third sectors.

7.13 To enable infrastructures for innovation, this Strategic Aim will focus on:

- Ensuring Innovation is embedded as a ‘first nature’ behaviour and mindset for Lancashire;

- Ensuring wider economic policies (e.g. SEP, Technical Education) aligned with this Plan to drive success;
- Enhancing management and leadership skills around innovation;
- Prioritising human capital development and re-deployability; and
- Developing strategic partnerships with Centres of Excellence, wherever they may be.

Strategic Aim 5 – ‘Letting The World Know!’

- 7.14 Competition between places and economies is intensifying, and with new global trading relationships to be shaped and developed, this is likely to continue. Lancashire is not currently instinctively recognised externally as a place for innovative, can-do solutions. We know what we are good at, others do not.
- 7.15 This is partly due to the lack of a clear, coherent, and comprehensive innovation narrative. There are innovation success stories in Lancashire but these are yet to be pulled together to demonstrate Lancashire’s innovation offer. This has resulted from insufficient resources given to promoting and co-ordinating innovation. Increasing the visibility of the importance of innovation in Lancashire will correct this.
- 7.16 To let the world know, this Strategic Aim will focus on:
- Developing this innovation plan & SEP refresh to help establish a coherent innovation & growth framework for Lancashire;
 - Developing a proactive function to promote & celebrate innovation in the county;
 - Providing clear & expert leadership on shaping national innovation thinking; and
 - Connecting for innovation – through Global Innovation Networks and Global Value Chains.

Cross-Cutting Themes

- 7.17 Our cross-cutting themes will underpin and set the culture and delivery approach to the Strategic Aims. There are three cross-cutting themes underpinning the framework, as follows:

Application-inspired in our R&D and its deployment

- This theme is about the application of R&D and innovation, not just its creation. Lancashire will be a place that adopts innovation generated within Lancashire and beyond, putting ideas in to action. R&D in Lancashire will focus on practical solutions to emerging and large-scale challenges. These ideas will be commercialised and exported to different markets both domestic and international.

Excellence in delivery, driven by *real* evaluation and learning

- We understand that delivery of this Plan will be challenging. We need to understand that the structures and processes that have supported innovation in the past may not be suitable to meet the challenges of the future. In developing, restructuring, and creating new process and structures we need to look to learn from our experiences, and those of other places.

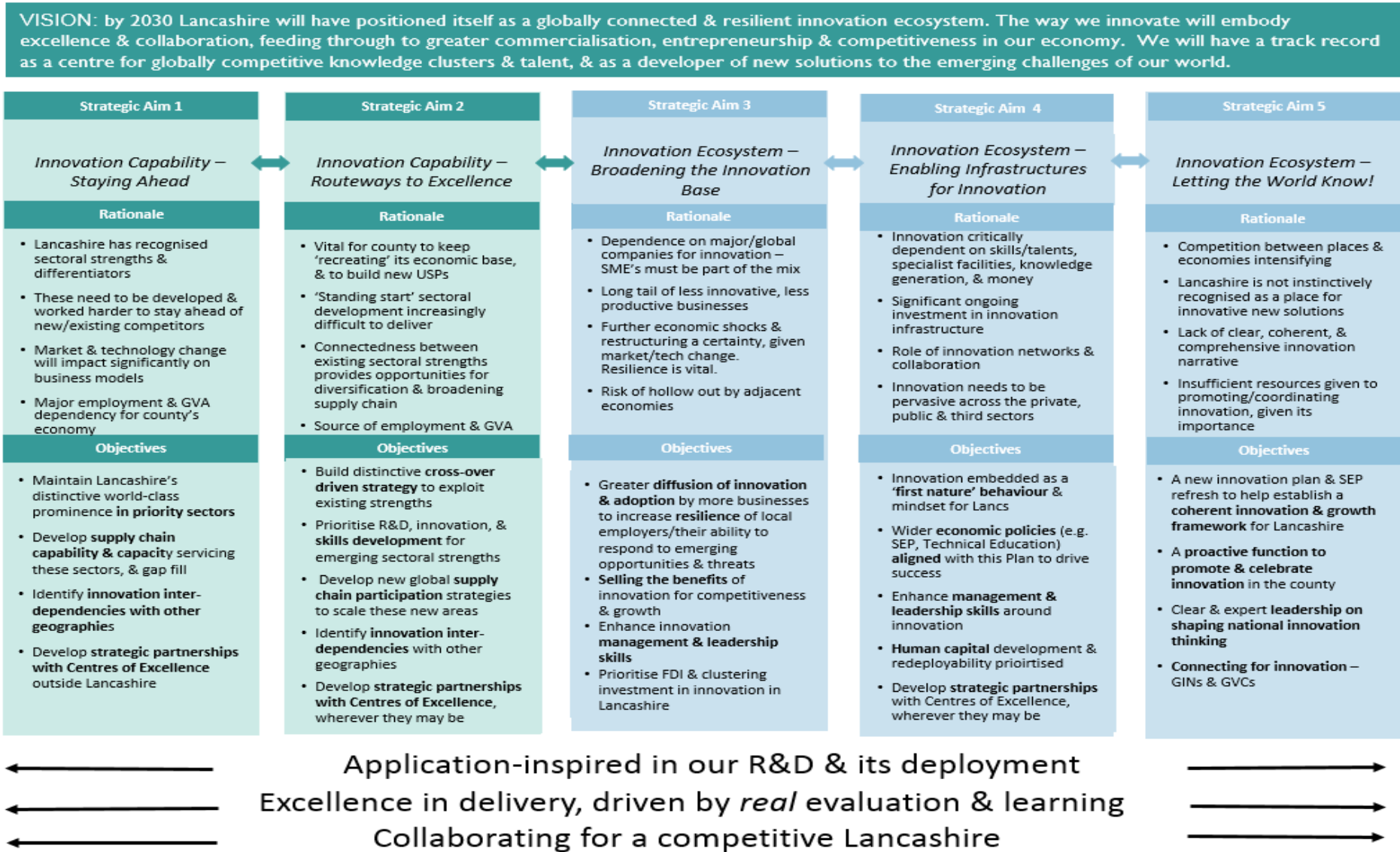
Collaborating for a competitive Lancashire

- As with the ultra-reliable technology crossover example from earlier, there are significant collaboration opportunities for Lancashire’s innovators. This can be within and across both supply chains and sectors. This will strengthen existing sector assets and smart specialisations, and support new routeways to innovation. Exploiting these crossovers will develop Lancashire’s capabilities, infrastructures, and build resilience across the economy.

7.18 Our Plan on a page is at Figure 6.

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Figure 6 – The Lancashire Innovation Plan Strategic Framework



8 Our Action Agenda for an Innovation Economy

This section sets out our Action Agenda, the actions and activities recommended to implement the Vision and Framework.

- 8.1 Whilst the Vision and Strategic Framework are for the long term, an Action Agenda is typically subject to regular review (e.g. every couple of years). The focus of our Action Agenda is therefore on what can be done over the next few years to progress Lancashire's Innovation Plan; some of these actions are 'stand-alone' and can be completed in the short term, others are contributions to longer-term developments.
- 8.2 The prime emphasis in this section is on those new actions, which, in consultation with partners, we judge are of major importance for Lancashire's future innovation capacity and capability. They are not, however, the only actions; through partners' ongoing commitments and activities, a wide range of activity is already underway in Lancashire.
- 8.3 As part of the development of this Action Agenda, high-level, activity mapping work was undertaken to identify existing and pipeline actions that could contribute to delivery of our Innovation Plan. Below is a selection of key existing and emerging actions that will contribute to our Plan's delivery. These are indicative and not exhaustive.
- **Lancashire Health Innovation Campus** – this multi-phased campus will provide R&D space and facilities for the development of new services and technologies for health-related care. The aim of the development, based beside Lancaster University's Bailrigg campus, is to drive advances in technologies, products and ways of working to improve health and healthcare. The vision is to create a world-class centre of excellence for innovation and research in population health;
 - **The Engineering Innovation Centre** – opening fully in 2019, the Engineering Innovation Centre (EIC) will capitalise on the location of the University of Central Lancashire at the centre of one of the most intensive engineering and manufacturing areas in the UK. The EIC will be equipped to the highest standard with technology demonstration areas and specialist work areas to create an integrated space for teaching, research and knowledge exchange;
 - **Edge Hill University Innovation Technology Hub** – the Hub will create new and refurbished, high quality space for teaching, learning, student employability, enterprise and knowledge exchange activities. The facility will support expansion in Digital Creative and Food Science (Biotechnology), to include bioinformatics, product design and prototyping;

- **Advanced Manufacturing Research Centre (AMRC)** – based at Samlesbury, the AMRC North West will provide a regional centre tailored to the needs of North West companies, and aims to accelerate and demonstrate innovative technologies, tools, and techniques to competitively manufacture products and components using state of the art manufacturing techniques; and
- **Lancashire Energy HQ** – located at Blackpool and Fylde College, the Energy HQ is to provide national energy training headquarters designed to meet the training needs of the energy and oil and gas sectors.

8.4 These examples and the action mapping undertaken so far shows that there is considerable activity underway across the private and public sectors. The Growth Deal has stimulated numerous innovation-related initiatives and partners including HEIs, FE providers, Innovate UK, ESIF and of course the business community have and continue to invest tens of millions in maintaining and growing Lancashire's innovation capacity and ecosystem. Co-ordination and collaboration to join these actions together will ensure opportunities are not missed.

8.5 The remainder of this section will identify key actions that can be pursued to deliver the Vision and Framework set out in this Plan. These will be grouped under each Strategic Aim, however as with existing actions they are likely to contribute to the delivery of more than one Strategic Aim.

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Strategic Aim 1 - Innovation Capability – Staying Ahead

Action	Rationale	Objectives	Outputs	Outcomes
Deliver North West National Adoption Programme Pilot	<ul style="list-style-type: none"> Recommended in the <i>Made Smarter Review 2017</i> Lancashire well positioned to play a leading role 	<ul style="list-style-type: none"> Accelerate development/diffusion of industrial digital technologies through focussed support to SMEs 	<ul style="list-style-type: none"> Three-year pilot project delivered as per <i>Made Smarter Review</i> recommendation 	<ul style="list-style-type: none"> Leadership maintained and resilience improved Collaborations with other North West LEPs/innovation assets developed and strengthened
Connect with Centres of Excellence/Sectoral clusters outside Lancashire (both domestically and internationally)	<ul style="list-style-type: none"> Lancashire has recognised sector strengths that need to be maintained and developed further 	<ul style="list-style-type: none"> Identify relevant Centres of Excellence in both the UK and abroad Develop strategic partnerships with these to develop new opportunities in new markets 	<ul style="list-style-type: none"> Directory of Centres of Excellence/Clusters Connections with these centres/clusters made New opportunities for collaboration identified 	<ul style="list-style-type: none"> Connections either created or deepened, new markets expanded into Commercial benefits of new opportunities are exploited
Work in collaboration with large employers in the County such as BAE, Westinghouse, HEIs, the NHS etc to strengthen innovation capabilities of their supply chains in Lancashire	<ul style="list-style-type: none"> Significant expertise within Lancashire businesses/public sector Scope for supply chain capability and capacity to be developed 	<ul style="list-style-type: none"> Share best practice in innovation development and adoption Develop capacity and capability in supply chains 	<ul style="list-style-type: none"> Large employers deliver capacity-building initiatives to their supply chains Improved innovation in County's supply chains 	<ul style="list-style-type: none"> Supply chains will have greater ability to innovate Increase in collaborative innovation initiatives between Tier 1 companies and their supply chains
Develop network of Lancashire 'Innovation Ambassadors' to work with local SMEs in developing innovation capabilities, and in promoting Lancashire's innovation offer	<ul style="list-style-type: none"> Innovation expertise exists in Lancashire and should be utilised Existing strengths need to be developed continually 	<ul style="list-style-type: none"> Existing strengths to be publicised more broadly, and lessons diffused and embedded with SMEs Existing innovation strengths publicised more widely via a coherent and consistent innovation narrative 	<ul style="list-style-type: none"> Network of ambassadors appointed Innovation narrative agreed and disseminated 	<ul style="list-style-type: none"> Lancashire's innovation offer is understood more widely Lancashire is well-positioned to bid for funding and new Centres of Excellence/Catapults
Develop Lancashire Technology and Market Foresight Observatory	<ul style="list-style-type: none"> Lancashire should be driving and shaping market and tech change 	<ul style="list-style-type: none"> Lancashire stakeholders are informed of market trajectory and tech changes 	<ul style="list-style-type: none"> Reports and insights easily accessible and available for Lancashire stakeholders 	<ul style="list-style-type: none"> Lancashire is on the front foot in driving, shaping, and implementing change

Strategic Aim 2 – ‘New Routeways to Excellence’

Action	Rationale	Objectives	Outputs	Outcomes
Develop supply chain crossover networks, working to Smart Specialisation model disciplines	<ul style="list-style-type: none"> Vital for Lancashire to create new USPs Connectedness between existing strengths provides opportunities for diversification 	<ul style="list-style-type: none"> Crossovers between supply chains to be identified and developed New technologies and innovations developed through crossover opportunities 	<ul style="list-style-type: none"> New innovation collaborations developed across sectors New technologies developed and adopted across sectors New sector potential identified and championed 	<ul style="list-style-type: none"> Lancashire’s sectoral strengths combine to develop new USPs for the County (e.g. ultra-reliable, technologies)
Encourage increase in Knowledge Transfer Partnerships (KTPs) and commercialisation opportunities that flow from these	<ul style="list-style-type: none"> Examples of successful KTPs exist across HEIs/businesses Successful in developing and commercialising innovation 	<ul style="list-style-type: none"> Double the number of KTPs in Lancashire Establish KTPs in emerging sectors 	<ul style="list-style-type: none"> Number of KTPs in Lancashire is doubled KTPs support existing strengths and are developed in emerging sectors 	<ul style="list-style-type: none"> Closer connection between HEIs and broader number and range of businesses KTPs successfully commercialise ideas in new sector strengths
Building on existing Test Beds (e.g. Lancashire and Cumbria Innovation Alliance Health and Care Test Bed), and develop these in new sectors e.g. digital	<ul style="list-style-type: none"> Existing Test Bed examples within Lancashire Foundations of other Test Beds exist within Lancashire (e.g. digital cluster in Lancaster) 	<ul style="list-style-type: none"> Invest in and develop clusters to create Test Beds in emerging sectors Innovations developed in Test Beds to be commercialised 	<ul style="list-style-type: none"> Existing Health and Care Test Bed is supported and developed New Test Beds in areas such as Digital are developed 	<ul style="list-style-type: none"> Lancashire becomes the ‘go to’ place for innovation testing Ideas developed and tested within Lancashire are adopted and commercialised
Rotate monthly initiatives such as “Failure Labs” and hackathons around existing key innovation facilities, with a different sector focus each month	<ul style="list-style-type: none"> Investment in a range of innovation facilities Utilises these in developing innovation across sectors 	<ul style="list-style-type: none"> Allow businesses to utilise existing facilities for testing and developing new ideas Tackle existing and future problems through dedicated hackathons across sectors 	<ul style="list-style-type: none"> “Failure Lab” space developed to enable businesses to test and develop new ideas Monthly hackathon held, at a different location and with a different sector focus each month 	<ul style="list-style-type: none"> Businesses are supported and encouraged to test new ideas in Lancashire Lancashire seen as being at the forefront of developing innovative solutions to global problems

Strategic Aim 3 – Broadening the Innovation Base

Action	Rationale	Objectives	Outputs	Outcomes
Enhance existing or develop a new leadership programme focussing on innovation development, adoption, and diffusion	<ul style="list-style-type: none"> Innovation skills and leadership are critical in delivering the innovation agenda Successful leadership programmes have been delivered in Lancashire however they haven't focussed specifically on innovation 	<ul style="list-style-type: none"> Develop leadership programme specific to innovation, either through enhancing existing programme or developing a new one Enable/incentivise innovators from SMEs from a range of sectors to access/complete the programme 	<ul style="list-style-type: none"> Innovation Leadership Programme to be developed SMEs from across Lancashire complete the programme 	<ul style="list-style-type: none"> Innovation leadership and management skills are strengthened across the business base Innovation in SMEs is more prominent, the 'long tail' of less innovative companies is reduced
Ensure that new and expanded innovation/science parks, and other relevant capital developments, include provision for incubating innovation-led start-ups	<ul style="list-style-type: none"> Capital investment in facilities across the County Space available to provide start-up/incubation space in innovation-led new businesses 	<ul style="list-style-type: none"> Provide start-up and grow-on space for SMEs in Lancashire Support business start-ups to grow, further building Lancashire's business base 	<ul style="list-style-type: none"> Start-ups occupy incubation space within Lancashire's innovation assets Increase in start-ups and survival for innovation-led businesses in Lancashire 	<ul style="list-style-type: none"> Lancashire's business base and economy grow through new start-ups in high growth innovative sectors
Facilitate networking between innovation and incubation centres to share best practice and deliver business support	<ul style="list-style-type: none"> Innovation assets/incubation space spread across the county Support/networking between these can be ad hoc and disjointed 	<ul style="list-style-type: none"> Develop networks between innovation/incubation space to deliver business support Share best practice via innovation/incubation centres and between SMEs within them 	<ul style="list-style-type: none"> New networks between innovation/incubation centres are developed Business support is easily accessible and delivered efficiently 	<ul style="list-style-type: none"> SMEs are supported to grow and develop Innovation/incubation centres in Lancashire are highly competitive locations for start-ups across a range of sectors Innovation business support is tailored and delivered utilising the network
Programme of visits from innovation success stories across the world to Lancashire to celebrate the difference innovation can make	<ul style="list-style-type: none"> Innovation successes from across the world not always promoted to SMEs, public, and voluntary sectors Benefits of innovation not always clearly articulated 	<ul style="list-style-type: none"> Identify relevant innovation success stories, and co-ordinate visits from key players involved The innovation story and the difference it made is clearly articulated 	<ul style="list-style-type: none"> Visits from relevant innovation success stories co-ordinated and delivered Attended by representatives from across Lancashire's economy 	<ul style="list-style-type: none"> Lancashire stakeholders understand and apply lessons from global best practice

Strategic Aim 4 – Enabling Infrastructures for Innovation

Action	Rationale	Objectives	Outputs	Outcomes
Create an innovation graduate placement programme for SMEs to increase number of SMEs with graduate talent	<ul style="list-style-type: none"> Lancashire's graduate retention is good However, difficulties to recruit to higher-level jobs 	<ul style="list-style-type: none"> Connect graduate talent to Lancashire's SME base, particularly in key innovation sectors Create new opportunities for both Lancashire graduates and Lancashire businesses 	<ul style="list-style-type: none"> Increase in graduate talent from Lancashire HEIs working in Lancashire SMEs Lancashire SMEs benefit from higher level skills 	<ul style="list-style-type: none"> Lancashire's SMEs have higher skilled workforce, becoming more innovative and resilient Connections between HEIs and SMEs is strengthened
Via Boost, develop a specific, single point of contact programme of support for innovation-led start-up or early-stage businesses,	<ul style="list-style-type: none"> Boost already a successful business support programme Can be expanded to directly support innovation 	<ul style="list-style-type: none"> Enhance Boost's offer in innovation-specific advice to SMEs Develop a single-point-of-contact for SMEs to navigate the innovation landscape 	<ul style="list-style-type: none"> Boost's offer to SMEs will be enhanced with a specific innovation offering SMEs will access Boost for Innovation support 	<ul style="list-style-type: none"> Lancashire SMEs are supported throughout the innovation process The support SMEs need is available from a single point of contact
Explore options for creating a Lancashire Innovation Fund for investing in early-stage funding for innovation-led start-ups, funded by public and private sector partners	<ul style="list-style-type: none"> Access to finance, and the disjointedness of the funding landscape, can be a barrier for start-ups 	<ul style="list-style-type: none"> Identify potential options for a Lancashire Innovation Fund, to provide financial support to innovation-led start-ups Assess the viability of these options 	<ul style="list-style-type: none"> Successful investment which attracts further interest from market funders 	<ul style="list-style-type: none"> Funding is accessible for start-ups and tailored to Lancashire's business needs Lancashire supports its innovation-led businesses to start-up and grow Returns on investment for funders
Programme to promote innovation across public and third sectors	<ul style="list-style-type: none"> Innovation often seen as the preserve of large private sector companies Need for public and community and voluntary organisations to innovate to be more efficient and forward looking 	<ul style="list-style-type: none"> Promote the opportunities for and benefits of innovation to public and voluntary sector organisations Innovation to become pervasive mindset across the whole Lancashire economy 	<ul style="list-style-type: none"> Public and voluntary sector organisations are aware of innovation opportunities and adopt innovative processes Innovation is generated not just in the private sector 	<ul style="list-style-type: none"> Lancashire's whole economy is innovation-focussed Innovation mindset is pervasive across the private, public, and third sectors
Embed Intellectual Property (IP) in innovation initiatives	<ul style="list-style-type: none"> IP a key part of innovation development and commercialisation 	<ul style="list-style-type: none"> Working with the IPO, develop IP capability and capacity across Lancashire 	<ul style="list-style-type: none"> Wider and deeper understanding of IP management 	<ul style="list-style-type: none"> IP in Lancashire is well managed and protected IP developed in Lancashire is commercialised

Strategic Aim 5 – Letting The World Know

Action	Rationale	Objectives	Outputs	Outcomes
Holding an annual Innovation Showcase to celebrate successful innovation in the round, share good practice, and provide opportunities to engage with potential investors (sponsored by a local large company)	<ul style="list-style-type: none"> Lancashire is a 'well-kept secret' in UK innovation Innovation success stories not broadcast widely enough 	<ul style="list-style-type: none"> Hold an annual Innovation Showcase in Lancashire, sponsored by local business, to promote and celebrate innovation in Lancashire 	<ul style="list-style-type: none"> Innovation successes celebrated Good practice shared Potential investors are aware of and have opportunity to engage with Lancashire businesses 	<ul style="list-style-type: none"> Lancashire's innovation successes are celebrated and shared widely Potential investors are clear on Lancashire's innovation offer and target investment in the area
Develop Lancashire Innovation marketing strategy utilising existing assets and opportunities to act as centres for attracting inward investment	<ul style="list-style-type: none"> Lack of coherent, strategic marketing narrative about innovation in Lancashire 	<ul style="list-style-type: none"> Develop a coherent narrative of Lancashire's innovation successes, capabilities, and opportunities Drive inward investment into Lancashire's innovation strengths 	<ul style="list-style-type: none"> A marketing strategy, with an agreed and coherent narrative about Lancashire's innovation offer, to be developed Strategy to be delivered via multiple channels to ensure widest audience in the UK and internationally is engaged 	<ul style="list-style-type: none"> Lancashire's innovation offer is understood both domestically and internationally County's innovation offer to Inward investment is increased and business developed as a result
Develop and disseminate a portfolio of innovation case studies showing how innovation has enabled Lancashire SMEs to grow	<ul style="list-style-type: none"> Innovation in Lancashire perceived as a preserve of large companies Innovation in SMEs and emerging sectors less well known 	<ul style="list-style-type: none"> Develop case study examples of successful SMEs that have grown through innovation Share best practice examples to increase awareness and inspire other SMEs 	<ul style="list-style-type: none"> Suite of case studies developed and disseminated Innovation in Lancashire's SMEs better understood 	<ul style="list-style-type: none"> Lancashire SMEs grow through access to new, larger markets Lancashire's full innovation offer is well known, both domestically and internationally
County setting the agenda in National Forums	<ul style="list-style-type: none"> Lancashire not well-represented in national innovation policy-making forums Lancashire "responding to" rather than "shaping and driving" policy 	<ul style="list-style-type: none"> Lancashire's voice to be heard in national debate Lancashire plays prominent role in shaping, developing, and implementing national policy 	<ul style="list-style-type: none"> Lancashire represented in national policy forums 	<ul style="list-style-type: none"> Lancashire's innovation offer and expertise is well known and sought after Lancashire drives national policy-making

Draft Final Report for LEP Review

9 Leadership and Management of this Innovation Plan

This section sets out the governance recommendations to drive and monitor progress in delivery of our Plan.

