



Lancashire
Enterprise Partnership

Update on the Lancashire Enterprise Partnership, Strategic Economic Plan and Key Initiatives

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External Services Scrutiny Committee

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Lancashire
Enterprise Partnership

Lancashire Enterprise Partnership Overview

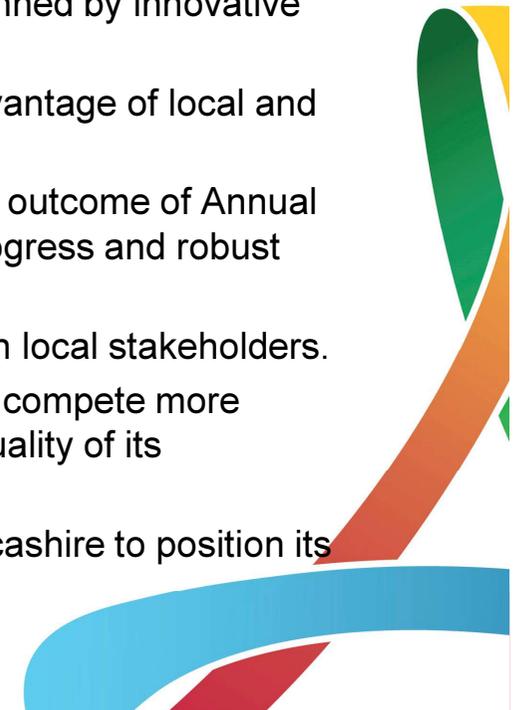
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- Enterprise Zones
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- Transport for Lancashire
- Business Growth Initiatives
- Skills for Growth Initiatives
- Lancashire ESIF Strategy 2014-20
- Strategic Marketing and Communications
- Northern Powerhouse
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Summary

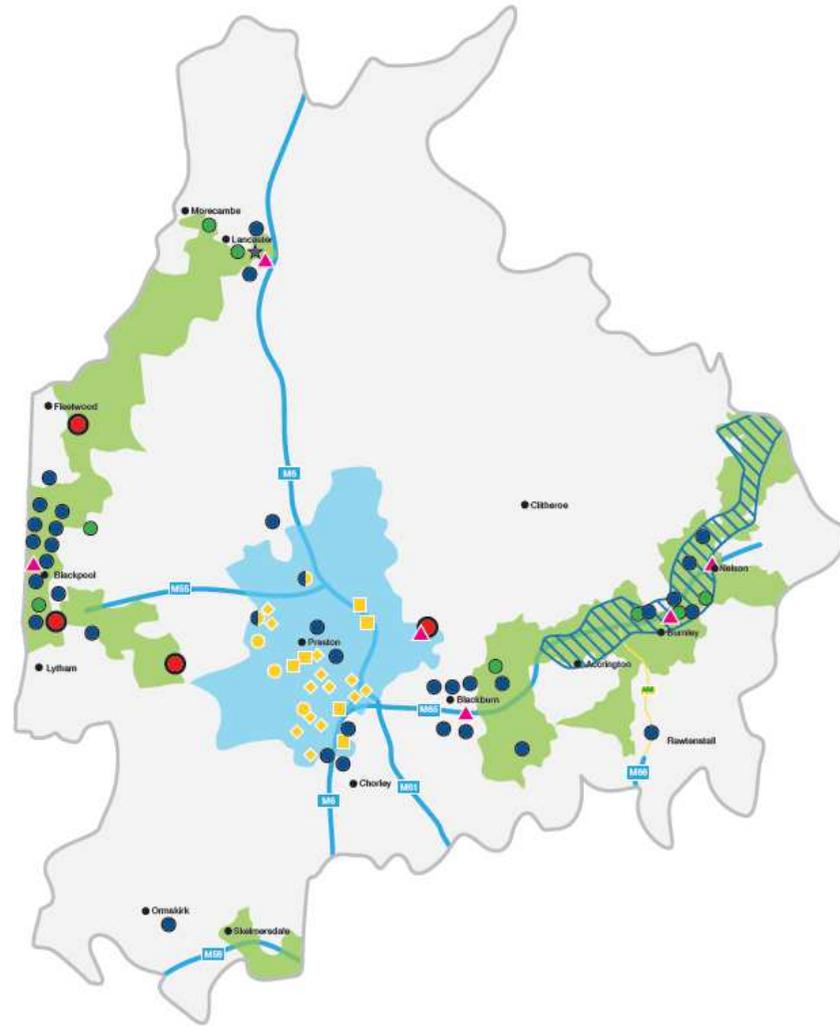
- LEP established in 2011 as a private sector led public/private partnership for Lancashire, chaired by Edwin Booth, with a robust Strategic Economic Plan (SEP) published in March 2014.
- SEP has enabled the LEP to develop an investment growth programme valued at nearly £1 Billion – a level of performance only bettered by a few larger Core City LEPs with much greater capacity.
- c.50 major initiatives planned/underway across all parts of Lancashire with key programmes delivering ahead of schedule and exceeding delivery targets, underpinned by business-case approach.
- LEP and local authority partners are working together to refresh the SEP in the context of a new national Industrial Strategy.
- LEP has enabled local partners to bring forward new initiatives of scale underpinned by innovative investment frameworks.
- LEP and local partners continue to work on strategic project pipeline to take advantage of local and national investment streams and new policy initiatives.
- Government has a highly positive view of the LEP's overall performance - given outcome of Annual Conversations, strength of the LEP's Assurance Framework, strong delivery progress and robust accountability systems.
- LEP recognises the need to raise its profile and strengthen communications with local stakeholders.
- Lancashire must address the lack of an integrated inward investment service to compete more effectively with major city-regions for new jobs and investors and improve the quality of its collaborative local authority working.
- LEP views the Northern Powerhouse as a positive framework that enables Lancashire to position its economic strengths and forge stronger cross-boundary linkages.