- 9.1 Strong leadership, collaboration, and willingness to deliver change are fundamental to making this Plan a reality. Leaders from across the private and public sectors will need to come together to deliver innovation for Lancashire.
- 9.2 Innovation, and this Plan, should be at the heart of a local industrial strategy. Utilising innovation to drive forward our existing sectoral assets and develop new routeways to excellence will be key to unlocking Lancashire's substantial productivity potential.
- 9.3 This will require a well governed and an appropriately resourced approach to implementation. Making the most of existing resources and re-calibrating these to support the Aims of this Plan will be vital to its success.

Functions and Forms

- 9.4 Drafting strategies and plans is easy; implementing them is hard. The situation will not be any different in progressing this Plan in Lancashire; successful implementation will only come about through drive, commitment, and hard work.
- 9.5 Lancashire does not start from scratch as it approaches implementing this Plan. There is now a wide body of evaluation experience focusing on what makes for economic, efficient, and effective implementation. As Partners take this Plan forward, these evaluation lessons will give helpful pointers and short-cuts on how to do implementation well. More than any other, clarity on the functions and then the forms of implementation will be the most important consideration.
- 9.6 In function terms, implementation of Lancashire's Innovation Plan needs to achieve the following:
- **A real understanding of the socio-economic state of innovation and related activity in Lancashire, absolutely and relatively.** The evidence assembled during drafting this Plan provides a firm foundation to build on, but this will need to be refreshed regularly and, crucially, partners will need to move their focus on from the data numbers to the causes and explanations underlying these. Clarity on who is responsible for providing the data and identifying when new data become available for comparison will be important;
 - **A long-term vision of where Lancashire should, and could, be as an innovation economy.** This is hard to do within the constraints imposed by public sector spending uncertainty. This said, it is vital in ensuring stability of the Plan, despite external changes and uncertainty, that the Vision is understood and kept. It is helpful to identify what levers are actually available and who owns them so that all parties are clear what may be achievable, rather than allowing subsequent actions to become just a wish list;
 - **Robustness in making the hard choices resulting from our Vision.** Simply put, 'doing what you've always done gives what you've always got'. If Lancashire is going to move ahead as

an innovation economy, then those activities underway that are not contributory must be left behind;

- **Best of class design, implementation, and delivery of actions to take the Plan forward.** This will require looking way beyond Lancashire borders to see how specific innovation and economic challenges have been addressed elsewhere. It may also mean, on occasions, facing up to the fact that delivery capability within Lancashire is not of the calibre or scale needed to tackle the particular challenge we face, and not being uncomfortable about securing solutions from elsewhere in the UK or further afield;
- **A real commitment to monitoring and evaluation**, so that the relevance and appropriateness locally of Plan actions is constantly reviewed, and delivery impact evidenced and maximised;
- **The continuing enthusiasm of partners**, to ensure that the process of implementation remains consensual and inclusive, and that energies and resources are fully captured. Clarity of ownership of the actions proposed by this Plan between partners is particularly important. If there is a clear leader, let them lead. Where there is a collaborative action, spell out who will actually be responsible for galvanising activity; and
- **Consistent and influential presentation of Lancashire's innovation agenda**, as set out in this Plan, in local, regional, national, and international for a. This Plan must become established as the definitive statement of innovation in the County. Developing a common language or shorthand for the key actions so that everyone recognises them easily can be important to avoid confusion or unhelpful related actions being developed in parallel by partners.

9.7 Having agreed what the key functions demanded of the Plan are, then and only then, should attention focus on defining suitable forms by which these functions can be delivered. All too often, albeit with best intentions, forms for implementation are agreed before functions have been properly specified. Defining the form that implementation should take is a matter for local Partners. Again, however, any form will through its structure need to embody the following:

- **Legitimacy from, and accountability to, the businesses, people, and communities of Lancashire.** Typically, this is realised through a wide partnership group, and in a Lancashire context will be designed to ensure ownership of, and support for, the Plan from the totality of partners in the County;
- **Strategic Leadership capable of charting the long-term path for the Plan's direction and implementation.** This group will be responsible for the overall strategic direction of the Plan, and for championing Lancashire and its innovation priorities to key audiences. This Plan's recommendation is that a new Innovation Board is established to provide this leadership, bringing together individuals with a well-developed understanding of innovation, and strong familiarity with the wider sub-regional, sub-national, and national policy contexts. The emphasis on membership of this new sub-board should be calibre of thinking and experience, not representation;
- **An Operational Executive, which has principal responsibility for overseeing, co-ordinating, and shaping the practical delivery of this Plan**, and leading its monitoring and evaluation. It will not directly deliver the Plan, but would work closely with those partner agencies capable of progressing actions, providing them with resources, support, and encouragement. The Operational Executive will have a crucial role in looking across delivery to make sure the various structural elements of the Plan are coherent and

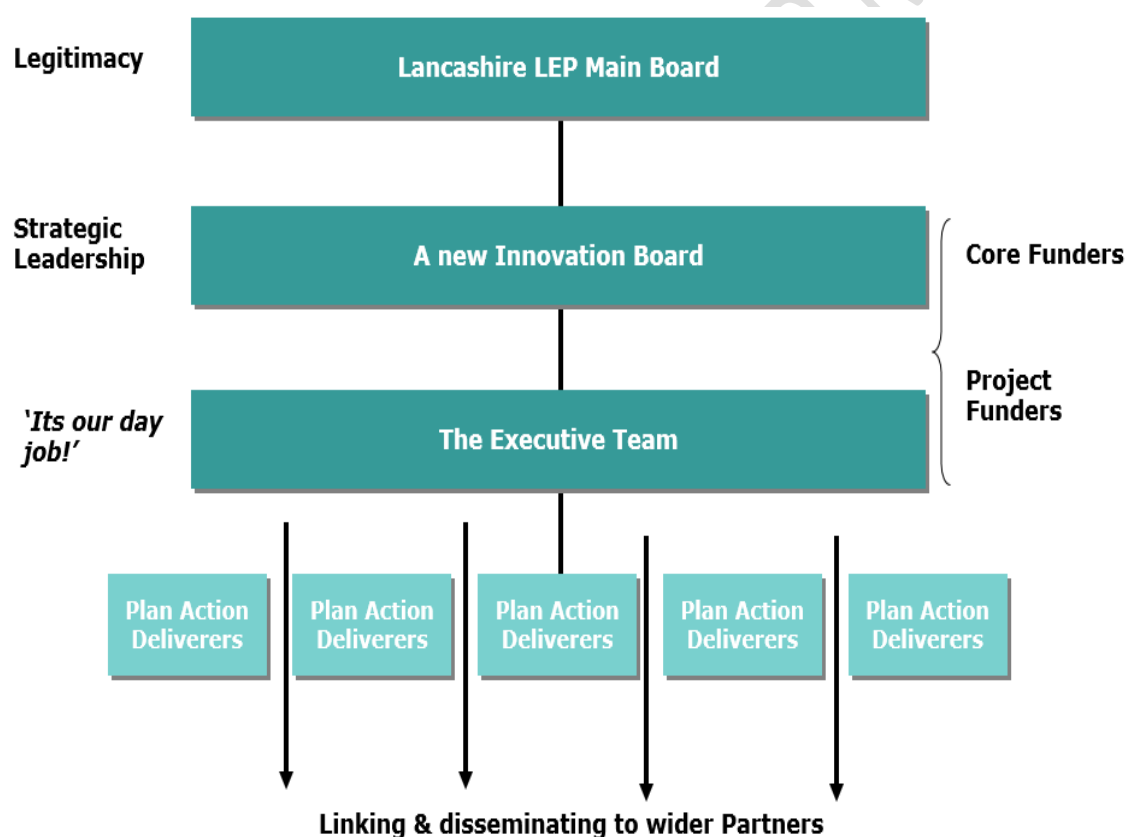
aligned; it will also provide the administrative and secretariat requirements of the wider partnership; and

- **A Delivery Infrastructure, responsible for taking forward those actions defined by this Plan.** As far as possible, these actions will be delivered through the range of existing delivery bodies active in Lancashire. Some of these will be based within the County, others outside but with activities on the ground. As mentioned earlier, it will be important for all partners to be clear about prioritisation and sequencing - some 'quick-win' actions will be pragmatic and achievable quickly, others will be more challenging and will only start to bear fruit in two or three years, and others (around culture and thinking) will be generational.

A proposed governance model for this Plan

- 9.8 In terms of Governance, we recommend the creation of an Innovation Board, who's remit will be to oversee the delivery of this plan and ensure its accountability. This (sub) board will sit beneath the LEP (main) Board and interacting with delivery actors as summarised below:

Figure 7 – Proposed Governance Model



- 9.9 The Innovation Board will be private sector-led, and be made up of senior leaders who can think openly and freshly about innovation issues. The Board will sit underneath and report to the LEP Board. An Innovation Director will be appointed to co-ordinate and lead the operational delivery of the Innovation Plan and will report in to the Innovation Board.
- 9.10 The Innovation Board will integrate with and complement existing Innovation/LEP governance structures. This includes the emerging Lancashire HEI Innovation Forum being championed by the County's HEIs.

Next Steps

- 9.11 As this Plan has shown, Lancashire has significant innovation assets in key sectors, as well as the potential for developing strengths in emerging sectors. These are the foundations of a bright innovation-driven future for Lancashire, providing a multitude of opportunities for growing and strengthening the local economy.
- 9.12 Implementation of this Plan is vital to the growing the productivity of Lancashire, the North West, the wider Northern Powerhouse, and ultimately the national economy. Lancashire's existing innovation assets are key components for unlocking the productivity of the North, and with focus and determination we can do more. Be it in terms of place, understanding our drivers, and recognising our foundations, through this Plan we can make a real contribution to industrial strategy.
- 9.13 Now, it is over to you to implement this Plan. With your drive, collaborative spirit, and innovative thinking, Lancashire can become the place for innovative ideas and adoption. Lancashire can a centre for innovation, known not just across the North or the UK, but globally. This Plan comes at a turning point in the UK's economic relationship with the rest of world, and Lancashire can be at the forefront of innovation, creating solutions to global problems and being a driver of UK productivity.

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Draft Final Report for LEP Review

Asset Name	Asset Type	Asset Status	Location	Postcode	Background	Sector	Service Offer	Age
Lancashire Centre for Excellence for Digital Technology and Innovation	Growth Deal Project	Existing	Accrington	BB5 2AW	The Centre is a partnership project between Accrington and Rossendale College, Risual Education Ltd and Microsoft, providing a state-of-the-art learning space equipped with the latest Microsoft technologies. It will enhance teaching and learning and enable students to develop the digital literacy skills they need to be effective citizens and members of the workforce.	Digital	Education// Skills Development	2017
Asahi Glass Chemicals	Company/ Key Asset	Existing	Thornton-Cleveleys	FY5 4QD	One of the world's leading producers of fluorochemicals and fluoro chemical materials. The UK site at Thornton-Cleveleys, which produces fluoropolymers such as polytetrafluoroethylene (PTFE), is the largest that the company operates outside Japan.	Construction	Chemical Manufacturer	1999 onwards
Samlesbury Aerodrome	Company/ Key Asset	Existing	Balderstone	BB2 7LF	Samlesbury Aerodrome is a disused airfield at Balderstone near Samlesbury. The aerodrome is owned by defence company BAE Systems which uses the site for manufacturing of several aircraft types. The aerodrome is part of Lancashire Enterprise Zone.	Aerospace	Advanced Manufacturing	2012 onwards
Warton Aerodrome	Company/ Key Asset	Existing	Preston	PR4 1AX	Warton Aerodrome is located in Warton village on the Fylde in Lancashire, England. The airfield is a major assembly and testing facility of BAE Systems Military Air & Information. It is also part of Lancashire Enterprise Zone.	Aerospace	Advanced Manufacturing	2012 onwards
BAE Systems' Training Academy (Academy for Skills and Knowledge)	Skills & Training	Existing	Balderstone	BB2 7LF	The Academy for Skills & Knowledge (ASK) is 7,400m2 in size and situated on the Samlesbury Aerospace Enterprise Zone alongside BAE Systems' military aircraft advanced manufacturing centre. It will train all the apprentices and graduates in the Company's military aircraft business as well as providing life-long learning and skills development activities for 13,000 employees for at least the next four decades. The ASK will also act as a collaborative skills-hub for the North West's engineering and manufacturing sector and offer an exciting learning education centre for school children from five to 14 years old.	Aerospace	Education/ Skills Development	Opened December 2016
Making Rooms - Lancashire's First Fab Lab	Growth Deal Project	Existing	Blackburn	BB1 7JN	The Making Rooms is an independent Community Interest Company (CiC) which aims to: - Help create more jobs in the creative and manufacturing sectors by enabling and supporting new business creation - Improve employability by giving people future creative and technical skills - Increase participation in Science, Engineering, Technology, Mathematics and The Arts - Improve the well-being of Lancashire residents by providing fun, interesting and self-development activities and enabling people to design and make their own products	Creative Industries	Creative of Centre and Innovation	2016 onwards
Maritime Engineering Facility	Growth Deal Project	Existing	Fleetwood	FY7 8JZ	Specialist marine engineering centre accommodation at the internationally renowned centre of excellence.	Maritime	Education/ Skills Development	2016
Lancashire Energy HQ	Growth Deal Project	Existing	Blackpool	FY4 2QS	Development of a National Energy HQ to meet the training needs of the energy and oil and gas sector.	Energy	Education/ Skills Development	2017

Asset Name	Asset Type	Asset Status	Location	Postcode	Background	Sector	Service Offer	Age
Innovation Technology Hub	Growth Deal Project	Existing	Ormskirk	L39 4QP	The Edge Hill Technology Hub provides high quality space for teaching, learning, student employability, enterprise and knowledge exchange activities. The facility supports expansion in Digital Creative and Food Science (Biotechnology), and includes bioinformatics, product design and prototyping.	Digital Creative and Food Science (Biotechnology)	Education/ Skills Development/ Business Support	2016+
Business Insight3 (Bi3)/Edge hill Partnership	KTP	Existing	Chorley	PR6 7EN	Bi3 supply security and customer intelligence solutions based on the latest technology available in video analytics, people counting, facial recognition, access control devices, queue management, facial marketing, digital and network storage. Utilising research expertise from Edge Hill's Centre for Data Analysis and Representation this 24 month KTP was designed to develop a holistic software framework that integrates multiple data capture devices, reporting and analysing data from a variety of sources.	Data and Cyber Security	Data and Cyber Security solutions	2014 onwards
Productivity and Innovation Centre	Business Support	Planned	Ormskirk	L39 4QP	<p>The Productivity and Innovation Centre is an output driven programme of intensive workshops, with accompanying support from academic subject experts, which takes SMEs through a rapid innovation process to achieve two outcomes:</p> <p>1. SMEs adopt and embed highly effective rapid innovation processes in their business; a framework of evidence based decision making regarding the business and market case for an (technical/technological) innovation and evidence based practice (need/demand/efficacy based) in product, service or process development. This outcome specifically improves the productivity of SME innovation.</p> <p>2. The release of new to firm and new to market product, service or process innovations by the SME participants. SMEs participants in the Centre will be identified from the outset on the basis that they have existing innovation assets at Technology Readiness Level (TRL) 2, 3 or 4, and would benefit from support (experiencing barriers and or need to reduce to time to market) in order to efficiently move those assets through to beyond TRL level 7 ready for commercial release.</p>	HE Business Support	Skills Development/Business Support	2018
Lancashire NHS Test Bed	AHSN	Existing	Wesham	PR4 3AL	The Lancashire and Cumbria Innovation Alliance (LCIA) has been awarded the opportunity to take part in NHS England's Test Bed, a two year pilot looking at how the use of technology can help provide modernised, innovative healthcare. The LCIA Test Bed is one of seven across England. It is hosted by Lancashire Care NHS Foundation Trust and is made up of several partners including Lancaster Health Hub, the Fylde Coast vanguard and the Better Care Together vanguard, as well as several innovators who, led by Philips, bring with them a wealth of expertise in a variety of healthcare technologies. The purpose of this Test Bed is to provide frail and older people living with dementia or other long term conditions such as Chronic Obstructive Pulmonary Disease (COPD) or diabetes the opportunity to use technology to improve their overall health and wellbeing so they can stay will in the community and avoid unnecessary hospital admissions.	Health Technologies	Healthcare	2016+

Asset Name	Asset Type	Asset Status	Location	Postcode	Background	Sector	Service Offer	Age
Advanced Manufacturing Research Centre (AMRC) North West	Growth Deal Project	Planned	Samlesbury	BB2 7LF	Delivery of a new regional hub of the national Advanced Manufacturing research Centre (AMRC) at the Samlesbury EZ site. The proposal is key to lifting productivity and growth in a priority growth sector of local and national significance and will enable Lancashire's businesses to compete and trade internationally. The proposal builds on Lancashire and Sheffield's successful Science and Innovation Audit submission to Government – the Northern Powerhouse Advanced Manufacturing Corridor. The proposal also complements existing Growth Deal investment in UCLan's Engineering and Innovation Centre in Preston.	Advanced manufacturing	Advanced manufacturing R&D	
Boost Business Lancashire	Business Support	Existing			Lancashire's business growth hub, providing advice and support to businesses across the county, including access to finance, employment, and skills development programmes.	Public Sector Business Support	Business Support	
Centre for Global Eco-Innovation	ERDF Project	Existing	Lancaster	LA1 4YQ	The Centre for Global Eco-Innovation is the only centre of its kind in Europe and is part financed by the European Regional Development Fund. It brings together the expertise, resources and global contacts of Lancaster University and the University of Liverpool, together with international commercialisation consultancy Inventya Ltd. SME-led collaborative R&D partnership with two world-ranking universities underpin the development of new products, processes and services for the global marketplace, which by virtue of their use, manufacture, raw materials, reuse or disposal, deliver positive environmental impacts.	Eco-Innovation	R&D	2012+
Lancaster Health Innovation Campus	ERDF Project/ Growth Deal Project	Planned	Lancaster	LA1 4YW	A multi-phased campus providing R&D space and facilities for the development of new services and technologies for health-related care. The aim of the development, based beside the University's Bailrigg campus, is to drive advances in technologies, products and ways of working to improve health and healthcare. The vision is to create a world-class centre of excellence for innovation and research in population health: - Transforming health care and practice regionally and globally - Achieving significant impact on local health outcomes - Providing major contributions to regional economic development - Supporting service reform in the public sector	Healthcare	Education/ Skills Training	Scheduled for completion September 2019
Academic Centre of Excellence in Cyber Security Research - (Security Lancaster Research Centre)	Research	Existing	Lancaster	LA1 4YF	The Academic Centre of Excellence in Cyber Security Research (ACE-CSR) is hosted within the University's flagship cross-disciplinary Security Lancaster Research Centre. Inaugurated by Baroness Pauline Neville-Jones in October 2012, the centre is nationally and internationally renowned for its inter-disciplinary, systems-centred research, that blends computer science and communications aspects of cyber security with approaches from behavioural and social sciences.	Information Technologies	Fundamentals of Computing, Information & Knowledge Management, Networks & Distributed Systems, Software Engineering	2012 onwards

Asset Name	Asset Type	Asset Status	Location	Postcode	Background	Sector	Service Offer	Age
Advanced Manufacturing Capital for Skills Development & Employer Engagement	Growth Deal Project	Planned	Lancaster	LA1 4YW	The project centres on the purchase of equipment to be situated at both Lancaster University and Lancashire Enterprise Zone (EZ) sites. The environments at both Lancaster and the EZ will provide Lancashire learners with access to unique, nationally leading and highly relevant equipment informed by underlying research expertise.	Advanced Manufacturing	Education/ Skills Development	Financial completion Sept 2017, Project completion Sept 2021
Collaborative Technology Access Programme (cTAP)	ERDF Project	Existing	Lancaster	LA1 4YB	The Collaborative Technology Access Programme (cTAP) provides businesses access to facilities and expertise located in the Chemistry Department currently unavailable to inwardly investing businesses within the UK. The facilities include Nuclear magnetic resonance (NMR) spectroscopy, chromatography and mass spectrometry instruments, molecular beam epitaxy machine (which is used to manufacture semiconductor devices), next generation 3D microprinting system with a range of applications including bioengineering, raman spectrometer, SEM Microscope, FT infrared spectrophotometer, high performance liquid chromatograph, X-ray fluorescence spectrometry, nanoscribe.	Chemistry	Education/ Skills Development/ Business Support	2015 onwards
Lancaster China Catalyst Programme	HEFCE Project	Existing	Lancaster	LA1 4YQ	The Lancaster China Catalyst programme aims to exploit the global links of Lancaster University for the benefit of UK companies. From 2014-2017, with initial investment from the Higher Education Funding Council for England (HEFCE), Lancashire County Council and participating businesses.	International Connectivity	International Connectivity	2014 onwards
Lancaster Campus Teaching Hub (Health and Social Care)	Growth Deal Project	Existing	Lancaster	LA1 3JD	This project reflects the first phase of investment at Lancaster to deliver a new state of the art teaching hub providing staff and students with fully flexible space. The new teaching hub will provide an environment conducive to multi-professional higher level learning and opportunities to increase community and employer engagement. It will support growth in qualified professionals and deliver CPD to upskill existing workforce.	Health Technologies	Healthcare/Education & Skills Development	2017
Myerscough College - Farm, Innovation Technology Centre	Growth Deal Project	Existing	Preston	PR3 0RY	A sector leading centre of excellence for industry training and research. A major flagship build for agriculture and associated courses at Myerscough. The FFIT Centre boasts facilities to support food research and development with the aim of creating a resource that both local businesses and students can use to investigate opportunities to process and add value to on-farm produce. Includes specialist teaching, demonstration and research facilities including a teaching laboratory, soil laboratory, instrumentation room, production development kitchen.	Education/ Skills Development	Education/ Skills Training/ Business Support	2017 onwards

Asset Name	Asset Type	Asset Status	Location	Postcode	Background	Sector	Service Offer	Age
National Nuclear Laboratory	Company/ Key Asset	Existing	Preston/Warri ngton	PR4 0XJ/WA3 6AE	The National Nuclear Laboratory is a UK government owned and operated nuclear services technology provider covering the whole of the nuclear fuel cycle. It is fully customer-funded and operates at six locations in the United Kingdom. Activities at Springfields (Preston) include: - Nuclear physics and advanced reactors - Fuel Design and Manufacture - Specialist Analytical Services - Process Chemistry NNL's activities in its leased facilities at Springfields (Preston Lab) and Sellafield (Central Lab and Windscale Lab) are operated under Command & Control regimes by Springfields Fuels Ltd and Sellafield Ltd respectively. Activities carried out under those regimes are constrained by the relevant Environmental Permits and Nuclear Site Licences held by Springfields Fuels Ltd and Sellafield Ltd. Activities at Risley include: - Modelling and simulation - Engineering - Project Management - Corporate Functions - Environment	Nuclear Energy	Nuclear Services Technology Provider	2009
Advanced Engineering & Manufacturing Innovation Centre	Growth Deal Project	Existing	Nelson	BB9 7YT	Expansion and remodelling of educational facilities and the creation of new advanced engineering, laboratory, workshop and classroom facilities.	Engineering/ Advanced Manufacturing	Educations/ Skills Training	2016
PACCAR (Leyland Trucks)	Company/ Key Asset	Existing	Leyland	PR26 6LZ	Leyland's 710,000-square-foot manufacturing facility features a technologically advanced production system which incorporates electronic work instructions (EWI) to deliver engineering designs, build instructions and quality records to employees by interactive touch screens. Leyland builds the full DAF product range (LF, CF and XF models) for right and left-hand drive markets. The site is also the UK home of the successful PACCAR Parts business, who special in aftersales support and spares distribution across the UK and Europe.	Automotive	Advanced Manufacturing	1998 onwards
Precision Polymer Engineering	Company/ Key Asset	Existing	Blackburn	BB1 3EA	PPE develops novel elastomer materials to meet sealing applications including extreme temperatures and chemically aggressive environments. In addition PPE can mold rubber seals and rubber gaskets in sizes to suit any sealing application and manufacture them in lead times as fast as 48 hours.	Advanced Manufacturing	Advanced Manufacturing	1975



Lancashire Enterprise Partnership Limited

Private and Confidential: NO

Tuesday, 30 January 2018

Skills & Employment - Informed Approach: Technical Education Vision & Skills Advisory Panels

(Appendix 'A' refers)

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

Executive Summary

This report provides an update on progress towards the development of a Technical Education Vision for Lancashire. The key ambitions from the 'vision on a page' are outlined, and the vision is attached in Appendix 'A'. The final visioning document is now in production alongside a roadmap of actions.

The report also provides details of the Skills Advisory Panels (SAPs) referenced in the Industrial Strategy; Lancashire was approached to be part of the trial to support DfE to develop the approach. It is hoped that the SAP will add value and feed into the refresh of the Strategic Economic Plan and development of a Local Industrial Strategy.

Recommendation

The LEP Board is asked to:

1. Consider the Technical Education Vision and:
 - a. Give support to the proposed vision and the key ambitions.
 - b. Feed in any further comments that should be taken into account, building on the feedback from the Skills and Employment Board which is outlined in the text.
2. Welcome the development of the SAPs and the involvement of Lancashire in the development of the approach with Government.

1. Background

- 1.1 The LEP's Skills and Employment Board (SEB) continues to drive priority areas, as outlined in the Lancashire Skills and Employment Strategic Framework <http://www.lancashirelep.co.uk/lep-priorities/skills-employment.aspx> , which was published in February 2016.



- 1.2 As outlined at the last meeting, the SEB is undertaking a refresh of the skills and employment evidence base, which will feed into the refresh of the Strategic Economic Plan (SEP) and the development of a Local Industrial Strategy. This paper provides an update in regard to the development of a Technical Education Vision for Lancashire, and also references the announcement of Skills Advisory Panels (SAPs) in the Industrial Strategy and the LEP's role in the development of the approach with the Department for Education (DfE).

2. Technical Education Vision

- 2.1 As indicated at the last meeting, SDG Economic Development (SDG-ED) have been commissioned by the SEB to develop a vision for a high performing technical education system in Lancashire.
- 2.2 The visioning piece takes into account the national policy context, the forecast labour market demands in Lancashire's priority sectors, and future ambitions of providers based in the Lancashire area. The visioning piece has also fed into the LEP's emerging Innovation Plan and vice versa, recognising the correlation between skills and productivity and innovation.
- 2.3 SDG-ED have undertaken a process of stakeholder engagement which has enabled iterative development of the vision. One-to-one stakeholder interviews have been completed, both at the initiation stage and between two well-attended stakeholder workshops. In total just over 60 stakeholders have contributed to the development, including providers, employers and other stakeholders.
- 2.4 The draft 'vision on a page', attached in Appendix A, was presented to the SEB at their last meeting on the 27th November for discussion. Five key ambitions were identified through the process. The ambitions are underpinned by a rationale, drawn from quantitative analysis and the consultation, and corresponding objectives and associated outcomes. The ambitions are as follows:

Lancashire's Technical Education Vision will:

- Grow the productivity of the Lancashire's workers and businesses;
 - Anticipate and respond to the market and technology change, with provision that is driven by employer demand;
 - Start with careers education and experiences at primary level and support individuals at all points in their working lives;
 - Work to ensure providers and employers collaborate on the design and delivery of education and training; and
 - Provide a coordinated and joined-up offer to learners and employers, through collective planning and management.
- 2.5 The SEB were supportive of the process and the proposed vision and fed in a number of comments, which are currently being incorporated into the final



visioning document and the final version of the 'vision on a page'. Comments included ensuring that: consideration be given to unemployed young people and how they can be engaged into technical education; clarity regarding terminology e.g. difference between vocational and technical education; reference to the move from supplier driven to employer driven; and consideration of fit with other LEP and local strategies. The final visioning document is now being produced and an associated roadmap of high level actions.

2.6 Board members are asked to:

1. Give support to the proposed vision and the key ambitions.
2. Feed in any further comments that should be taken into account, building on the feedback from the SEB.

3. Skills Advisory Panels

- 3.1 The introduction of SAPs was announced in the Government's Budget Statement and new Industrial Strategy. It is intended that the SAPs will feed into and support the development of Local Industrial Strategies. It is intended that the SAPs will *'...produce rigorous analysis of the current and future supply and demand for skills and help areas form a clearer understanding of their skills requirements. They will have real, meaningful influence over the provision of education and training for those over the age of 16, and work with Mayoral Combined Authorities and LEPs to establish the best way to ensure that influence is effective, and to inform careers advice and guidance...'*
- 3.2 At this stage, SAPs are viewed as information partnerships between Government and local areas. The purpose is to facilitate access to and analysis of cross-department Government data to support the identification of local skills needs. Principles underpinning the joint approach between Government and local areas and a data framework are to be developed in partnership with 7 trial areas (5 LEPs and 2 CAs) over the coming months, with view to rolling out the approach to other areas.
- 3.3 The LEP's Skills Hub was approached by DfE to position Lancashire as one of the early trial areas. DfE officials recognised our good practice to-date in developing an evidence base, including a robust Skills and Employment Strategic Framework, producing user-friendly Labour Market Intelligence to support careers advice and guidance, plus the development of the Technical Education Vision, as the analysis aligns with proposed technical education routes.
- 3.4 An initial meeting was held with DfE prior to Christmas, and a further joint meeting with all 7 trial areas is taking place on the 25th January to scope the way forward. It is hoped the proposed approach to analysing data will be more cost-effective and enable access to national data sets that add value at a local level. Moreover, it is hoped that a joint approach will lead to greater local



influence in regard to the planning of provision and the prioritisation of outcomes.

- 3.5 The SEB will oversee development of the approach and working with the DfE, and will report progress to the LEP Board. It is hoped that the approach will add value and feed into the development of Lancashire's Local Industrial Strategy.

Objectives	Rationale	Grow the productivity of Lancashire's worker & businesses	Anticipate & respond to market & technology change, with provision driven by employer demand	Start with education & experiences at primary level & support individuals through working lives	Work to ensure providers & employers collaborate on the design & deliver of education & training	Provide a co-ordinated & joined-up offer, through collective planning & management
Objectives	Rationale	<ul style="list-style-type: none"> Lancs productivity levels lower than North West & National averages. Requirement for higher level skills & difficulties recruiting; increased need to develop current workforce, but challenges engaging with education system. Reducing workforce size; working age population forecast to decline at a greater rate than nationally. At same time, people working longer & 'jobs for life' less common. 	<ul style="list-style-type: none"> Requirement to understand the implications of new technologies & markets. New business models & ways of working will reshape businesses, and types of skills needed. Existing roles are being re-designed, new occupations will emerge, some may cease to exist. 	<ul style="list-style-type: none"> Continual technological growth & development means technological mindsets likely to be increasingly in demand. Risk that insufficient understanding of the options available, alongside negative perceptions of technical routes, limits young people's choices & future pipeline of workers. Engagement with careers & industry required from a younger age to 'start the conversation' about Tech Ed. 	<ul style="list-style-type: none"> Good existing relationships between employers and providers, lots of good practice to build on in providing work based learning. Where businesses are currently engaged tends to be large employers; concern that SME voice is insufficiently heard. Increasingly fast pace of change necessitates rapid response to training needs. Requires both broader and deeper collaborations between employers and providers to maintain industrial relevance. 	<ul style="list-style-type: none"> Lancs has a strong system of high performing & good quality providers. However, employers find it difficult to navigate & are unclear how to get what is best for them. Challenging geography, no 'one' centre, several Travel to Work & Learn areas, often connecting with areas outside Lancs. Need to work more collaboratively to manage & co-ordinate specialisms, avoid unnecessary replication & share best practice.
		<ul style="list-style-type: none"> Develop range of high-quality technical routeways, leading to stronger technical skills base to enable business performance. Develop accessible training pathways for adults seeking to re-skill during their career. Improve work readiness of those completing education & training, providing soft/life skills alongside technical skills to optimise productivity of new recruits. 	<ul style="list-style-type: none"> Develop a proactive system to track & anticipate future market & tech change. Embed a clear process to translate changes into Tech Ed requirements, in the context of Lancs, recognising its sectoral uniqueness. Over time, enable employers to more effectively self-diagnose training needs as their businesses evolve. 	<ul style="list-style-type: none"> Provide consistent & positive information for learners & influencers (e.g. parents & carers) to ensure equal status with academic routes & enable informed choices at key decision points. Engagement with industry in education at all ages & stages, with work-related learning & activities embedded in all schools (primary & secondary), colleges & universities. 	<ul style="list-style-type: none"> Be sufficiently agile & flexible to respond to change & maintain fitness for purpose. Establish a virtuous cycle of collaborative work between employers & providers, sharing information in both directions. Work to common models for employer engagement to review the effectiveness & industry relevance of education & training. 	<ul style="list-style-type: none"> Co-ordinate provider specialisms & create centres of excellence for higher level learning to leverage the best provision. Simplify contact with, & access to, education & training for employers & learners, enabling them to make informed choices. Invest in, & utilise, digital technology to support collaborative working & share curriculum materials.
		<ul style="list-style-type: none"> More productive businesses, in a thriving economy, leading to greater wealth creation. Learners & workers will be better equipped to sustain & progress careers in an increasingly complex world of work. 	<ul style="list-style-type: none"> Providers will have an improved understanding of market & technology changes shaping world of work & skills implications; Lancashire's businesses will be increasingly sophisticated consumers of Tech Ed, able to identify how it can meet their skills needs; Business growth via accessing the skills needed to diversify into new/emerging sectors/activities. 	<ul style="list-style-type: none"> Greater understanding of routes & careers, resulting in higher levels of participation in Tech Ed; At all ages, people can access advice to make informed choices, changing between academic & technical routeways & identifying the right training options for them; A future workforce can capitalise on education, work & life experience & is more resilient to change. 	<ul style="list-style-type: none"> High levels of work readiness amongst leavers, resulting from the development & delivery of Tech Ed in response to industry demand; Employers experience fewer skills gaps as issues are resolved by co-designed training; Teaching staff have up-to-date understanding of industry trends, practice & skills requirements. 	<ul style="list-style-type: none"> An accessible offer of education & training that is networked to optimise available resources; A stronger & more sustainable market for Tech Ed, as employers are increasingly able to identify & source the training they

Excellent labour market information and intelligence

Strong monitoring and evaluation and a culture of constant learning (from the UK and international peers)



Lancashire Enterprise Partnership Limited

Private and Confidential: NO

Tuesday, 30 January 2018

LEP Governance and Committees Decisions Report

(Appendices 'A' and 'B' refer)

Report Author: Andy Milroy, Senior Democratic Services Officer,
Tel: 01772 530354, andy.milroy@lancashire.gov.uk

Executive Summary

This report extracts the key items considered by each of the Lancashire Enterprise Partnership (LEP) Board 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 the Committees for approval.

Recommendation

The LEP Board is asked to:

- (i) Note the updates provided in this report in relation to the Committees of the LEP; and
- (ii) Approve the accounts and financial statements for the period ending September 2017 as set out at Appendices 'A' and 'B'.

Background and Advice

The Lancashire Enterprise Partnership Board (LEP) approved a LEP Assurance Framework on 17th March 2015 which was subsequently submitted to Government as final in April 2015 with it refreshed annually since. The latest version of the Assurance Framework is made publically available on the LEP website:

<http://www.lancashirelep.co.uk/about-us/about-the-lep.aspx>

The Assurance Framework ensures that the LEP records decisions taken by the LEP and its Sub-Committees in an open and transparent way. The purpose is to ensure that arrangements are in place enabling effective and meaningful engagement of local partners and the public, and that those arrangements operate transparently with LEP decisions capable of being independently scrutinised.

Since the implementation of the LEP Assurance Framework, the LEP and its Committees publish their agendas and minutes on the LEP website. In order to



ensure the LEPs decision making is open and transparent in relation to the Sub-Committees this report presents updates from each of the Sub-Committees and, where applicable, contains decisions that are outside of the Sub-Committees powers and require referral to the LEP Board for approval.

Governance Updates

Lancashire Enterprise Partnership – Approval of Dormant Accounts – Year Ending 30th September 2017 (Appendices 'A' and 'B' refer)

The LEP is a Company Limited by Guarantee and as such is subject to the Companies Act 2006 with regard to the filing of accounts and annual returns. The LEP does not conduct financial transactions itself as Lancashire County Council carries out this function, on behalf of the LEP, as the Accountable Body.

Therefore the LEP's accounts are in essence dormant, however the company is required to file NIL accounts on an annual basis. This report requests Board approval to the attached NIL accounts and financial statements (Appendices 'A' and 'B' refer) for the period ending September 2017 in order that they can be filed in line with statutory requirements.

Updates from recent LEP Committee Meetings

1. Executive Committee

Decision Taken – 24th January 2018 – Growing Places Investment Fund Approval

The Executive Committee, on behalf of the LEP Board,

- (i) Considered and approved a Growing Places Investment Fund Loan, Draft Heads of Terms and Pipeline Schedule for residential schemes in Pendle;
- (ii) Authorised the County Council Director of Corporate Services and the Director of Economic Development and Planning or their nominated representatives to undertake appropriate financial and other due diligence checks and prepare and execute loan facility documentation, including relevant loan security documentation;
- (iii) Agreed to provide updates to the LEP Board on the progress of this scheme and the Growing Places Investment Fund as part of the regular Operational Budget Update presented to the Board.



Decision Taken – 22nd January 2018 – Staffing Posts

The Executive Committee, on behalf of the LEP Board,

- (i) Approved the recruitment of a Commercial and Business Support Manager and an Economic Policy and Communications Manager in line with the Accountable Body's selection and recruitment processes;
- (ii) Welcomed and approved the receipt of £170,000 grant funding to be awarded to the LEP in line with the Grant Funding Agreement signed between the County Council as Accountable Body for the LEP and the Gatsby Foundation; and
- (iii) Approved the appointment of a Senior Project Manager for Technical Education on a two-year fixed term basis.

Decision Taken – 8th December 2017 – Blackpool Tramway Extension – Full Approval Application

The Executive Committee, on behalf of the LEP Board, granted the Blackpool Tramway Extension Scheme Full Approval and confirm the LEP funding contribution of £16.4m for the Scheme.

2. Transport for Lancashire Committee

20th November 2017 Meeting

The Transport for Lancashire Committee met on 20th November 2017, a summary of the key items considered / approved is as follows:

- **Darwen East Development Corridor Funding Application** – The Committee resolved that, pending a review of the Transport for Lancashire Committee's Terms of Reference, to waive the requirement of the LEP Assurance Framework not to fund scheme development and preparation costs given the scheme's clearly defined economic growth objectives, and that the LEP Board be recommended to grant the scheme £2.5m of Growth Deal Funding.
- **Blackpool Tramway Extension – Full Approval Application** – An independent assurance report was received regarding this scheme by Jacobs. Jacobs confirmed they were satisfied that the project had been developed to the expected standard and that Blackpool Council had addressed all the conditions attached at Conditional Approval stage in April 2016. It was therefore recommended that, subject to the Secretary of State confirming the Transport and Works Act Order, the scheme be recommended to the LEP Board to be granted "Full Approval" status to enable construction to take

place between April 2018 and July 2019. This decision was subsequently taken by the Executive Committee on 8th December 2017.

- **Transport for the North – Strategic Transport Plan** – A presentation was received by Robin Miller-Stott, Senior Policy and Strategy Officer, Transport for the North (TfN) regarding the current status of TfN and its Strategic Transport Plan. The Committee was informed that with effect from April 2018, TfN would become the first Sub-National Transport Body in England, tasked with developing a Strategic Transport Plan to prioritise infrastructure investment in the North to drive transformational economic growth. The Committee noted the presentation.