Lancashire Enterprise Partnership

- Growing Places
- Growth Deals 1 & 2
- ▲ Growth Deal 3
- ★ Garden Village Status
- Enterprise Zones
- City Deal Employment Schemes
- ◆ City Deal Housing Schemes
- City Deal Highways Schemes
- ▨ Burnley - Pendle Growth Corridor
- Assisted Areas
- City Deal Area





LEP KEY INITIATIVES UPDATE

Enterprise Zone Programme

- New £16M national training facility (ASK) for BAE Systems and new £15M industrial logistics centre on Samlesbury Aerospace EZ. Major enabling infrastructure works underway funded by (£18.5M) loan finance facility provided by the LEP/LCC. First two new business occupiers are on Warton Aviation EZ. Focus on AEM sector growth. Opportunity to establish AMRC (NW) at Samlesbury.
- Blackpool Airport EZ came into full force in April with the potential to support 140 new businesses and 3,000 new jobs. EZ will be home to the national Energy College. Focus on energy sector growth and aero-park developments.
- Hillhouse Technology EZ launched in April. Focus on advanced chemicals and energy sector with prospect of creating c. 1,500 new jobs.
- LEP's EZ programme has the potential to create c.10,000 new jobs with an investor offer of Northern Powerhouse significance which is branded as the *Lancashire Enterprise Zone Manufacturing and Energy Cluster*.
- **Growing Places Investment Fund**
- LEP's £20M Growing Places loan fund is on its 9th commercial investment. £2M committed to deliver a high-end residential development in Preston City Centre.
- Growing Places fund has fully revolved and leveraged over £100M in public/private investment supporting the creation of nearly 3,500 jobs and 200 new homes.
- Interest generated used to support the LEP's strategic capacity and resource.
- Growing Places continues to welcome commercially-focused investment proposals from public and private sector partners.





LEP INITIATIVES UPDATE

City Deal

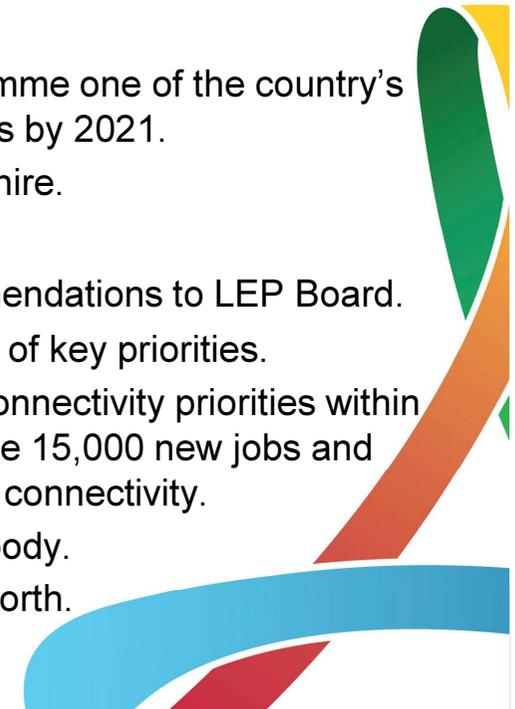
- All first year targets of £430M City Deal programme delivered in 2016/17 with 1,600 housing completions achieved and 750 new jobs created.
- £77M invested in infrastructure delivery in its first two years with all road schemes ahead of schedule.
- Housing Zone Status secured in Preston City Centre to bring forward stalled and new housing schemes with 750 housing units already identified.
- City Deal Employment and Skills Strategy in development focused on securing local benefit.
- Lancashire Pension Fund has invested nearly £30M in commercial schemes in the City Deal area.
- Work underway on re-shaping community infrastructure to support the delivery of growth plan.