10th January 2018 Meeting

The Transport for Lancashire Committee also met on 10th January 2018, a summary of the key items considered / approved is as follows:

- **Transport for Lancashire – Proposed Amendments to the LEP Assurance Framework** – The Committee approved a report which set out an amendment to the Transport Schemes section of the LEP Assurance Framework which stated that the LEP will not fund scheme development and preparation costs nor any post scheme monitoring and evaluation. This is inconsistent with the other two themes of the Growth Deal programme covering skills and economic projects, where scheme preparation costs are permissible as part of the local contribution. The Committee agreed to recommend that the proposed changes be included in the LEP's Assurance Framework refresh.
- **Preston Western Distributor Conditional Approval Application** – It was reported that Atkins had undertaken an independent assessment of the Outline Business Case on behalf of the LEP. Atkins confirmed they were satisfied that the project had been developed to the expected standard in most areas and recommended that Conditional Approval be granted. The Committee agreed to recommend the LEP Board grant the scheme Conditional Approval, this item is presented elsewhere on this agenda for approval.
- **Preston Railway Station** – The Committee considered a report regarding future developments at Preston Railway Station, in particular the feasibility of becoming 'HS2 ready' by 2026. The Committee agreed to recommend that the LEP Board support the commissioning of a study to examine and quantify the wider economic growth and productivity benefits that the transformation of Preston Station could deliver, this work will include forecasts of future passenger demand particularly for when HS2 services begin operating in 2026, and, requested that the LEP Board agree to fund the study from its strategic case-making budget. This item is addressed elsewhere on this agenda for approval.



- **Department for Transport Consultation: Shaping the Future of England's Strategic Roads** – The Committee considered and noted an update report regarding future Government decisions about priorities for investment in the next Road Investment Strategy period (RIS2) covering the financial years 2020/21 to 2024/25. The Department for Transport is now consulting stakeholders on Highways England's Strategic Road Network Initial Report and the process through which it will determine whether the Initial Report and the process through which it will determine whether the Initial Report is sufficiently robust. A complementary consultation on proposals to establish a Major Road Network in England is also due to commence shortly.

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

3. City Deal Executive and Stewardship Board

29th November 2017 meeting

The Combined City Deal Executive and Stewardship Board met on 29th November 2017, a summary of the key items considered / approved is as follows:

- **HCA Quarterly Monitoring Progress Update – Quarter 2 2017 / 18** – The Executive and Stewardship Board noted progress made by the HCA on the delivery of the City Deal housing sites including key delivery milestones, finances invested, outputs and key risks and emerging issues. The full report can be accessed from the link below.
- **City Deal Governance Report – New LEP Nominee** – The Executive and Stewardship Board noted the appointment from the LEP of Director Mark Rawstron as the LEP Deputy Chair's Nominee on the City Deal Executive.
- **Communications and Marketing** – The Executive and Stewardship Board received an update on recent marketing and communications for the City Deal, highlighting projects completed to date such as Broughton Bypass and promotion of future projects and key delivery milestones.
- **Business and Delivery Plan – Six Monthly Monitoring Report – 2017/18 and Implementation Update** – The Executive and Stewardship Board received an update on outputs and activities for the period up to 30 September 2017 including: housing, commercial floorspace outputs, jobs related to commercial floorspace, employment and skills, public and private sector investment, infrastructure and risk management. The full report can be accessed from the link below.
- **City Deal Quarter 2 Finance Report** – The Executive and Stewardship Board noted the financial update for Quarter 2 (July – September 2017) and the key risks and issues identified going forward.



- **Cardinal Newman College – Expansion** – The Executive and Stewardship Board considered a report containing an independent appraisal for a proposed scheme, on the basis that there is no known capital funding available to deliver the project, the request for a contribution to progress the project to RIBA stage 3, be refused.
- **City Deal Review – Terms of Reference** – The Executive and Stewardship Board approved Terms of Reference and a timetable for an all partner review of the City Deal.
- **Preston Western Distributor (including Cottam Link Road) and East West Link Road** – The Executive and Stewardship Board agreed to support the delivery of the Preston Western Distributor, Cottam Link and East West Link Road to be funded by the City Deal, subject to full approval of the LEP for Growth Deal Funding.

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 6th December 2017, a summary of the key items considered / approved is as follows:

- **Core Grant Funding Agreement** - the Committee agreed recommended revisions
- **North West Burnley Growth Corridor** – the Committee agreed to recommend that the LEP Board give approval to allocate up to £7m Growth Deal Funding to the North West Burnley Growth Corridor subject to conditions as set out in the Appraisal Report, a timeline showing various project interdependencies being produced and clarification of the HCA's position
- **Blackpool 21st Century Conference Centre** – the Committee approved the Local Grant Funding Agreement for this project
- **Unallocated Funds process** – the Committee considered the approach to unallocated funding and agreed:
 1. First call would be given to those schemes within the current programme that had requested additional resource
 2. If no schemes were identified via that process, a second call would focus on priority 1 Growth Deal 3 schemes that had failed to secure an allocation
 3. If no schemes were identified via that process, a review of priority 2 and 3 schemes would be undertaken to determine if any schemes were still a priority
 4. After exhausting the existing pipeline, approval would be sought for an open call for new scheme proposals



- **Advanced Manufacturing Research Centre (AMRC) Funding recommendation** – in accordance with the unallocated funds process, the Committee agreed to recommend that the LEP Board give approval to allocate £2.2m Growth Deal Funding to the AMRC NW project

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 has not met since the last LEP Board meeting.

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 Board

The Lancashire Skills and Employment Board met on 29 November 2017, a summary of the key items considered / approved is as follows:

- **ESFA Projects** – the Committee considered potential extensions to the ESF projects and agreed each projects' submission to the ESFA
- **Technical Education Vision** – SDG updated the Committee on the Technical Education work, including the draft framework, which the Committee commented on. The Committee discussed a proposed collaboration with the Gatsby Foundation, a charitable trust investing in the development of Technical Education. The Committee agreed the proposal for a grant funding agreement for a two year period, which would include funding for a Project Officer for Technical Education.

Full agendas and minutes for the Lancashire Skills Board meetings can be accessed here: <http://council.lancashire.gov.uk/ieListMeetings.aspx?CommitteeID=1011>

7. Performance Committee

The Performance Committee has not met since the last LEP Board meeting.

Full agendas and minutes for the Performance Committee meetings can be accessed here:

<http://council.lancashire.gov.uk/ieListMeetings.aspx?CommitteeID=1216>



8. Business Support Management Board

The Business Support Management Board has not met since the last LEP Board meeting.

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

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

Registered Number 07388600

LANCASHIRE ENTERPRISE PARTNERSHIP LIMITED**Dormant Accounts****30 September 2017****Balance Sheet as at 30 September 2017**

	2017	2016
	£	£
Net assets	0	0
Reserves	0	0

STATEMENTS

- For the year ending 30 September 2017 the company was entitled to exemption under section 480 of the Companies Act 2006 relating to dormant companies.
- The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Board on 30th January 2018

And signed on their behalf by:

Edwin Booth, Director**NOTES****Company is limited by guarantee**

COMPANY NUMBER: 07388600

LANCASHIRE ENTERPRISE PARTNERSHIP LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30th September 2017

Balance sheet as at: 30th September 2017

The company is a Company Limited by Guarantee and therefore has no share capital.

NET ASSETS/LIABILITIES **£NIL**

Notes:

1. The list of Registered £1.00 Guarantor Class of Members of the Company is as follows:

 Lancashire County Council.
2. The period end bank and cash balances were nil.

Statements:

- a) For the period from 30th September 2016 to 30th September 2017 the company was entitled to exemption from audit under Section 477 of the Companies Act 2006.
- b) The members have not required the company to obtain an audit in accordance with Section 476 of the Companies Act 2006.
- c) The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to Companies subject to the small companies regime.

These accounts were approved by the directors of the Company on 30th January 2018.

Laura Sales, Company Secretary



Lancashire Enterprise Partnership Limited

Private and Confidential: NO

Tuesday, 30 January 2018

Local Enterprise Partnership - Governance and Transparency - Draft Best Practice Guidance

(Appendices 'A' to 'F' Refer)

Report Author: Andy Milroy, Senior Democratic Services Officer, Lancashire County Council, Tel: 01772 530354, andy.milroy@lancashire.gov.uk

Executive Summary

At the last Lancashire Enterprise Partnership Board (LEP) meeting the Board received a report in light of the Government commissioned Ney Review on LEP governance which confirmed the Lancashire LEP's Assurance Framework was fully compliant and in most cases exceeded the governance and financial assurance requirements of the Ney Review.

In December, post-Ney Review, Government issued a further report on Best Practice on LEP governance and transparency. This report is currently in draft form, awaiting formal Ministerial sign-off, but all LEPs have been advised to consider its emerging findings and address any deficiencies in their respective Assurance Frameworks by the deadline of 28th February.

This report sets out a number of recommendations, taking account of the draft Best Practice Guidance, to ensure the LEP's governance framework, as set out in the Assurance Framework, continues to match or exceed Government requirements. However, it should be noted that the Government's Ministerial National Review of LEPs is still on-going and additional requests may be made of all LEPs, in due course.

Recommendation

The Board is asked:

- (i) To note that the LEP's Assurance Framework continues to comply with Government's new Best Practice Guidance.
- (ii) That in light of new Best Practice Guidance, to approve that the Annual Assurance Framework Refresh, which usually takes place in June each year, be brought forward with an updated Assurance Framework presented to the 24th April 2018 LEP Board meeting for approval alongside a presentation of the LEP's new website.



- (iii) To approve the updated Complaints, Whistleblowing, Code of Conduct and Register of Interest Policies (Appendices 'B' to 'E') for inclusion in the existing Assurance Framework and for publication on the LEP website, in accordance with Government requirements, by the deadline of 28th February 2018.
- (iv) To approve the additional LEP Director and Committee Member Protocol containing a further detailed explanation of "The Nolan Principles" of public life (Appendix 'F') be added to the existing Assurance Framework.
- (v) To note that the enhanced Register of Members Interests will be updated, re-published on the LEP website, and maintained in accordance with the new Best Practice Guidance; and
- (vi) To ask the Section 151 Officer of the LEP's accountable body to review and confirm to Government that the LEP is fully compliant with all current Guidance and requirements, by the deadline of 28th February 2018.

Background and Advice

In April 2017, Mary Ney (a Non-Executive Director at DCLG) was asked to undertake an informal review of Local Enterprise Partnerships to consider further improvements in their governance and financial assurance arrangements. The findings of the six-week review, were presented to the last LEP Board meeting held on 7th November 2017.

It was reported to the Board that the current practice of the LEP matches or exceeds the key benchmarks identified by the Ney Review. Government accepted the Ney Review's recommendations and has developed further Best Practice Guidance on Governance and Transparency, which is attached at Appendix 'A' to this report.

This Guidance is still in draft form, as it requires final Ministerial sign-off, but is designed to enable LEPs to both demonstrate and apply consistent practice and robust approaches in five particular areas, including the publication of meeting and agenda items; confidential reporting procedures for third parties and the public; and in ensuring a Whistleblowing Policy, a Code of Conduct and an updated Register of Interests are in place and easily accessible to the public.

Though the Guidance is still in draft Government officials have advised all LEPs to have considered and addressed the emerging findings by the deadline of 28 February 2018.

As the Board know, the LEP's Assurance Framework sets out detailed governance and financial assurance arrangements that ensure the LEP operates to a very high standard. Whilst the LEP already matches or exceeds current national benchmarks the new Best Practice Guidance is welcomed as it provides an opportunity to further enhance the robustness of the LEP's own governance framework.



As outlined above, the Best Practice Guidance identifies specific recommendations regarding an enhanced Complaints procedure, Whistleblowing Policy, Code of Conduct for LEP Board Members and Register of Interests. The LEP has robust policies in respect of all of these areas. However, the Guidance states that this documentation should be in an "easily accessible" part of each LEP's website. These documents are publicly available but difficult to access. Subject to Board approval, to ensure full compliance, it is proposed the LEP adapts the Best Practice Guidance draft documents for Complaints, Whistleblowing, and the Code of Conduct and Register of Interests. These are attached at Appendices 'B' to 'E'. Once agreed, these revised documents will be placed in a new prominent location on the LEP's website, within the "About Us" section in a separate box headed "LEP Policies and Procedures".

It is not proposed necessary to make any changes to current practices regarding the publication of LEP meetings and agenda items (as described in Chapter 1 of the Best Practice Guidance) as current practice already exceeds Government Guidance.

In addition, it is noted that Government has placed additional emphasis and importance on the adoption of "The Nolan Principles" of public life. Whilst the LEP already applies the Nolan Principles in its Assurance Framework, it is considered timely and prudent that additional detailed guidance on the Nolan Principles be added to the current Framework in the form of an additional Annex. This document is attached at Appendix 'F' for Board approval.

The Board will be aware that in accordance with previous Government guidance, the LEP has undertaken a refresh of its Assurance Framework in June each year since the requirement to have in place an agreed Assurance Framework.

However, in light of recent national developments, it is proposed to bring this year's refresh forward with a new fully updated version of the Assurance Framework presented to the LEP Board for approval at its meeting scheduled for 24th April 2018. As previously reported to the Board, it is intended to refresh the current structure of the LEP and its Committees to ensure they continue to be fit for purpose and in line with Board objectives and priorities.

In addition, work is underway to develop and enhance the LEP website alongside the Assurance Framework refresh. It is proposed that the new look website will also be presented to the 24th April 2018 LEP Board meeting. The new look website will be clearly focused on showcasing LEP programmes, and demonstrating its robust governance arrangements and commitment to transparent working. A complementary Inward Investment website will focus on strategic investment opportunities and key Lancashire growth initiatives.

The actions identified in this report will ensure the LEP continues to meet or exceed all current Government requirements with respect to governance and financial assurance. However, the Ministerial National Review of LEPs is still on-going and may lead to further changes required by LEPs, in due course.



HM Government

Local Enterprise Partnership governance and transparency

Best Practice Guidance

DRAFT

December 2017



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Introduction

1. In October 2017, the Department for Communities and Local Government (DCLG) published the [Review of Local Enterprise Partnerships Governance and Transparency](#) a report led by Mary Ney, Non-Executive Director (NED) of the DCLG Board.
2. This review forms an integral part of the wider work that the Government is currently undertaking to strengthen Local Enterprise Partnerships (LEPs), ensuring they have robust corporate governance arrangements in place that enable them to fulfil their role in driving local economic growth.
3. Following publication of the DCLG NED Review the Government has accepted the review recommendations in full and is undertaking the following steps to implement them:
 - **Enhancing the LEP Annual Review process:** DCLG developed new guidance, to underpin the 2017 LEP Annual Review process. This guidance ensured the Annual Review process had a greater focus on LEP governance and transparency arrangements.
 - **Best Practice:** Publishing this Best Practice Guidance on the following corporate governance issues: codes of conduct; publication of meeting and agendas; confidential reporting procedures for third parties and the public; whistleblowing policies; and registers of interests.
 - **Finance:** Providing further guidance on the publication of financial information and the role of the Section 151/73 Officer. This guidance is being produced in partnership with the LEP network and The Chartered Institute of Public Finance and Accountancy (CIPFA) respectively.
 - **Assurance Framework Guidance:** Following the completion of the Minister led LEP Review the Government will publish revised guidance for LEP Assurance Frameworks.
 - **Government approach to non-compliance:** Following the completion of the the Minister led LEP Review the Government will share its approach to non-compliance with LEPs.

How LEPs should use this guidance

4. The Government has developed this guidance for LEPs to ensure their policies and procedures around: code of conduct; the publication of meeting and



agendas; confidential reporting procedures for third parties and the public; whistleblowing policies; and registers of interests meet minimum standards of robust corporate governance. As such, this document contains **examples** of good practice and **specific guidance** on governance on the topics listed above.

5. During the development of this guidance the Cities and Local Growth Unit have drawn on best practice by reviewing the policies of Local Authorities, Government Departments and LEPs. Advice has also been provided by the Government Legal Service and the Centre for Public Scrutiny.
6. Where specific guidance has been provided by the Department, LEPs must promptly implement such recommendations. LEPs should also review the examples provided in this document and ensure their local policies and procedures reflect this best practice. If a LEP is unsure about whether their own arrangements already meet the standards set out in this guidance, they should discuss it with their Cities and Local Growth Unit Area Lead, who will seek the most appropriate advice.
7. The Government is committed to working with LEPs to ensure that they implement the Mary Ney Recommendations in full; this includes the adoption of the standards reflected in this guidance. LEPs are responsible for ensuring compliance with these standards. This will be monitored by Local Area Leads and the Cities and Local Growth Unit. The Government will continue to work with LEPs and the LEP network to ensure good practice is adopted and shared between LEPs.



HM Government

Chapter One:

Guidance on the publication of meeting and agenda items

DCLG NED Review Recommendation:

It is recommended that the Department provides additional guidance on expectations on publication of agendas, meeting papers and decisions.

([Review into Local Enterprise Partnership Governance and Transparency](#); page 12)

DRAFT



Introduction to guidance on the publication of meeting and agenda items

8. The current National LEP Assurance Framework states that LEPs must set out arrangements for transparent decision making in their Local Assurance Framework in line with existing local authority rules and regulations. The DCLG NED review recommended that the Department provides additional guidance to LEPs on these requirements. The guidance is outlined below:

Guidance on publication of meeting papers and agendas

9. As a minimum, LEPs must publish, on an easily accessible part of the LEP website, papers for: full board meetings and any sub-committees which are responsible for decisions about public money. Timelines for publication are based on those set out in the National LEP Assurance Framework in accordance with the [Local Government Act 1972](#). They are:
 - Meeting agendas and papers to be published 5 days before the meeting takes place.
 - Minutes of Board meetings to be published within 5 days of the meeting taking place.
 - The full report of Board meetings, including decisions which have been made, to be published within 5 days of the meeting taking place.
 - Any declaration of interest made at the meeting must be included in the minutes of the Board meeting. A new declaration of interest should be updated on the relevant member's register of interest (see chapter 5: register of interest).
10. This does not apply to agenda items or meetings that are exempt due to confidentiality or commercial sensitivities. Items that are exempt are outlined in the [Local Government Act 1972](#) and the [Freedom of Information Act 2000](#). However, all LEPs should ensure that there are clear processes in place for confidential proceedings and papers. The LEP Board should agree these processes in line with their existing decision making processes set out in the Local Assurance Framework and Memorandum of Understanding (if applicable). A record of confidential proceedings and papers should be kept by the LEP in case these decisions need to be scrutinised in the future.



HM Government

Chapter Two:

Guidance and example of confidential reporting procedures for third parties and the public

DCLG NED Review Recommendation:

It is recommended that the Department requires the publication of a whistleblowing policy and arrangements for confidential reporting of allegations of untoward concerns by third parties/ the public.

[*\(Review into Local Enterprise Partnership Governance and Transparency; page 10\)*](#)



Introduction to guidance on confidential reporting procedures for third parties and the public

11. This guidance should be read in conjunction with the example confidential reporting procedure for third parties and the public that is set out below.

Confidential reporting guidance for LEPs

12. All LEPs must put in place effective arrangements to enable third parties and the public to confidentially report concerns about LEP processes and decisions. This is in addition to their standard complaints procedure and their whistleblowing policy.

13. Where data is gathered, the LEP must put in place appropriate data protection arrangements in line with the [Data Protection Act 1998](#).

14. LEPs must include details of confidential reporting arrangements in the LEPs existing complaints policy so all potential complainants know how they can confidentially report concerns. These arrangements must be set out on the LEPs website and be clear and easily accessible. Based on best practice, the arrangements must include:

- A confidential means for third parties or the public to contact the LEP, for example a secure website or secure form on the LEP website.
- A contact within the LEP who is responsible for dealing with confidential complaints.
- An outline of how third parties and the public can raise confidential allegations and concerns and an outline of how the LEP will investigate and respond to confidential complaints, including reassurance that confidentiality will be maintained. Detail of how the LEP will respond to anonymous allegations should be included. The LEP should also outline the information that complainants should provide when making a complaint.
- An outline of each of the stages of the complaints process with indicative timescales for each.
- If a complainant is an employee or other worker involved with the LEP, they should be signposted to the whistleblowing policy or grievance procedures. Where other policies and processes are referred to, links to the relevant page on the website should be provided.



Introduction to example of a confidential reporting procedure for thirds parties and the public

15. LEPs must publish their confidential complaints procedure on an easily accessible part of their website by 28 February 2018, taking account of the guidance outlined above.
16. If a LEP does not adopt the example set out in this document, the LEP must ensure that their arrangements guarantee the same level of transparency.

Example: Confidential reporting of complaints

17. The LEP is committed to creating a work environment with the highest possible standards of openness, probity and accountability. In view of this commitment we encourage employees and others with serious concerns about any aspect of the LEP's work to come forward and voice those concerns without fear of reprisal. For employees and those working closely with the LEP, please follow the whistleblowing policy on our website [*Insert hyperlink to whistleblowing procedure*]. For third parties and members of the public, please follow the confidential complaints procedure outlined below.
18. If a member of the public or third party believes that their complaint fits the description below, they may report their concerns through the whistleblowing policy procedure [*Insert hyperlink to whistleblowing procedure*].
19. *Whistleblowing* - where an individual who has concerns about a danger, risk, contravention of rules or illegality provides useful information to address this. In doing so they are acting in the wider public interest, usually because it threatens others or impacts on public funds. By contrast, a grievance or private complaint is a dispute about the individuals own position and has no or very limited public interest.

Confidentiality

20. If a member of the public or a third party wants to make a confidential



complaint or raise a concern, it will be treated in confidence and every effort will be made to protect the person's identity if they wish to remain anonymous. The LEP will investigate all complaints or allegations.

Anonymous allegations

21. The LEP takes all complaints and concerns raised by members of the public and third parties seriously. We will investigate anonymous allegations but remind complainants that when people put their names to an allegation the ability to investigate and therefore reach firm conclusions is strengthened. Concerns expressed anonymously will be considered at the discretion of the LEP. When exercising this discretion the factors to be taken into account would include:

- the seriousness of the issue raised;
- the credibility of the concern; and
- the likelihood of confirming the allegation from attributable sources.

22. The Department of Communities and Local Government may request information arising from this process if they have concerns regarding a LEP or have been approached with similar complaints. The expectation is that this information will be provided on an anonymous basis, but it may be necessary to provide personal details to progress a complaint.

23. Where details are gathered, the LEP will put in place appropriate data protection arrangements in line with the [Data Protection Act 1998](#).

Confidential Complaints Procedure

24. The LEP is aware that the organisation's ordinary complaints procedure may not be suitable if someone wants the complaint to remain confidential. If you would like to make a confidential complaint please write or email to:

Names and contact details of the LEP Chief Executive and one other LEP Executive Contact.

State that you want the complaint to remain confidential.

Action taken by the LEP

25. The designated complaints officer will raise your concern and investigate the complaint. You can expect the officer to:



- Contact you within 10 working days to acknowledge the complaint and discuss the appropriate course of action.
- Write to you within 28 working days with findings of the investigation. If the investigation has not concluded within 28 working days, the officer will write to you to give reasons for the delay in resolving the complaint.
- Take the necessary steps to rectify the issue.

26. If you are unhappy with the outcome of the complaint or the complaint involves those responsible for the confidential complaints procedure:

27. You can escalate your concerns through other organisations mentioned in the normal complaints procedure e.g. the LEP's Accountable Body which is [*name of relevant Local Authority*]. These organisations will have their own confidentiality procedures.

28. If you are either unable to raise the matter with the LEP or you are dissatisfied with the action taken you can report it direct to the Cities and Local Growth Unit in the Department of Communities and Local Government and the Department of Business, Energy and Industrial Strategy, at the following email address:

LEPPolicy@communities.gsi.gov.uk or by writing to LEP Policy Deputy Director, Cities and Local Growth Unit, Fry Block, 2 Marsham Street, London, SW1P 4DF. You should clearly mark your email or letter as "Official - complaints".



Chapter Three:

Example Whistleblowing Policy

DCLG NED Review Recommendation:

It is recommended that the Department requires the publication of a whistleblowing policy and arrangements for confidential reporting of allegations of untoward concerns by third parties/ the public.

[\(Review into Local Enterprise Partnership Governance and Transparency; page 10\)](#)



Introduction to example Whistleblowing Policy

29. LEPs must publish their whistleblowing policy on an easily accessible part of their website and make Board Members, staff and contractors aware of the policy by 28 February 2018. If a LEP does not adopt the example set out in this document, the LEP must ensure that their arrangements guarantee the same level of transparency.
30. In addition to this guidance, there is information and signposting available on the whistleblowing pages of www.gov.uk which LEPs may wish to refer to. It provides background information and suggests other organisations that LEPs may wish to speak to if further guidance is required.
31. LEPs must also ensure that their Responsible Officer informs the Cities and Local Growth Unit of any concerns raised under their whistleblowing procedure by emailing: LEPPolicy@communities.gsi.gov.uk or by writing to: LEP Policy Deputy Director, Cities and Local Growth Unit, Fry Block, 2 Marsham Street, London, SW1P 4DF.

Example Whistleblowing Policy

Introduction

32. A Discloser is the person who is the whistle-blower. They might be an employee, a LEP Board Member, a contractor or a third party.
33. This procedure outlines the process to follow for a Discloser when reporting a perceived wrongdoing within the LEP, including something they believe goes against the core values of Standards in Public Life (the Nolan Principles) and the Code of Conduct (Chapter 4) for LEP Board Members and staff. The Standards in Public Life include the principles of; integrity, honesty, objectivity, accountability, openness, honesty, leadership and impartiality.
34. In particular LEP Board Members, as the key decision makers of the LEP, have a right and a responsibility to speak up and report behaviour that contravenes these values.



35. It is important that this procedure is followed when raising any concerns, to ensure that the matter is dealt with correctly.

Definitions

36. This document uses the following definitions:

- *Whistleblowing* - where an individual who has concerns about a danger, risk, contravention of rules or illegality provides useful information to address this. In doing so they are acting in the wider public interest, usually because it threatens others or impacts on public funds. By contrast, a grievance or private complaint is a dispute about the individuals own position and has no or very limited public interest.
- *The LEP* – *[insert name of LEP here]*
- *Discloser* – this is the person who is the whistle-blower. They might be an employee, a LEP Board Member, a contractor or a third party.
- *Responsible Officer* - this is the person, appointed by the LEP Board, with overall responsibility for maintaining and operating this whistleblowing policy. They will maintain a record of concerns raised and the outcomes (but will do so in a form that does not endanger confidentiality) and will report as necessary to the LEP Chief Executive and the LEP Board. Their name is *[insert]* and their contact details are *[insert email, phone and office address]*. If the concern relates to the Responsible Officer then in the alternative the concern should be raised with *[Insert name and contact details]*.
- *Relevant Concern* – something the Discloser has been asked to do, or is aware of which they consider to be wrong-doing and is in the public interest.

Scope

37. The LEP is committed to creating a work environment with the highest possible standards of openness, probity and accountability. In view of this commitment, we encourage Disclosers with serious concerns about the work of the LEP to come forward and voice their concerns without fear of reprisal.

38. Disclosers should note that where the concern is one that might fall under



the LEP's staff or work force policies on equality and diversity or harassment and bullying or other staff policies, they should consider using the reporting mechanisms for those other policies first *[insert relevant LEP website hyperlinks]*.

39. The LEP has a pre-existing complaints procedure that in many cases will be more appropriate for third parties or members of the public to follow. Third parties or members of the public should review the separate confidential complaints procedure outlined in the LEPs complaints policy *[insert relevant LEP website hyperlinks]* on the LEP's website first before going through the whistleblowing process.

40. However, if a member of the public or third party believes that their complaint fits the description of a 'relevant concern' outlined below, they may report their concerns through the whistleblowing policy procedure.

Policy Statement

41. The LEP acknowledges that Disclosers may often be the first people to realise that there may be something seriously wrong within the organisation.

42. This policy aims to:

- Encourage people to feel confident about raising serious concerns and to question and act upon their concerns without fear of victimisation or harassment;
- Provide avenues for Disclosers to raise those concerns and receive feedback on any action taken;
- Allow Disclosers to take the matter further if they are dissatisfied with the LEP's response; and
- Reassure all Disclosers, employees in particular who may have specific concerns about their position and employment status in the LEP, that they will be protected from possible reprisals or victimisation if they have a reasonable belief that they have made any disclosure in the public interest.

What is a relevant concern?

43. If a Discloser is asked to do something, or is aware of the actions of another, which they consider to be wrongdoing, they can raise it using this procedure. The Discloser must have a reasonable belief that raising the concern is in the public interest.



44. A Discloser may decide to raise a concern under the whistleblowing policy if they are aware of a situation that they feel:

- is against the LEP's procedures and protocols as set out in its code of conduct and individual LEP Assurance Framework;
- falls below established standards of practice the LEP subscribes to;
- amounts to improper conduct; or
- is an abuse of power for personal gain.

45. The types of matters regarded as a relevant concern for the purpose of this procedure include, but are not limited to, the following:

- Fraud or financial irregularity
- Corruption, bribery or blackmail
- Other Criminal offences
- Failure to comply with a legal or regulatory duty or obligation
- Miscarriage of justice
- Endangering the health or safety of any individual
- Endangering the environment
- Improper use of authority
- Concealment of any of the above.

46. Disclosers should not raise malicious or vexatious concerns, nor should they raise knowingly untrue concerns. In addition, this procedure should not be used to raise concerns of a HR/personal nature, for example, complaints relating to a management decision or terms and conditions of employment. These matters should be dealt with using the relevant alternative procedure, for example, the LEP grievance procedure. Equally, this policy would not apply to matters of individual conscience where there is no suggestion of wrongdoing by the LEP but, for example, an employee or LEP Board Member is required to act in a way which conflicts with a deeply held personal belief.

Safeguards

47. The [Public Interest Disclosure Act \(1999\)](#) gives legal protection to employees against being dismissed or penalised by their employers as a result of publicly disclosing certain serious concerns. The LEP believes that no member of staff should be at a disadvantage because they raise a legitimate concern.

48. The LEP will not tolerate harassment or victimisation and will take action to protect Disclosers when they raise a concern in the public interest.



Raising a concern

49. If a Discloser experiences something in the workplace which they consider a relevant concern, it is important that the concern is raised as early as possible. Proof is not required at this point – it is for the LEP to investigate. The Discloser must, however, have a reasonable belief that disclosing the information is in the public interest before raising a concern.
50. All concerns will be treated in confidence and every effort will be made to protect the Discloser's identity if they wish to remain anonymous. However, at the appropriate time, it is possible that the Discloser will need to come forward as a witness for the matter to progress.
51. It is important to follow the correct procedure when raising a whistleblowing concern. The following steps should be adhered to:
- a. It is important that the concern is raised with the person best placed to deal with the matter, in most cases this will be the Responsible Officer. However, the Discloser may want to raise the concern with someone they know and trust, such as their line manager who can raise it with the Responsible Officer on their behalf.
 - b. If it is suspected that the concern may implicate the line manager in some way, then it could be raised with a more senior manager in the line management chain.
 - c. If the Discloser is unable to raise a relevant concern with a line manager or a senior manager or feel that it has not been adequately addressed, it should be raised directly with the Responsible Officer.
 - d. Ultimately, the Discloser can raise their concern with the LEP Chief Executive.

Information needed to raise a concern

52. When raising a concern under the procedure the Discloser should try to provide the following information:
- the background and reason behind the concern
 - whether they have already raised a concern with anyone and the response
 - any relevant dates when actions related to the concern took place.



53. This information should demonstrate that there are reasonable grounds for the concern to be acted upon. It is important that matters are not investigated by the Discloser themselves.

54. If applicable, personal interests must be declared from the outset.

How the concern will be handled

55. All investigations will be conducted sensitively and as quickly as possible. While the LEP cannot guarantee that the outcome will be as the Discloser may wish, it will handle the matter fairly and in accordance with this procedure.

56. Once a concern has been raised with either the line manager or Responsible Officer, Senior Manager or Chief Executive, a meeting may be arranged with them to determine how the concern should be taken forward.

57. The LEP may decide to take the matter forward by a number of methods, including:

- An internal inquiry or other formal investigation
- An internal or external audit
- Referring the matter to the police
- Referring the matter to another relevant authority for investigation.

58. Before a final decision is taken on how to proceed, or as part of the investigation, the Discloser may be asked to meet with those investigating their allegation.

59. If a meeting is arranged, the Discloser may wish to be accompanied by a trade union representative, colleague or friend. The person who accompanies the Discloser should not be involved or have a direct interest in the area of work to which the concern relates. The meeting can be conducted over the telephone rather than face to face.

60. Within 10 working days of a concern being raised, the LEP's Responsible Officer will write to the Discloser to:

- Acknowledge that the concern has been received
- Indicate how they propose to deal with the matter
- Give an estimate of how long it will take to provide a final response
- Tell the Discloser whether any initial investigation or enquiry has been



made

- Tell the Discloser whether further investigation will be made, and if not, why not.
- Tell the Discloser how frequently the LEP will keep them up to date on progress of the investigation.

61. The amount of contact between the LEP and the Discloser concerned will vary, depending on the concern raised, any difficult issues and any further clarity required. If necessary, the LEP will seek further information from the Discloser.

62. The LEP will confirm when the matter is concluded and, if appropriate, the outcome of the investigation, maintaining security and confidentiality for all parties as far as possible.

63. Throughout any investigation, the Discloser will still be expected to continue their duties/role as normal unless deemed inappropriate.

Confidentiality and anonymity

64. The best way to raise a concern is to do so openly, as this makes it easier for the LEP to investigate and provide feedback.

65. Any disclosures made under this procedure will be treated in a sensitive manner. However the LEP recognises that the Discloser may want to raise a concern in confidence, i.e. they may want to raise a concern on the basis that their name is not revealed without their consent.

66. The LEP will respect any request for confidentiality as far as possible, restricting it to a 'need to know' basis. However, if the situation arises where it is not possible to resolve the concern without revealing the Discloser (for example in matters of criminal law), the LEP will advise them before proceeding. The same considerations of confidentiality should be afforded to the recipient(s) at the centre of the concern, as far as appropriate.

67. The LEP always encourages potential Disclosers to speak up about potential serious wrongdoing in a way that they feel comfortable. Disclosers may choose to raise concerns anonymously, i.e. without providing their name at all. If this is the case, the investigation itself may serve to reveal the source of information. Disclosers are therefore encouraged, where possible to put their names to concerns raised. When anonymous concerns are raised, they will be treated as credible and investigated so far as possible.



Protection

68. If a concern is raised in the reasonable belief that it is in the public interest and procedures have been followed correctly, the Discloser raising the concern will be protected by the terms of this policy and, where applicable, by whistleblowing legislation (see gov.uk for more information on who is covered by whistleblowing legislation). Where a Discloser has been victimised for raising a concern, the LEP concerned will take appropriate action against those responsible, in line with the LEP's disciplinary policy and procedures.

Changes to procedures or policy as a result of whistleblowing

69. If changes are made to LEP policies and processes as result of whistleblowing investigations, the LEP will publicise the changes as appropriate, taking into consideration the importance of protecting the anonymity and confidentiality of individuals.

Untrue allegations

70. If a Discloser makes an allegation but it is not confirmed by the investigation, no action will be taken against them. However, if a malicious or vexatious allegation is made without good reason to: cause trouble; for personal gain; or to discredit the LEP an investigation may take place. Where the Discloser is an employee or a LEP Board Member or a contractor this may result in disciplinary or other action if they have broken the terms of their employment, acted against the LEP Code of Conduct or broken a clause in a contract.

How this matter can be taken forwards if you are not satisfied

71. This procedure is intended to provide Disclosers with an avenue to raise legitimate concerns. If you are either unable to raise the matter with the LEP or you are dissatisfied with the action taken you can report it directly to the Cities and Local Growth Unit in the Department of Communities and Local Government and the Department of Business Energy and Industrial Strategy, at the following email address: LEPPolicy@communities.gsi.gov.uk or by writing to: LEP Policy Deputy Director, Cities and Local Growth Unit, Fry Block, 2 Marsham Street, London, SW1P 4DF. You should clearly mark your email or letter as "Official - whistleblowing".

72. In addition, if you are either unable to raise the matter with the LEP or



you are dissatisfied with the action taken you may consider raising it with:

- The police
- The relevant regulatory body or professional body
- Your Trade Union
- Your solicitor
- Your Citizens Advice Bureau

Further information and signposting for potential Disclosers is available on www.gov.uk.

73. If a Discloser does take the matter outside the LEP, to an external body, they should ensure they do not disclose information that is confidential, for example, if you are an employee your contract of employment may set out expectations of your regarding what is confidential.

Feedback on Whistleblowing Policy

74. Any feedback or comments on this policy should be directed to the LEP's Responsible Officer.



Chapter Four:

Example Code of Conduct

DCLG NED Review Recommendation:

The current National Assurance Framework already has a requirement for LEPs to have a code of conduct, which all board members and staff sign up to, but the review recommends that the Nolan Principles of public life should explicitly be adopted as the basis for this code.

[*\(Review into Local Enterprise Partnership Governance and Transparency; page 7\)*](#)

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Introduction to example Code of Conduct

75. The Example Code of Conduct has been written with LEP Board Members in mind, LEPs should ensure that LEP staff sign up to a similar code of conduct based on the Nolan Principles.
76. The section ‘Registering and declaring pecuniary and non-pecuniary interests’ should be read in conjunction with chapter five: register of interest policy. All Board Members and staff must sign up to a LEP’s Code of Conduct and a copy of the code should be published on the LEP website by 28 February 2018.
77. If a LEP does not adopt the example set out in this document, the LEP must ensure that their arrangements guarantee the same level of transparency.

Example Code of Conduct for LEP Board Members

78. You are a Board Member of the [name] Local Enterprise Partnership and hence you shall have regard to the following principles – selflessness, integrity, objectivity, accountability, openness, honesty and leadership in your conduct at all times.
79. Accordingly, when acting in your capacity as a Board Member of [name] Local Enterprise Partnership:
- You must act in a manner consistent with your LEP’s equality and diversity strategy and treat your fellow Board Members, members of staff and others you come into contact with when working in their role with respect and courtesy at all times.
 - You must act solely in the public interest and should never improperly confer an advantage or disadvantage on any person or act to gain financial or other material benefits for yourself, your family, a friend or close associate.
 - You must not place yourself under a financial or other obligation to outside individuals or organisations that might be reasonably regarded to influence you in the performance of your official duties.



- When carrying out your LEP duties you must make all choices, such as making appointments, awarding contracts or recommending individuals for rewards or benefits, based on evidence.
- You are accountable for your decisions and you must co-operate fully with whatever scrutiny is appropriate to your position. You must be as open as possible about both your decisions and actions and the decisions and actions of the LEP. In addition, you should be prepared to give reasons for those decisions and actions.
- You must declare any private interests, both pecuniary and non-pecuniary, including membership of any Trade Union, political party or local authority that relates to your LEP duties. Furthermore, you must take steps to resolve any conflicts arising in a way that protects the public interest. This includes registering and declaring interests in a manner conforming with the procedures set out in the section 'Registering and declaring pecuniary and non-pecuniary interests'.
- You must, when using or authorising the use by others of the resources of your LEP, ensure that such resources are not used improperly for political or personal purposes (including party political purposes).
- You must promote and support high standards of conduct when serving in your LEP post, in particular as characterised by the above requirements, by leadership and example.

Registering and declaring pecuniary and non-pecuniary interests

80. You must, within 28 days of taking office as a Board Member or co-opted, notify your LEP Chief Executive and Accountable Body's S151/S73 Officer of any disclosable pecuniary interest¹, where the pecuniary interest is yours, your spouse's or civil partner's, or is the pecuniary interest of somebody with whom you are living with as a spouse, or as if you were civil partners.
81. In addition, you must, within 28 days of taking office, notify your LEP Chief Executive and Accountable Body's S151/ S73 Officer of any non-pecuniary interest¹ which your LEP has decided should be included in the register or which you consider should be included if you are to fulfil your duty to act in conformity with the Seven Principles of Public Life. These non-pecuniary interests will necessarily include your membership of any Trade Union.



82. Board members should review their individual register of interest before each board meeting and decision making committee meeting. If an interest has not been entered onto the LEP's register, then the member must disclose the interest at any meeting of the LEP at which they are present, where they have a disclosable interest in any matter being considered and where the matter is not a 'sensitive interest'¹.

83. Following any disclosure of an interest not on the LEP register or the subject of pending notification, you must notify the LEP Chief Executive and S151/S73 Officer of the interest within 28 days beginning with the date of disclosure.

84. Unless dispensation has been granted, you may not participate in any discussion of, vote on, or discharge any function related to any matter in which you have a pecuniary interest. Additionally, you must observe the restrictions your LEP places on your involvement in matters where you have a pecuniary or non pecuniary interest as defined by your LEP.

¹ For the purposes of this guidance, we are using the definition of a pecuniary interest as set out in the [Localism Act 2011](#) and The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012.

² A Non-Pecuniary interest is any interest which is not listed in the [Schedule to The Relevant Authorities \(Disclosable Pecuniary Interests\) Regulations 2012 \(No.1464\)](#).

³ A 'sensitive interest' is described in the [Localism Act 2011](#) as a member or co-opted member of an authority having an interest, and the nature of the interest being such that the member or co-opted member, and the authority's monitoring officer, consider that disclosure of the details of the interest could lead to the member or co-opted member, or a person connected with the member or co-opted member, being subject to violence or intimidation.



Chapter Five:

Register of Interests

DCLG NED Review Recommendation:

It is therefore recommended that the Department sets out specific requirements on the principles which each LEP must incorporate into its conflicts of interest policy and how it is implemented which includes:

- All board members taking personal responsibility for declaring their interests and avoiding perceptions of bias. This should be evidenced by producing and signing of their register of interests and publication on the website.
- Use of a bespoke proforma for collection and publication of the information which ensures all categories of interest are systematically considered.
- Categories of interest to include employment, directorships, significant shareholdings, land and property, related party transactions, membership of organisations, gifts and hospitality, sponsorships. Interests of household members to also be considered.
- Action in response to any declared interests applies to any involvement with the work of the LEP and is to be recorded.

([Review into Local Enterprise Partnership Governance and Transparency](#); page 9)



Introduction to Register of Interests

85. This register should be used in conjunction with the section 'Registering and declaring pecuniary and non-pecuniary interests' in chapter four, which provides further guidance on the processes LEPs should adopt to declare interests. LEPs **must** adopt this register of interests and publish an up-to-date register for each Board Member on the LEP website by the 28 February 2018.

86. Actions undertaken by the LEP in response to the declaration of interests must be recorded. LEPs should ensure that senior members of staff or those staff involved in advising on decisions should also complete this form and report interests.

87. LEPs must ensure that all Board Members fill in this register of interest form, regardless of whether they have already completed a conflict of interest or register of interest declaration for a different role e.g. local councillor.

88. The Department would like to thank Cheshire and Warrington LEP for providing the basis of this register.



[NAME] Local Enterprise Partnership: Register of Members' Interests

April 2017 to March 2018

As a Board Member/Co-opted Member of the [NAME] Local Enterprise Partnership (LEP), I declare that I have the following disclosable pecuniary and/or non-pecuniary interests. *(Please state 'None' where appropriate, do not leave any boxes blank).*

NOTIFICATION OF CHANGE OF CIRCUMSTANCES

Each Board Member shall review their individual register of interests before each board meeting and decision making committee meeting, submitting any necessary revisions to the LEP and S151/S73 Officer at the start of the meeting.

Even if a meeting has not taken place a Member must, within 28 days of becoming aware of any change to the interests specified below, provide written notification to the LEP and S151/S73 Officer, of that change.



***SPOUSE/PARTNER** – In the notice below my spouse or partner means anyone who meets the definition in the [Localism Act](#), i.e. my spouse or civil partner, or a person with whom I am living as a spouse or a person with whom I am living as if we are civil partners, and I am aware that that person has the interest having carried out a reasonable level of investigation. Where your spouse or partner has recently been involved in any activity which would have been declarable, this should be mentioned, with the date the activity ended.

SECTION 1	ANY EMPLOYMENT, OFFICE, TRADE, PROFESSION OR VOCATION CARRIED ON FOR PROFIT OR GAIN	MYSELF	SPOUSE/PARTNER*
1.1	Name of: <ul style="list-style-type: none">- your employer(s)- any business carried on by you- any other role in which you receive remuneration (this includes remunerated roles such as councillors)		
1.2	Description of employment or business		



	activity		
1.3	The name of any firm in which you are a partner.		
1.4	The name of any company for which you are a remunerated director		
SECTION 2	SPONSORSHIP	MYSELF	SPOUSE/PARTNER
2.1	<p>Any financial benefit obtained (other than from the LEP) which is paid as a result of carrying out duties as a Member.</p> <p>This includes any payment or financial benefit from a Trade Union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992 (a)</p>		
SECTION 3	CONTRACTS	MYSELF	SPOUSE/PARTNER



	Any contract for goods, works or services with the LEP which has not been fully discharged by any organisation named at 1.1.		None
	Any contract for goods, works or services entered into by any organisation named at 1.1 where either party is likely to have a commercial interest in the outcome of the business being decided by the LEP in the forthcoming meeting.		
SECTION 4	LAND OR PROPERTY	MYSELF	SPOUSE/PARTNER
	Any beneficial interest you or any organisation listed at 1.1 may have in land or property which is likely to be affected by a decision made by the LEP in the forthcoming meeting. This would include, within the area of the		



	<p>LEP:</p> <ul style="list-style-type: none">○ Any beneficial interest in any land in the LEP areas, including your place(s) of residency○ Any tenancy where the landlord is the LEP and the tenant is a body in which relevant person has a beneficial interest○ Any licence for a month or longer to occupy land owned by the LEP <p>For property interests, please state the first part of the postcode and the Local Authority where the property resides. If you own/lease more than one property in a single postcode area, please state this.</p>		
SECTION 5	SECURITIES	MYSELF	SPOUSE/PARTNER
5.1	<p>Any beneficial interest in securities of an organisation under 1.1 where:-</p> <p>(a) that body (to my knowledge) has a place of business or land in the area of the LEP; and</p>		



	<p>(b) either –</p> <p>(i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or</p> <p>(ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which has a beneficial interest exceeds one hundredth of the total issued share capital of that class.</p>		
SECTION 6	GIFTS AND HOSPITALITY	MYSELF	SPOUSE/PARTNER
	Any gifts and/or hospitality received as a result of membership of the LEP (above the value of £25)		



OTHER INTERESTS

Membership of Organisations

I am a member of, or I am in a position of general control, a trustee of, or participate in the management of:

1. Any body to which I have been appointed or nominated by the LEP:

--

2. Any body exercising functions of a public nature (eg school governing body or another LEP):

--

3. Any body directed to charitable purposes:

--



4. Any body, one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union):

--

5. Any local authority (please state any interests you hold as LA leaders/cabinet members for LA land, resources and the LA's commercial interests):

--

6. Any other interest which I hold which might reasonably be likely to be perceived as affecting my conduct or influencing my actions in relation to my role.

--



MEMBER'S DECLARATION AND SIGNATURE

I confirm that having carried out reasonable investigation, the information given above is a true and accurate record of my relevant interests, given in good faith and to the best of my knowledge;

Date	
Member's Name <i>(Capitals – in full)</i>	
Signature	



HM Government

RECEIPT BY LEP

Date received by the LEP	
Signature of LEP Chief Executive	

RECEIPT BY S151/S73 OFFICER

Date received by the S151/S73 Officer	
Signature of S151/S73 Officer	

Confidential reporting of complaints

The Lancashire Enterprise Partnership (LEP) is committed to creating a work environment with the highest possible standards of openness, probity and accountability. In view of this commitment we encourage employees and others with serious concerns about any aspect of the LEP's work to come forward and voice those concerns without fear of reprisal. For employees and those working closely with the LEP, please follow the whistleblowing policy on our website [\[Insert hyperlink to whistleblowing procedure\]](#). For third parties and members of the public, please follow the confidential complaints procedure outlined below.

If a member of the public or third party believes that their complaint fits the description below, they may report their concerns through the whistleblowing policy procedure [\[Insert hyperlink to whistleblowing procedure\]](#).

Whistleblowing - where an individual who has concerns about a danger, risk, contravention of rules or illegality provides useful information to address this. In doing so they are acting in the wider public interest, usually because it threatens others or impacts on public funds. By contrast, a grievance or private complaint is a dispute about the individuals own position and has no or very limited public interest.

Confidentiality

If a member of the public or a third party wants to make a confidential complaint or raise a concern, it will be treated in confidence and every effort will be made to protect the person's identity if they wish to remain anonymous. The LEP will investigate all complaints or allegations.

Anonymous allegations

The LEP takes all complaints and concerns raised by members of the public and third parties seriously. We will investigate anonymous allegations but remind complainants that when people put their names to an allegation the ability to investigate and therefore reach firm conclusions is strengthened. Concerns expressed anonymously will be considered at the discretion of the LEP. When exercising this discretion the factors to be taken into account would include:

- the seriousness of the issue raised;
- the credibility of the concern; and
- the likelihood of confirming the allegation from attributable sources.

The Department of Communities and Local Government may request information arising from this process if they have concerns regarding a LEP or have been approached with similar complaints. The expectation is that this information will be provided on an anonymous basis, but it may be necessary to provide personal details to progress a complaint.

Where details are gathered, the LEP will put in place appropriate data protection arrangements in line with the Data Protection Act 1998.

Confidential Complaints Procedure

The LEP is aware that the organisation's ordinary complaints procedure may not be suitable if someone wants the complaint to remain confidential. If you would like to make a confidential complaint please write or email to:

Laura Sales, Company Secretary, Lancashire Enterprise Partnership
C/O Lancashire County Council
Legal and Democratic Services
Christ Church Precinct
Preston
PR1 8XJ

Email: enquiries@lancashirelep.co.uk

State that you want the complaint to remain confidential.

Action taken by the LEP

The designated complaints officer will raise your concern and investigate the complaint. You can expect the officer to:

- Contact you within 10 working days to acknowledge the complaint and discuss the appropriate course of action.
- Write to you within 28 working days with findings of the investigation. If the investigation has not concluded within 28 working days, the officer will write to you to give reasons for the delay in resolving the complaint.
- Take the necessary steps to rectify the issue.

If you are unhappy with the outcome of the complaint or the complaint involves those responsible for the confidential complaints procedure:

You can escalate your concerns through the LEP's Accountable Body, Lancashire County Council, through their complaints procedure which can be accessed here <http://www.lancashire.gov.uk/council/get-involved/compliments-comments-complaints.aspx>

Lancashire County Council has its own confidentiality procedures.

If you are either unable to raise the matter with the LEP or you are dissatisfied with the action taken you can report it direct to the Cities and Local Growth Unit in the Department of Communities and Local Government and the Department of Business, Energy and Industrial Strategy, at the following email address: LEPPolicy@communities.gsi.gov.uk or by writing to LEP Policy Deputy Director, Cities and Local Growth Unit, Fry Block, 2 Marsham

Street, London, SW1P 4DF. You should clearly mark your email or letter as “Official - complaints”.

Lancashire Enterprise Partnership - Whistleblowing Policy

Introduction

A Discloser is the person who is the whistle-blower. They might be an employee, a LEP Board Member, a contractor or a third party.

This procedure outlines the process to follow for a Discloser when reporting a perceived wrongdoing within the LEP, including something they believe goes against the core values of Standards in Public Life (the Nolan Principles) and the Code of Conduct for LEP Board Members and staff. The Standards in Public Life include the principles of; integrity, honesty, objectivity, accountability, openness, honesty, leadership and impartiality.

In particular LEP Board Members, as the key decision makers of the LEP, have a right and a responsibility to speak up and report behaviour that contravenes these values.

It is important that this procedure is followed when raising any concerns, to ensure that the matter is dealt with correctly.

Definitions

This document uses the following definitions:

- *Whistleblowing* - where an individual who has concerns about a danger, risk, contravention of rules or illegality provides useful information to address this. In doing so they are acting in the wider public interest, usually because it threatens others or impacts on public funds. By contrast, a grievance or private complaint is a dispute about the individuals own position and has no or very limited public interest.
- *The LEP* – The Lancashire Enterprise Partnership
- *Discloser* – this is the person who is the whistle-blower. They might be an employee, a LEP Board Member, a contractor or a third party.
- *Responsible Officer* - this is the person, appointed by the LEP Board, with overall responsibility for maintaining and operating this whistleblowing policy. They will maintain a record of concerns raised and the outcomes (but will do so in a form that does not endanger confidentiality) and will report as necessary to the LEP Director of Economic Development and the LEP Board. Their name is *[insert]* and their contact details are *[insert email, phone and office address]*. If the concern relates to the Responsible Officer then in the alternative the concern should be raised with *[Insert name and contact details]*.
- *Relevant Concern* – something the Discloser has been asked to do, or is aware of which they consider to be wrong-doing and is in the public interest.

Scope

The LEP is committed to creating a work environment with the highest possible standards of openness, probity and accountability. In view of this commitment, we encourage Disclosers with serious concerns about the work of the LEP to come forward and voice their concerns without fear of reprisal.

Disclosers should note that where the concern is one that might fall under the LEP's staff or work force policies on equality and diversity or harassment and bullying or other staff policies, they should consider using the reporting mechanisms for those other policies first, the LEP's Accountable Body is Lancashire County Council and procedures relating to reporting any of those matters should be reported to the County Council via the Lancashire County Council Complaints website here: <http://www.lancashire.gov.uk/council/get-involved/compliments-comments-complaints.aspx>

The LEP has a pre-existing complaints procedure that in many cases will be more appropriate for third parties or members of the public to follow. Third parties or members of the public should review the separate confidential complaints procedure outlined in the LEPs complaints policy *[insert LEP website hyperlink]* on the LEP's website first before going through the whistleblowing process.

However, if a member of the public or third party believes that their complaint fits the description of a 'relevant concern' outlined below, they may report their concerns through the whistleblowing policy procedure.

Policy Statement

The LEP acknowledges that Disclosers may often be the first people to realise that there may be something seriously wrong within the organisation.

This policy aims to:

- Encourage people to feel confident about raising serious concerns and to question and act upon their concerns without fear of victimisation or harassment;
- Provide avenues for Disclosers to raise those concerns and receive feedback on any action taken;
- Allow Disclosers to take the matter further if they are dissatisfied with the LEP's response; and
- Reassure all Disclosers, employees in particular who may have specific concerns about their position and employment status in the LEP, that they will be protected from possible reprisals or victimisation if they have a reasonable belief that they have made any disclosure in the public interest.

What is a relevant concern?

If a Discloser is asked to do something, or is aware of the actions of another, which they consider to be wrongdoing, they can raise it using this procedure. The Discloser must have a reasonable belief that raising the concern is in the public interest.

A Discloser may decide to raise a concern under the whistleblowing policy if they are aware of a situation that they feel:

- is against the LEP's procedures and protocols as set out in its code of conduct and LEP Assurance Framework;
- falls below established standards of practice the LEP subscribes to;
- amounts to improper conduct; or
- is an abuse of power for personal gain.

The types of matters regarded as a relevant concern for the purpose of this procedure include, but are not limited to, the following:

- Fraud or financial irregularity
- Corruption, bribery or blackmail
- Other Criminal offences
- Failure to comply with a legal or regulatory duty or obligation
- Miscarriage of justice
- Endangering the health or safety of any individual
- Endangering the environment
- Improper use of authority
- Concealment of any of the above.

Disclosers should not raise malicious or vexatious concerns, nor should they raise knowingly untrue concerns. In addition, this procedure should not be used to raise concerns of a HR/personal nature, for example, complaints relating to a management decision or terms and conditions of employment. These matters should be dealt with using the relevant alternative procedure, for example, the LEP grievance procedure. Equally, this policy would not apply to matters of individual conscience where there is no suggestion of wrongdoing by the LEP but, for example, an employee or LEP Board Member is required to act in a way which conflicts with a deeply held personal belief.

Safeguards

The Public Interest Disclosure Act (1999) gives legal protection to employees against being dismissed or penalised by their employers as a result of publicly disclosing certain serious concerns. The LEP believes that no member of staff should be at a disadvantage because they raise a legitimate concern.

The LEP will not tolerate harassment or victimisation and will take action to protect Disclosers when they raise a concern in the public interest.

Raising a concern

If a Discloser experiences something in the workplace which they consider a relevant concern, it is important that the concern is raised as early as possible. Proof is not required at this point – it is for the LEP to investigate. The Discloser must, however, have a reasonable belief that disclosing the information is in the public interest before raising a concern.

All concerns will be treated in confidence and every effort will be made to protect the Discloser's identity if they wish to remain anonymous. However, at the appropriate time, it is possible that the Discloser will need to come forward as a witness for the matter to progress.

It is important to follow the correct procedure when raising a whistleblowing concern. The following steps should be adhered to:

- a. It is important that the concern is raised with the person best placed to deal with the matter, in most cases this will be the Responsible Officer. However, the Discloser may want to raise the concern with someone they know and trust, such as their line manager who can raise it with the Responsible Officer on their behalf.
- b. If it is suspected that the concern may implicate the line manager in some way, then it could be raised with a more senior manager in the line management chain.

- c. If the Discloser is unable to raise a relevant concern with a line manager or a senior manager or feel that it has not been adequately addressed, it should be raised directly with the Responsible Officer.
- d. Ultimately, the Discloser can raise their concern with the LEP via the Responsible Officer, the Company Secretary using the following contact details:

Laura Sales, Company Secretary, Lancashire Enterprise Partnership
C/O Lancashire County Council
Legal and Democratic Services
Christ Church Precinct
Preston
PR1 8XJ

Email: enquiries@lancashirelep.co.uk

Information needed to raise a concern

When raising a concern under the procedure the Discloser should try to provide the following information:

- the background and reason behind the concern
- whether they have already raised a concern with anyone and the response
- any relevant dates when actions related to the concern took place.

This information should demonstrate that there are reasonable grounds for the concern to be acted upon. It is important that matters are not investigated by the Discloser themselves.

If applicable, personal interests must be declared from the outset.

How the concern will be handled

All investigations will be conducted sensitively and as quickly as possible. While the LEP cannot guarantee that the outcome will be as the Discloser may wish, it will handle the matter fairly and in accordance with this procedure.

Once a concern has been raised with the Responsible Officer, a meeting may be arranged with relevant staff members to determine how the concern should be taken forward.

The LEP may decide to take the matter forward by a number of methods, including:

- An internal inquiry or other formal investigation
- An internal or external audit
- Referring the matter to the police
- Referring the matter to another relevant authority for investigation.

Before a final decision is taken on how to proceed, or as part of the investigation, the Discloser may be asked to meet with those investigating their allegation.

If a meeting is arranged, the Discloser may wish to be accompanied by a trade union representative, colleague or friend. The person who accompanies the Discloser should not be involved or have a

direct interest in the area of work to which the concern relates. The meeting can be conducted over the telephone rather than face to face.

Within 10 working days of a concern being raised, the LEP's Responsible Officer will write to the Discloser to:

- Acknowledge that the concern has been received
- Indicate how they propose to deal with the matter
- Give an estimate of how long it will take to provide a final response
- Tell the Discloser whether any initial investigation or enquiry has been made
- Tell the Discloser whether further investigation will be made, and if not, why not.
- Tell the Discloser how frequently the LEP will keep them up to date on progress of the investigation.

The amount of contact between the LEP and the Discloser concerned will vary, depending on the concern raised, any difficult issues and any further clarity required. If necessary, the LEP will seek further information from the Discloser.

The LEP will confirm when the matter is concluded and, if appropriate, the outcome of the investigation, maintaining security and confidentiality for all parties as far as possible.

Throughout any investigation, the Discloser will still be expected to continue their duties/role as normal unless deemed inappropriate.

Confidentiality and anonymity

The best way to raise a concern is to do so openly, as this makes it easier for the LEP to investigate and provide feedback.

Any disclosures made under this procedure will be treated in a sensitive manner. However the LEP recognises that the Discloser may want to raise a concern in confidence, i.e. they may want to raise a concern on the basis that their name it is not revealed without their consent.

The LEP will respect any request for confidentiality as far as possible, restricting it to a 'need to know' basis. However, if the situation arises where it is not possible to resolve the concern without revealing the Discloser (for example in matters of criminal law), the LEP will advise them before proceeding. The same considerations of confidentiality should be afforded to the recipient(s) at the centre of the concern, as far as appropriate.

The LEP always encourages potential Disclosers to speak up about potential serious wrongdoing in a way that they feel comfortable. Disclosers may choose to raise concerns anonymously, i.e. without providing their name at all. If this is the case, the investigation itself may serve to reveal the source of information. Disclosers are therefore encouraged, where possible to put their names to concerns raised. When anonymous concerns are raised, they will be treated as credible and investigated so far as possible.

Protection

If a concern is raised in the reasonable belief that it is in the public interest and procedures have been followed correctly, the Discloser raising the concern will be protected by the terms of this policy and, where applicable, by whistleblowing legislation (see gov.uk for more information on who is covered by whistleblowing legislation). Where a Discloser has been victimised for raising a

concern, the LEP concerned will take appropriate action against those responsible, in line with the LEP's disciplinary policy and procedures.

Changes to procedures or policy as a result of whistleblowing

If changes are made to LEP policies and processes as result of whistleblowing investigations, the LEP will publicise the changes as appropriate, taking into consideration the importance of protecting the anonymity and confidentiality of individuals.

Untrue allegations

If a Discloser makes an allegation but it is not confirmed by the investigation, no action will be taken against them. However, if a malicious or vexatious allegation is made without good reason to: cause trouble; for personal gain; or to discredit the LEP an investigation may take place. Where the Discloser is an employee or a LEP Board Member or a contractor this may result in disciplinary or other action if they have broken the terms of their employment, acted against the LEP Code of Conduct or broken a clause in a contract.

How this matter can be taken forwards if you are not satisfied

This procedure is intended to provide Disclosers with an avenue to raise legitimate concerns. If you are either unable to raise the matter with the LEP or you are dissatisfied with the action taken you can report it directly to the Cities and Local Growth Unit in the Department of Communities and Local Government and the Department of Business Energy and Industrial Strategy, at the following email address: LEPPolicy@communities.gsi.gov.uk or by writing to: LEP Policy Deputy Director, Cities and Local Growth Unit, Fry Block, 2 Marsham Street, London, SW1P 4DF. You should clearly mark your email or letter as "Official - whistleblowing".

In addition, if you are either unable to raise the matter with the LEP or you are dissatisfied with the action taken you may consider raising it with:

- The police
- The relevant regulatory body or professional body
- Your Trade Union
- Your solicitor
- Your Citizens Advice Bureau

Further information and signposting for potential Disclosers is available on www.gov.uk.

If a Discloser does take the matter outside the LEP, to an external body, they should ensure they do not disclose information that is confidential, for example, if you are an employee your contract of employment may set out expectations of your regarding what is confidential.

Feedback on Whistleblowing Policy

Any feedback or comments on this policy should be directed to the LEP's Responsible Officer.

Code of Conduct for Lancashire Enterprise Partnership (LEP) Board Members

You are a Board Member of the Lancashire Enterprise Partnership (LEP) and hence you shall have regard to the following principles – selflessness, integrity, objectivity, accountability, openness, honesty and leadership in your conduct at all times, full details on these principles, referred to as the "Nolan" principles are available in the LEP Assurance Framework which can be found here: <http://www.lancashirelep.co.uk/about-us/about-the-lep/lep-assurance-framework.aspx>

Accordingly, when acting in your capacity as a Board Member of the Lancashire Enterprise Partnership:

- You must act in a manner consistent with the LEP's equality and diversity strategy and treat your fellow Board Members, members of staff and others you come into contact with when working in their role with respect and courtesy at all times.
- You must act solely in the public interest and should never improperly confer an advantage or disadvantage on any person or act to gain financial or other material benefits for yourself, your family, a friend or close associate.
- You must not place yourself under a financial or other obligation to outside individuals or organisations that might be reasonably regarded to influence you in the performance of your official duties.
- When carrying out your LEP duties you must make all choices, such as making appointments, awarding contracts or recommending individuals for rewards or benefits, based on evidence.
- You are accountable for your decisions and you must co-operate fully with whatever scrutiny is appropriate to your position. You must be as open as possible about both your decisions and actions and the decisions and actions of the LEP. In addition, you should be prepared to give reasons for those decisions and actions.
- You must declare any private interests, both pecuniary and non-pecuniary, including membership of any Trade Union, political party or local authority that relates to your LEP duties. Furthermore, you must take steps to resolve any conflicts arising in a way that protects the public interest. This includes registering and declaring interests in a manner conforming with the procedures set out in the section 'Registering and declaring pecuniary and non-pecuniary interests'.
- You must, when using or authorising the use by others of the resources of the LEP, ensure that such resources are not used improperly for political or personal purposes (including party political purposes).
- You must promote and support high standards of conduct when serving in your LEP post, in particular as characterised by the above requirements, by leadership and example.

Registering and declaring pecuniary and non-pecuniary interests

You must, within 28 days of taking office as a Board Member or co-opted, notify your LEP Company Secretary and Accountable Body's Section 151 Officer of any disclosable pecuniary interest¹, where the pecuniary interest is yours, your spouse's or civil partner's, or is the pecuniary interest of somebody with whom you are living with as a spouse, or as if you were civil partners.

In addition, you must, within 28 days of taking office, notify the LEP Company Secretary and the Accountable Body's Section 151 Officer of any non-pecuniary interest² which the LEP has decided should be included in the register or which you consider should be included if you are to fulfil your duty to act in conformity with the Seven Principles of Public Life (The Nolan Principles). These non-pecuniary interests will necessarily include your membership of any Trade Union.

Board members should review their individual register of interest before each board meeting and decision making committee meeting. If an interest has not been entered onto the LEP's register, then the member must disclose the interest at any meeting of the LEP at which they are present, where they have a disclosable interest in any matter being considered and where the matter is not a 'sensitive interest'³.

Following any disclosure of an interest not on the LEP register or the subject of pending notification, you must notify the LEP Company Secretary and Section 151 Officer of the interest within 28 days beginning with the date of disclosure.

Unless dispensation has been granted, you may not participate in any discussion of, vote on, or discharge any function related to any matter in which you have a pecuniary interest. Additionally, you must observe the restrictions your LEP places on your involvement in matters where you have a pecuniary or non pecuniary interest as defined by the LEP.

Footnote

1 For the purposes of this guidance, we are using the definition of a pecuniary interest as set out in the [Localism Act 2011](#) and The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012.

2 A Non-Pecuniary interest is any interest which is not listed in the [Schedule to The Relevant Authorities \(Disclosable Pecuniary Interests\) Regulations 2012 \(No.1464\)](#).

3 A 'sensitive interest' is described in the [Localism Act 2011](#) as a member or co-opted member of an authority having an interest, and the nature of the interest being such that the member or co-opted member, and the authority's monitoring officer, consider that disclosure of the details of the interest could lead to the member or co-opted member, or a person connected with the member or co-opted member, being subject to violence or intimidation.

I agree to adhere to this code of conduct

Signed

Print Name

Lancashire Local Enterprise Partnership: Register of Members' Interests

January 2018 to April 2019

As a Board Member/Co-opted Member of the Lancashire Local Enterprise Partnership (LEP), I declare that I have the following disclosable pecuniary and/or non-pecuniary interests. (Please state 'None' where appropriate, do not leave any boxes blank).

NOTIFICATION OF CHANGE OF CIRCUMSTANCES

Each Board Member shall review their individual register of interests before each board meeting and decision making committee meeting, submitting any necessary revisions to the LEP and S151/S73 Officer at the start of the meeting.

Even if a meeting has not taken place a Member must, within 28 days of becoming aware of any change to the interests specified below, provide written notification to the LEP and S151/S73 Officer, of that change.

*SPOUSE/PARTNER – In the notice below my spouse or partner means anyone who meets the definition in the [Localism Act](#), i.e. my spouse or civil partner, or a person with whom I am living as a spouse or a person with whom I am living as if we are civil partners, and I am aware that that person has the interest having carried out a reasonable level of investigation. Where your spouse or partner has recently been involved in any activity which would have been declarable, this should be mentioned, with the date the activity ended.

SECTION 1	ANY EMPLOYMENT, OFFICE, TRADE, PROFESSION OR VOCATION CARRIED ON FOR PROFIT OR GAIN	MYSELF	SPOUSE/PARTNER*
1.1	Name of: - your employer(s) - any business carried on by you - any other role in which you receive remuneration (this includes remunerated roles such as councillors)		
1.2	Description of employment or business activity		

1.3	The name of any firm in which you are a partner.		
1.4	The name of any company for which you are a remunerated director		
SECTION 2	SPONSORSHIP	MYSELF	SPOUSE/PARTNER
	Any financial benefit obtained (other than from the LEP) which is paid as a result of carrying out duties as a Member. This includes any payment or financial benefit from a Trade Union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992 (a)		
SECTION 3	CONTRACTS	MYSELF	SPOUSE/PARTNER
3.1	Any contract for goods, works or services with the LEP which has not been fully discharged by any organisation named at 1.1.		
3.2	Any contract for goods, works or services entered into by any organisation named at 1.1 where either party is likely to have a commercial interest in the outcome of the business being decided by the LEP in the forthcoming meeting.		
SECTION 4	LAND OR PROPERTY	MYSELF	SPOUSE/PARTNER
	Any beneficial interest you or any organisation listed at 1.1 may have in land or property which is likely to be affected by a decision made by the LEP in the forthcoming meeting. This would include, within the area of the LEP:		

	<ul style="list-style-type: none"> Any beneficial interest in any land in the LEP areas, including your place(s) of residency Any tenancy where the landlord is the LEP and the tenant is a body in which relevant person has a beneficial interest Any licence for a month or longer to occupy land owned by the LEP <p>For property interests, please state the first part of the postcode and the Local Authority where the property resides. If you own/lease more than one property in a single postcode area, please state this.</p>		
SECTION 5	SECURITIES	MYSELF	SPOUSE/PARTNER
	<p>Any beneficial interest in securities of an organisation under 1.1 where:-</p> <p>(a) that body (to my knowledge) has a place of business or land in the area of the LEP; and</p> <p>(b) either –</p> <p>(i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or</p> <p>(ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which has a beneficial interest exceeds one hundredth of the total issued share capital of that class.</p>		

SECTION 6	GIFTS AND HOSPITALITY	MYSELF	SPOUSE/PARTNER
	Any gifts and/or hospitality received as a result of membership of the LEP (above the value of £25)		

OTHER INTERESTS

Membership of Organisations

I am a member of, or I am in a position of general control, a trustee of, or participate in the management of:

1. Any body to which I have been appointed or nominated by the LEP:

2. Any body exercising functions of a public nature (eg school governing body or another LEP):

3. Any body directed to charitable purposes:

4. Any body, one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union):

5. Any local authority (please state any interests you hold as LA leaders/cabinet members for LA land, resources and the LA's commercial interests):

6. Any other interest which I hold which might reasonably be likely to be perceived as affecting my conduct or influencing my actions in relation to my role.

MEMBER'S DECLARATION AND SIGNATURE

I confirm that having carried out reasonable investigation, the information given above is a true and accurate record of my relevant interests, given in good faith and to the best of my knowledge;

Date	
Member's Name (Capitals – in full)	
Signature	

RECEIPT BY LEP

Date received by the LEP	
Signature of LEP Company Secretary	

RECEIPT BY S151/S73 OFFICER

Date received by the Section 151 Officer	
Signature of Section 151 Officer	

Annex 'X'

LEP Director and Committee Member Protocol on the Nolan Principles

Directors of the Lancashire Enterprise Partnership and all of its Committee Members shall comply with the Seven Principles of Public Life which are:

1. Selflessness

Holders of public office should act solely in terms of the public interest.

2. Integrity

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

3. Objectivity

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

4. Accountability

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

5. Openness

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

6. Honesty

Holders of public office should be truthful.

7. Leadership

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

For further information on the 7 principles and the work of the Committee on Standards in Public Life, visit the Committee's [website](#) and [blogsite](#).

Attendance protocol for LEP Directors and LEP Committee Members

Attendance at meetings is important. LEP Directors and Committee Members are expected to regularly attend meetings.

- (1) If LEP Directors or Committee Members miss three meetings in a row this will be reported by the Company Secretary to the County Council's Director of Economic Development and the Chair of the LEP Board. This may result in a LEP Director or Committee Member having their appointment reviewed, and, unless deemed to be extraordinary circumstances, could be removed from their post. This will be reviewed on a case-by-case basis.
- (2) In addition, overall attendance statistics will be reviewed by the Company Secretary on an annual basis. If a Director or Committee Members attendance within a period of one year falls below 50% this may also result in triggering the process set out at (1).

The Requirements of the Companies Act 2006 "Directors Duties"

In addition to the requirements placed on LEP Directors in this Assurance Framework it is important to note that the Lancashire Enterprise Partnership is a Private Limited Company and as such LEP Directors have additional requirements placed on them by the Companies Act 2006.

The Companies Act 2006 defines a number of general legal duties for directors of UK companies. Set out below is a brief summary of the main duties directors need to be aware of:

The duty to act within powers

Directors must act in accordance with the company's constitution (i.e. the articles of association and formal resolutions and decisions), and only exercise powers for the purposes for which they are conferred. A copy of the articles is included in this information pack.

The duty to promote the success of the company

Directors must act in a way which they consider, in good faith, will promote the success of the company in delivering its objects, having regard to:

- (a) the likely consequences of any decision in the long term;
- (b) the interests of the company's employees;
- (c) the need to foster the company's business relationships with suppliers, customers and others;
- (d) the impact of the company's operations on the community and the environment;
- (e) the desirability of the company maintaining a reputation for high standards of business conduct.

The duty to exercise independent judgement

Each director must exercise independent judgment in his or her decision making.

The duty to exercise reasonable care, skill, and diligence

Directors must exercise reasonable care, skill and diligence in their duties. The meaning of 'reasonable care, skill and diligence' is judged according to what may reasonably be

expected of a person carrying out the functions of director of that company. It is also judged according to the general knowledge, skill and experience of the individual director.

The duty to avoid conflicts of interest

Directors must avoid situations in which they could have a direct or indirect interest that conflicts with the interests of the company. This applies in particular to the exploitation of any property, information or opportunity (regardless of whether the company could take advantage of that property, information or opportunity). However, this duty is not infringed if the matter has been authorised by the board.

The duty not to accept benefits from third parties

Directors must not accept benefits from third parties unless the benefit cannot reasonably be regarded as likely to give rise to a conflict of interest.

A separate detailed Annex providing more details on directors' interests is included in this Assurance Framework.

If you require any further information or advice, please do not hesitate to contact:

Andy Milroy, Senior Democratic Services Officer, Email: andy.milroy@lancashire.gov.uk

Telephone: 01772 530354



Lancashire Enterprise Partnership Limited

Private and Confidential: NO

Tuesday, 30 January 2018

Growth Deal Funding Approvals

**Report Author: Kathryn Molloy, Tel: 01772 538790,
kathryn.molloy@lancashire.gov.uk**

Executive Summary

This report requests the Board's approval for the Darwen East Development Corridor project and requests that the Board grants Conditional Approval for the Preston Western Distributor project.

The report also seeks the Board's approval for additional funding of £2.200m to the Advanced Manufacturing Research Centre (AMRC) NW project and provides the Board with an update on the Health Innovation Campus project.

Recommendation

The Board is asked to:

- 1). Note the contents of this report;
- 2). Approve a Growth Deal funding allocation of up to £2.500m to the Darwen East Development Corridor project;
- 3). Grant Conditional Approval to the Preston Western Distributor project;
- 4). Approve additional funding of £2.200m from within Lancashire's Growth Deal programme to the Advanced Manufacturing Research Centre NW project; and
- 5). Receive an update on the Health Innovation Campus project.

Background and Advice

Lancashire's Growth Deal programme is worth £320m and is one of the largest Growth Deal programmes nationally. The programme has 44 identified projects, with 34 projects having received a LEP funding approval to date.

One project, the Darwen East Development Corridor, is now seeking a LEP funding approval. The project has been independently appraised and considered by



Transport for Lancashire at its meeting on 20 November. The independent appraisal for the scheme is available on request.

Darwen East Development Corridor

The Darwen East Development Corridor is a £3.320m project which has a £2.500m Growth Deal funding allocation. The project comprises a series of junction improvements together with a short length of new road on the eastern side of the town that will unlock land to enable the future development of new housing and improve access to local employment opportunities identified within Blackburn with Darwen Council's adopted Local Plan. The scheme will also provide improved access to the M65 for residents in South East Darwen.

In accordance with the LEP's Assurance Framework, Blackburn with Darwen Council has submitted a Strategic Outline Business Case for funding approval, which has been independently assessed by consultants Jacobs on behalf of the LEP.

Jacobs are satisfied that the project has been developed to the expected standard and recommend that funding approval be granted. The project is predicted to deliver very high value for money with a benefit to cost ratio of 7.85 and has the potential to generate a further £0.550m of wider economic benefits per annum, arising from the development of employment sites that the scheme will unlock. Scheme construction is expected to take place between February 2018 and March 2019.

On receiving the findings of the independent appraisal at its meeting on the 20 November, Transport for Lancashire recommended that the project's funding allocation of a maximum of £2.500m from Lancashire's Growth Deal be approved by the LEP Board.

Preston Western Distributor

The Preston Western Distributor comprises a new 4.3km dual carriageway road that will connect the A583 Preston to Blackpool road at Lea with the M55 at a new Junction 2 near Bartle.

The project, which has a Growth Deal funding allocation of £58.000m, is by far the largest scheme in the Lancashire Growth Deal programme and key to unlocking the North West Preston strategic housing location (circa 5,000 new homes). It will also improve access between the Enterprise Zone site at Warton and the Strategic Road Network as well as facilitating the construction of a new 'parkway' station at Cottam on the Preston to Blackpool North railway line, taking advantage of ongoing electrification and route upgrade work to provide rail-based park and ride opportunities to Preston/Manchester/Liverpool and Blackpool. The additional capacity will help alleviate peak hour congestion in Preston City Centre affecting east-west routes and facilitate the introduction of bus priority measures, public realm enhancements and improvements to prioritise and promote walking and cycling along existing road corridors.



The current projected outturn capital cost of the Preston Western Distributor as set out in the Outline Business Case is £161.600m; this is somewhat higher than the £104.500m reported at Programme Entry. The Programme Entry estimate was based on the best information available at the time and in advance of any site investigation or design work and excluded any adjustment for inflation. The scheme includes the construction of two major viaducts each 250m in length; one is particularly costly due to the extremely poor ground conditions identified through detailed geotechnical investigations and subsequent requirement for deep piling. There are additional costs for the diversion of the Hodder Aqueduct (crossed twice) and the risks associated with working in hazardous environments over waterways, railways and motorways.

The agreed capital contribution from the Local Growth Fund through the Lancashire Growth Deal remains fixed at £58.000m. Highways England has also confirmed its £25.000m contribution towards the cost of the new M55 Junction 2. The Preston, South Ribble and Lancashire City Deal will fund the balance. Also, to meet the requirements of Condition Approval and proceed to Full Business Case, the County Council has confirmed that it will underwrite the impact of any timing difference in relation to receipt of City Deal funding and any subsequent scheme cost increase. The current local contribution amounts to just under 50% of the total projected outturn cost.

Lancashire County Council, in its capacity as project sponsor, has submitted an Outline Business Case to the LEP for Conditional Approval. The consultants Atkins have undertaken an independent assessment of the Outline Business Case on behalf of the LEP with the findings presented to Transport for Lancashire for consideration at its meeting on 10 January.

The independent assessment concludes that the project has been developed to the expected standard in most areas and is predicted to deliver high value for money with a benefit to cost ratio of 2.29. It also has the potential to generate an additional £144m of GVA for the local economy over the 60 year evaluation period, principally through unlocked development.

However, Atkins have advised that a number of outstanding issues will need to be addressed as part of the Full Business Case submission, including securing the land required for construction of the scheme, finalising the target price with the contractor and undertaking further modelling work to comply with new Department for Transport guidance. Final 'sign-off' of the Full Business Case will also require the approval of the Secretary of State for Transport.

Based on the findings of the independent appraisal, Atkins have recommended that Conditional Approval be granted to enable the scheme to progress to Full Business Case submission in 2019. Transport for Lancashire concurred with Atkins' recommendation that the LEP Board grant the scheme Conditional Approval at its next meeting on 30th January.



Advanced Manufacturing Research Centre (AMRC) NW

At the last meeting of the LEP Board in November, a Growth Deal funding allocation of £15.000m was conditionally approved towards the AMRC NW project subject to a number of conditions which are currently being addressed with the scheme sponsor and officers of the LEP and the County Council. The Board also recommended up to a further £5.000m of Growth Deal funding to the project to support the delivery of a £20.000m as opposed to a £15.000m project, which would deliver the following outputs by 2021:

- 4,200 m² of research and development floor-space;
- 10 large companies engaged with to enable investment in major research activity to develop new products and processes;
- 200 enterprises receiving support to improve their productivity;
- 20 new products introduced to the market;
- 60 direct gross FTE jobs; and
- 2 new inward investors attracted to the Samlesbury Aerospace EZ.

The allocation of a further £5.000m of Growth Deal funding to the project was subject to the recommendation of the Growth Deal Management Board following its December meeting.

At the December meeting of the Growth Deal Management Board, the Board considered and agreed a process to redistribute any unallocated funding within the Growth Deal programme. The agreed approach is set out below:

1. First call would be given to those schemes within the current programme that had requested additional resource;
2. If no schemes were identified via that process, a second call would focus on priority 1 Growth Deal 3 schemes that had failed to secure an allocation;
3. If no schemes were identified via that process, a review of priority 2 and 3 Growth Deal 3 schemes would be undertaken to determine if any schemes were still a priority; and
4. After exhausting the existing pipeline, LEP Board approval would be sought for an open call for new scheme proposals

The Growth Deal Management Board requested that the decision process should be communicated in a clear and transparent way and, that in accordance with the approach agreed, it was recommended to the next meeting of the LEP Board that a further £2.2m Growth Deal funding be approved to the AMRC NW project.

Health Innovation Campus

The Health Innovation Campus project, sponsored by Lancaster University, is the LEP's largest non-transport scheme within Lancashire's Growth Deal programme with an approved funding allocation of £17.000m. Lancaster University are providing £12.000m of funding to the project.



The Board will recall that final negotiations were taking place with the Ministry for Housing, Communities and Local Government (HMCLG – formerly DCLG) with regards to a European Funding contribution to the scheme via the Lancashire European and Structural Investment Fund (ESIF) programme. Lancaster University had sought £12.000m of European funding towards the scheme through the programme's Priority 1 axis; Promoting Research and Innovation.

In November, Lancaster University were finally offered an award of £8.460m from DCLG which the University accepted. The University has also agreed to fund the remaining £3.540m making their total contribution to the scheme £15.540m.

HMCLG has issued a Grant Funding Agreement to Lancaster University which is due to be submitted by 24 January.



Lancashire Enterprise Partnership Limited

Private and Confidential: NO

Tuesday, 30 January 2018

Update Report - Proposed Development of a Lancashire Urban Development Fund (UDF)

**Report Author: Kathryn Molloy, Tel: 01772 538790,
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Executive Summary

This report provides the LEP Board with an update on the progress made since the Board's last meeting, towards establishing an Urban Development Fund (UDF) for Lancashire using the provisional £10M - £15M European Structural and Investment Funds (ESIF) allocation that is currently earmarked for Joint European Support for Sustainable Investment in City Areas (JESSICA) activity.

Recommendation

The LEP Board is asked to:

- 1) Note the contents of this report; and
- 2) Approve County Council and LEP officers to continue to develop a full application for the establishment of a Lancashire UDF which will be considered by the Board at its next meeting on 24th April 2018.

Background and Advice

In November, the Board gave approval for County Council and LEP officers to liaise with the Ministry of Housing, Communities and Local Government (HMCLG – formerly DCLG), the Managing Authority for ESIF, to develop a full application to establish a UDF for Lancashire using the provisional £10M - £15M European Structural and Investment Funds (ESIF) allocation that is currently earmarked for Joint European Support for Sustainable Investment in City Areas (JESSICA) activity.

It was agreed that the application would be presented to the LEP Board for approval at its next meeting in January and was subject to securing the necessary approvals from Lancashire County Council, including determining if the County Council would be lead applicant and Accountable Body for the UDF.



Since the last meeting of the Board, officers have met with HMCLG regarding the establishment of a UDF for Lancashire and a consultant brief has been produced to appoint consultants to develop an Investment Strategy for a proposed Lancashire UDF. It is proposed that the consultants brief is issued for quotation, using the County Council's procurement processes, in the first week of February.

Simultaneously, work is underway to review the Block 1 Ex-Ante Assessment Report which was completed by Regeneris Consulting Ltd last summer to ensure it reflects Lancashire's industrial and commercial market and the opportunity which exists for the delivery of a UDF. The Block 1 Ex-Ante Assessment is key to the development of the Investment Strategy.

Officers are also due to meet with Igloo, the fund managers for Merseyside's Chrysalis Fund and officers from HMCLG on the 25 January. The meeting has been arranged given the alignment in focus of the Merseyside fund with the proposed Lancashire fund, primarily around the provision of industrial floorspace as opposed to city centre commercial floorspace. Also, Merseyside is currently considering the development of a successor UDF to Chrysalis and there could be an opportunity to consider the appointment of a joint fund manager which would reduce costs in overall fund management whilst still retaining individual management of the two funds in accordance with their individual investment strategies.

A meeting has also been arranged on the 1 February with colleagues from Greater Manchester to determine the recycled funds available from investments made through Evergreen 1 and also the availability of any pipeline development and administrative fees associated with the administration of the UDF.

It is proposed that the key tasks outlined above are undertaken by County Council and LEP officers, with a full application developed for consideration by the Board at its meeting to be held on 24th April 2018.

Finally, as agreed by the Board in November, discussions will take place with the County Council regarding the role of lead applicant and accountable body for a Lancashire UDF.



Lancashire Enterprise Partnership Limited

Private and Confidential: No

Tuesday, 30 January 2018

Preston Railway Station

Report Author: Dave Colbert, Tel: 01772 534501, Specialist Advisor Transport Planning dave.colbert@lancashire.gov.uk

Executive Summary

This report highlights a number of issues with regard to Preston Railway Station in light of ongoing improvements to the rail network and services in Lancashire, the forthcoming arrival of HS2 from 2026 and the Station's potential to play an enhanced role as a growth driver for Lancashire and the Northern Powerhouse.

The LEP Board is asked to approve funding to enable an independent analysis to be commissioned which will examine and quantify the wider economic growth and productivity benefits that the Station's transformation could deliver, including connectivity, accessibility and land use. The work will also need to include forecasts of future passenger demand, particularly for when HS2 services begin operating.

Recommendation

The LEP Board is asked to

- 1) Agree to the commissioning of consultants to undertake a study to examine and quantify the wider economic growth and productivity benefits that Preston Rail Station's transformation could deliver, including forecasts of future passenger demand; and
- 2) Approve an allocation of up to £50,000 for the study from the LEP's 2017/18 Operational Budget.

Background and Advice

Central Lancashire is a transport hub of national significance, providing most of Lancashire's connections to the West Coast Main Line, the M6 and, in the future, to HS2. Preston station lies approximately mid-way between Glasgow and London on the West Coast Main Line and, with an estimated 5 million passenger trips annually and a further 1.49 million interchanges, is the busiest station in the North West outside of Manchester and Liverpool city centres and one of the busiest in the North of England¹. Virgin West Coast, Trans-Pennine Express and Northern currently

¹ The comparable figures for Crewe are 3 million and 1.48 million respectively



provide daytime passenger services to a wide range of destinations, with the overnight 'Caledonian Sleeper' service between London and Scotland also making a call.

Over the last 10 years, the numbers of passengers using Preston Railway Station have increased by 44%. In addition to West Coast Main Line services to London, Birmingham, Glasgow and Edinburgh, there are also regular direct trains to Manchester city centre, Manchester Airport and Liverpool, and to Leeds in the increasingly important east-west corridor linking Lancashire with North and West Yorkshire. The station provides connections into these services from Blackpool, Blackburn and East Lancashire, Lancaster and the Lake District. It is therefore a critical asset for the city and for Lancashire as a whole, serving as a gateway for an extensive catchment of communities further afield, particularly for connectivity with the West Coast Main Line.

The Station's development is of fundamental importance as a driver of economic growth aspirations across Lancashire. As outlined in the Preston, South Ribble and Lancashire City Deal, ambitious plans for new employment and commercial development are being delivered across Central Lancashire with the potential to create around 20,000 net new private sector jobs, alongside the delivery of over 17,000 new homes. Enhanced rail connectivity could act as a major stimulus for further employment growth in Lancashire, potentially contributing to the LEP's objective of an additional 50,000 new jobs by 2025 and in turn supporting the transformational growth objectives of the Northern Powerhouse.

Creation of a high quality, contemporary transport hub at Preston with enhanced passenger and commercial facilities will enable the Station to serve people and businesses better. This will be particularly important once HS2 becomes operational in 2026, reinforcing Preston's role as the North West's major rail hub north of Manchester. Establishing an HS2 Growth Strategy, as recommended by the HS2 Growth Taskforce², for Preston Station will be an important element to achieving this. In addition, Network Rail has also requested the City and County Councils prepare a long-term vision for the station to inform its strategic review of West Coast Main Line capacity north of Crewe.

Whilst Preston Station has retained its original Victorian fabric, it has received limited/piecemeal investment over several decades, resulting in a poor passenger experience and preventing the Station from contributing towards the wider commercial development of the city centre. The station building lacks presence, resulting in poor first impressions of the city for visitors and poor customer satisfaction, and has poor DDA compliance. A number of key issues need addressing, both from a rail operating perspective, particularly once HS2 services begin operating in 2026, and from a passenger perspective in terms of access, circulation and safety.

Preston benefitted significantly from the West Coast Main Line Route Modernisation programme completed in December 2008, with journey times to and from London reduced to just over two hours utilising 'Pendolino' tilting trains. More recently, the

² High Speed 2: Get Ready, A report to the Government by the HS2 Growth Taskforce, March 2014



completion of electrification works between Liverpool and Manchester / Wigan as part of Network Rail's £1bn+ Great North Rail Project (GNRP) has enabled the introduction of brand new electric trains on Trans-Pennine Express services between Scotland, Preston, Manchester Piccadilly and Manchester Airport via Wigan North Western. In addition, refurbished four carriage electric trains now operate the hourly service between Preston and Liverpool Lime Street / Liverpool South Parkway, providing a significant increase in seating capacity on this route.

Network Rail continues to progress the upgrade and electrification of the direct route between Manchester and Preston via Chorley and the Preston to Blackpool North line, both due for completion in 2018. This corridor, which links Preston with Manchester city centre and Manchester Airport, is of strategic importance not only to much of Lancashire, but also to Cumbria and Scotland. The GNRP will deliver a journey time of just over 30 minutes between Preston and central Manchester by Trans-Pennine Express services, with the line speed increased to near 100mph in places. Stations in central Manchester provide connections for onward travel to and from a range of other key destinations across the North, including Leeds³ and Sheffield. Recent economic and employment growth in Lancashire has been strongest in this corridor, with added potential to grow the business travel market in Lancashire whilst at the same time helping to reduce congestion on the parallel M61.

The new Trans-Pennine Express franchise announced in December 2015 includes a commitment to introduce brand new 125mph five carriage electric trains on services in this corridor with more seats; service frequency will also increase, including at weekends. Similarly, Northern will introduce brand new electric trains on services between Blackpool North and Manchester Airport as part of its wider 'Northern Connect' network to be launched in December 2019. In addition, brand new or refurbished diesel trains will operate 'Northern Connect' services between Barrow-in-Furness and Manchester Airport (via Wigan) and Blackpool North and York via Preston, East Lancashire and Leeds. There will be on average five trains per hour between Preston and Manchester (four serving Piccadilly of which three continue to Manchester Airport and one serving Victoria). For passengers, the contrast between the Station and on-board experience will quickly become even starker.

Following completion of HS2 Phase 1 between London and the West Midlands in 2026, Preston will be the only intermediate stop on the London to Glasgow and Edinburgh services. Phase 2a will open the following year, extending HS2 to Crewe and reducing journey times between Preston and London to 1 hour 28 minutes, a reduction of over 45 minutes on the current journey time. By 2033, when HS2 Phase 2b is operational, HS2 services will be able to travel as far Golborne just to the south of Wigan on new infrastructure, reducing journey times by a further 10 minutes.

In future, Preston Station will act as an interchange for HS2 services for a much larger regional catchment area with a population of over 1.6 million people extending across much of Lancashire and South Cumbria and including Barrow, Blackburn, Blackpool, Burnley, Kendal, Lancaster and Windermere. Journey times between London and 79 stations locally with direct services to/from Preston will reduce by up

³ It is currently almost as quick to travel from Preston to Leeds by changing trains in Manchester as it is to use the direct service via Burnley and Bradford.



to 80 minutes following completion of the full HS2 network in 2033. It is therefore essential that Preston Station be transformed into a modern, 21st century facility through which passengers from these stations can interchange with HS2 services in comfortable surroundings.

Stations are increasingly becoming economic destinations of choice in their own right, acting as major catalysts for place-based growth strategies. A fully HS2 integrated station at Preston will complement ambitious plans drawn up by the County Council, Preston City Council and partners for a comprehensive commercial, retail and residential development programme for the city centre as well as supporting wider City Deal priorities such as Cuerden and strategic employment locations such as the Samlesbury Aerospace and Warton Aviation Enterprise Zones. Transformation of the Station will enhance its presence in the city and relationship to existing and proposed development, including UCLan's £200m city centre campus redevelopment and the leisure-led transformation of City Centre North. This includes the potential to create a new business district close to the Station to provide Preston with the high quality, premium business investment location currently missing from the city centre and necessary to attract professional, financial and business services together with ICT, digital and creative industries.

The LEP and partners will need to develop and maintain close working relationships with a range of organisations including the Department for Transport, Transport for the North, Network Rail, HS2 and the wider rail industry to ensure transformation of Preston Station progress. Positioning the Station's transformation as a core element of Lancashire's local response to the Government's recently published Industrial Strategy will be essential in influencing future national rail investment priorities given the raised profiles of rail centres of significantly less strategic importance elsewhere in the North.

Transport for Lancashire, at its meeting on 10 January, considered these issues and recommended the LEP Board supports the case-making request set out in this report. More specifically, Transport for Lancashire recommended the LEP Board support the commissioning of specialist consultants to undertake a study to examine and quantify the wider growth and productivity benefits that the Station's transformation could deliver, including connectivity, accessibility and land use, with the work to include forecasts of future passenger demand, particularly for when HS2 services begin operating in 2026.

It is anticipated that the study could cost circa £50,000. The work in turn can inform further investigations of the Station's capacity in terms of pedestrian circulation and any potential impact on future access requirements. The Preston City Transport Plan commissioned by the County Council in April 2017 and awarded to Mott MacDonald is considering station access within the context of a comprehensive accessibility, movement and connectivity strategy for the city centre. If approved by the Board, the analysis of Preston Railway Station will be presented to a future meeting of Transport for Lancashire.



Lancashire Enterprise Partnership Limited

Private and Confidential: NO

Tuesday, 30 January 2018

Strategic Marketing and Communications Activity

Report Author: Ruth Connor, Chief Executive, Marketing Lancashire,
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Executive Summary

This report updates the Board on the development of a marketing strategy for the Lancashire Enterprise Partnership (LEP).

Recommendation

The LEP Board is asked to:

- (i) Note and comment on the contents of this report;
- (ii) Note that the Chief Executive of Marketing Lancashire, as the LEP's Media Communications and PR lead, continues to provide regular updates to the LEP Board on the strategic marketing outputs and activity.

Background and Advice

1. Context

The delivery of strategic marketing for the LEP continues with outputs from PR, media and communications, branding, events planning and delivery and the promotion of the Lancashire narrative. This report outlines the continuing progress being made in key areas.

2. Media and Communications Activity

2.1 Overview November to January

This period has again seen the LEP positioned as the county's key facilitator of economic growth across a range of priority sectors and themes on a pan Lancashire perspective.

The Skills & Employment Hub has enjoyed extensive regional and local coverage focused on two innovative initiatives – Learn Live and the Enterprise Adviser



Network and Boost and the Access to Finance service has also had significant exposure during this period.

Growth Deal projects being delivered by partners have continued to credit the LEP's role in helping them be brought forward, and colleagues in local authorities continue to highlight the role of the LEP in Lancashire's proactive economic positioning.

Transport developments continue to create headlines with Blackpool's tramway extension, Transport for Lancashire's (TfL's) proposals for Preston Station and the Transport for the North's (TfN's) masterplan all covered by local and regional media citing the LEP as a key partner/funder.

Setting a positive tone for the year ahead were several features in the January issue of *Lancashire Business View* with positive endorsements for the LEP in particular a piece on Lancaster which highlights the success of the LEP's MIPIM UK mission. Insider magazine's New Year edition included a very positive piece about the potential of Central Lancashire as an investment opportunity including an interview with David Taylor in a LEP capacity.

2.2 Skills and Training

PR activity for more skills and training initiatives has again been undertaken in this period, reinforcing the LEP/Skills Hub's commitment to funding and delivering skills projects to boost employment. Two major programmes were actively promoted; Learn Live and the Lancashire Enterprise Adviser Network.

Learn Live involves companies broadcasting from their workplaces directly into Lancashire classrooms to show students the 'real' world of work and answer questions about career pathways was successfully promoted locally and regionally through the media using the example of a Blackburn high school who took part in a broadcast by construction firm Robertsons in November.

The Lancashire Enterprise Adviser Network matches schools across the county with volunteer business advisers from local firms, and generated another strong media opportunity when it reached its 100th school milestone. This was marked by a special event at Longridge High School in mid-January attended by Edwin Booth, Dr Michele Lawty-Jones and other partners from the project.

Tailored versions of the story were developed to mirror every Lancashire newspaper's geographical patch and different versions of the press release were drafted for Blackburn, Burnley, Preston, Chorley, Rossendale, Pendle, Ribble Valley, Blackpool and Ormskirk/West Lancashire. In each case quotes from a local school and a local firm working with them were secured to make the piece as localised as possible. This targeted approach generated substantial local and regional coverage.

3. Growth Deal Communications

This period saw the distribution of the new national Growth Deal communication protocols to all local partners. The protocols incorporate branding guidelines and key messages from BEIS which link to how the Northern Powerhouse brand is



presented and described in all external collateral and communications.

A new Lancashire Growth Deal 'boiler plate' was also circulated, along with approved Growth Deal branding featuring the LEP logo and the Government's preferred Northern Powerhouse badge.

Recent Growth Deal-funded projects where the LEP was credited/quoted in press releases from partners included:

- Lancaster University's advanced 3D printing facility
- Job creation at Northlight/Brierfield Mill
- New Blackburn to Manchester rail services
- Lancaster's Health Innovation Campus
- Blackpool's Tramway extension

On the 31st January 2018, LEP Director Graham Cowley will be attending a special event at Burnley's Vision Park on behalf of the LEP which should generate additional media coverage that will credit the GD fund. The Growth Deal, as a facilitator of growth, was also highlighted in an in-depth feature in the Lancashire Post prior to Christmas which asked local MPs and other influencers what Lancashire was doing to help create jobs and generate employment opportunities.

4. Business Support

In mid-November SKV worked alongside Boost and Manchester's Business Growth Hub to co-ordinate a milestone announcement for the Access to Finance (A2F) service in Lancashire which is part-funded by the LEP. The story celebrated the A2F programme supporting its 50th Lancashire business, and included case studies of firms who had recently enjoyed investment as a result of the A2F service. The campaign, which credited the LEP's role in the A2F service delivered through Boost, received extensive coverage in regional and local business press including a page lead in the Lancashire Post print edition.

Another partner initiative, the Northern Powerhouse Investment Fund (NPIF), also continues to invite the LEP to be included in press releases and photo-opportunities linked to Lancashire businesses in receipt of NPIF funding. The recent NPIF story about Clitheroe-based hardware manufacturer Loxta enjoyed extensive coverage.

5. Blackpool

The LEP's media and communications agency, SKV, has been working closely with colleagues in Blackpool on a number of stories linked to the regeneration of the town. Separate PR pieces have been generated around the Amuseum project - which is now bidding for funding from the Northern Cultural Regeneration Fund and also the public consultation exercise regarding the Blackpool Airport EZ.

6. Transport

Transport for Lancashire's recent recommendation for the LEP to commission further research into the potential economic impact of a regenerated Preston Rail Station



was picked up by local media and a number of rail and transport trade press. The Transport for the North £70bn masterplan, announced on January 16th, also saw media seeking comment from the LEP regarding the opportunities and challenges that the proposals highlighted. The City Deal and Growth Deal initiatives were also cited in connection with TfN's ambitious plans.

7. Other Media Highlights

In the January issue of Lancashire Business View (LBV) was an extended 'Looking Ahead Feature' and Michael Green, LCC's cabinet member for economic development, was quoted extensively in the introduction about the success of the City Deal, Boost and the development of the EZ cluster across the county's four enterprise zones. Cllr Green also highlighted the significance of the Cuerden scheme and the emergence of a Lancaster - Burnley M65 growth corridor. Further, the LEP's forthcoming Innovation Strategy was cited by Michael as a first for the county.

Stuart Thompson, Chair of the Lancashire IoD also contributed to LBV's 'Looking Ahead' feature, stating that the LEP, Boost, Northern Powerhouse office and Chambers of Commerce were working hard to support business. The latest LBV also contains a regional review of Lancaster, and the LEP/Marketing Lancashire-led MIPIM UK mission was highlighted as having put the Lancaster region on the map for investors.

Details of the Lancaster panel content hosted at MIPIM were also referenced, including the Growth Deal-funded HIC, the Canal Corridor North project and the Bay Gateway development. In addition, a special 'Lancashire Day' business panel was reported on, which featured the Chief Executive of Marketing Lancashire talking about the Energy HQ and the FFIT Centre at Myerscough College as being UK firsts in their respective vocational fields.

January also saw Insider magazine publish its Regional Review of Central Lancashire. In an interview secured by SKV, David Taylor was extensively quoted talking about the proposed Advanced Manufacturing Research Centre at Samlesbury, an emerging partnership with Sheffield University to create a new 'game changing' AEM facility, and the creation of an Advanced Manufacturing Corridor between Lancashire and the Sheffield City Region. David also commented on the £200m UCLan masterplan including the EIC, the Market Quarter scheme in Preston, and the need for graduate retention in Preston.

8. Forthcoming PR Opportunities & Milestones

- Burnley Vision Park opening – 31st January 2018
- NRCF funding announcement re: Amuseum, Blackpool
- LAMEC EZ Cluster websites launch and promotion
- Hillhouse EZ Eastern Gateway access road – start on site
- Launch of new "Invest in Lancashire" brand and web platform
- AMRC funding announcement



- Opening of Lancashire Energy HQ (8th March 2018)
- MIPIM International, Cannes (13th – 18th March, 2018)
- Farnborough Airshow (16th – 19th July, 2018)

9. Digital Communications

The number of subscribers for the Lancashire Business Brief (LBB) has grown to 1,244 an increase of 11% versus prior year with around 33%% of subscribers opening the weekly email. The LBB continues to be a key source of positive economic stories and business news on a weekly basis. The plan is to now incorporate contacts made from the Place North West, MIPIM, BOOST and NPH events into the LBB database. The LEP twitter account @lancslep has increased followers to 2,030 and since the start of the year has earned 487k impressions.

A tender to create a refreshed LEP website that portrays the governance, projects, objectives and details the LEP Board has been issued by Marketing Lancashire. Marketing Lancashire will work with the Head of LEP Co-ordination and Development to ensure the new website reflects the work of the LEP and its structure and initiatives as well as adhering to the LEP Network guidelines. The chosen agency will be appointed w/c 5th February 2018.

10. MIPIM Cannes 13th – 18th March 2018

Lancashire will be attending MIPIM Cannes for its second year as a sponsor partner of Marketing Manchester which gives Lancashire access to all the events at MIPIM and to the MIPIM database, 3 delegate passes, attendance at the Manchester MIPIM dinner as well as the opportunity to network and make appointments with property professionals within both the North West and the UK business community. We are currently exploring an opportunity to host an event with the Department for International Trade with a focus on Enterprise Zones. Invites to the Lancashire Dinner for approximately 25-30 guests have now been issued. The dinner is an informal opportunity to engage with Lancashire businesses and those currently working on development projects in Lancashire and will be hosted by David Taylor as Vice Chair of the LEP. SKV will also be in attendance to ensure as many PR opportunities as possible are captured during and post event.

After the MIPIM UK event in October, Marketing Lancashire arranged a meeting with all partners who attended MIPIM to assess contacts made, any leads/enquiries generated, what worked well and what lessons could be learned for October 2018.

Top line figures for Lancashire at MIPIM UK;

- #MIPIMLancs had a reach of over 2 million on Twitter
- Press coverage to date has exceeded 500,000
- Over 3,000 delegates attended the event
- Attracted delegates from 45 countries
- 40 delegates represented Lancashire



11. Lancashire Advanced Manufacturing and Energy Cluster (LAMEC)

Further to the presentation at the EZGC meeting in October each of the stakeholders have reviewed their relevant and individual copy for each website and have fed back their changes. A meeting is taking place with Richard Barber Marketing on the 25th January 2018 to make final changes to the main LAMEC site and to review the content. Call handling processes and protocols will be finalised next with relevant calls to action so that enquiries can be measured and visible at any point. This is being considered alongside the requirements for the Invest in Lancashire website.

12. Developing an Inward Investment Proposition for Lancashire

Mickledore, the economic development agency were commissioned to produce a data report on Lancashire's sector strengths by each local authority area as well as for the LEP area as a whole. This information has brought together the content required to populate the proposed Invest in Lancashire website. The tender for the development of a new Invest in Lancashire website has been issued alongside the LEP website tender with the aim of both websites being built by the same agency. Mickledore have written copy for the website sections covering connectivity, education, R&D, key sites as well as developing content for the sector factsheets that can be easily downloaded as PDFs on the website. The sectors include:

- Advanced Engineering & Manufacturing (automotive & truck manufacturing; advanced materials; textiles and paper)
- Aerospace
- Digital (notably cyber security)
- Food and drink
- Energy (nuclear, wind and shale gas)
- Medical technology (medical devices and digital health)
- Business Services (financial services; Business Process Outsourcing and contact centres)

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