Growth Deal

- £320M secured over three-years making Lancashire's Growth Deal programme one of the country's largest and will create nearly 10,000 new jobs and deliver 4,000 new homes by 2021.
- The LEP's Growth Deal programme supports 45 major schemes in Lancashire.

Transport for Lancashire

- Transport for Lancashire tests scheme business cases and makes recommendations to LEP Board.
- Local Strategic Transport and Highway Masterplans underpin development of key priorities.
- Strategic Transport Prospectus promotes the importance of Lancashire's connectivity priorities within Northern Powerhouse framework – priority schemes have potential to create 15,000 new jobs and over £600M per year in GVA uplift – further work underway on “East-West” connectivity.
- Transport for the North to be established as England's first a sub-national body.
- Leader of the County Council represents Lancashire on Transport for the North.





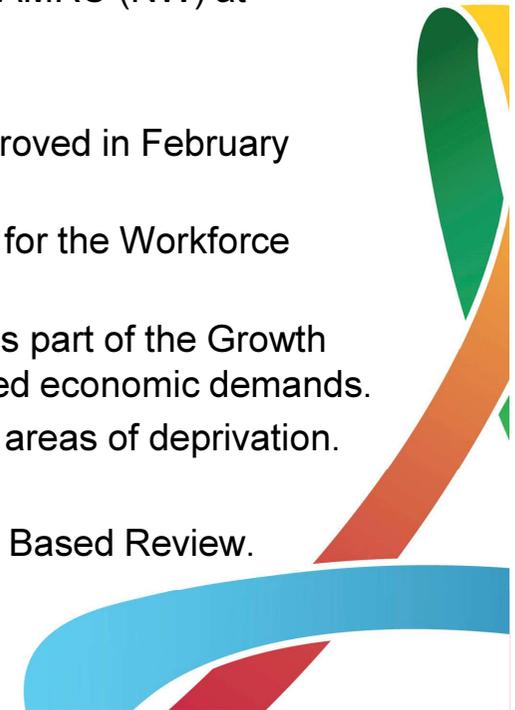
LEP INITIATIVES UPDATE

Business Growth and Innovation

- Boost has engaged 5,000 SMEs to date with almost 2,500 businesses receiving substantive support and nearly 2,000 new jobs created.
- County Council has invested £3M in Boost with a further £2.5M committed to support the delivery of £6M of growth programmes until 2021.
- £400M Northern Powerhouse Investment Fund established, covering 10 LEP areas, with Lancashire investing £12.5M from its ESIF programme.
- LEP secured Science and Innovation Audit status with Government (one of only 3 places in England to do so out of more than 30 competing areas) – a joint initiative with Sheffield City Region (aka Northern Powerhouse Advanced Manufacturing Corridor) which positions the AMRC (NW) at Samlesbury Aerospace EZ.

Skills for Growth

- Employment and Skills Strategy, underpinned by 7 sector skills analyses, approved in February 2016.
- Nearly 4,000 employees in Lancashire have benefited from the Skills Support for the Workforce programme, with a new programme planned for later this year.
- Employment and Skills Board has defined a £30M Skills Capital programme as part of the Growth Deal, with £26M already allocated to priority skills facilities addressing identified economic demands.
- Secured county wide Careers Education and Enterprise pilots with a focus on areas of deprivation.
- Lancashire Skills Hub established with strong linkages to Boost.
- Skills Hub also supported local authority input to the recent Lancashire's Area Based Review.





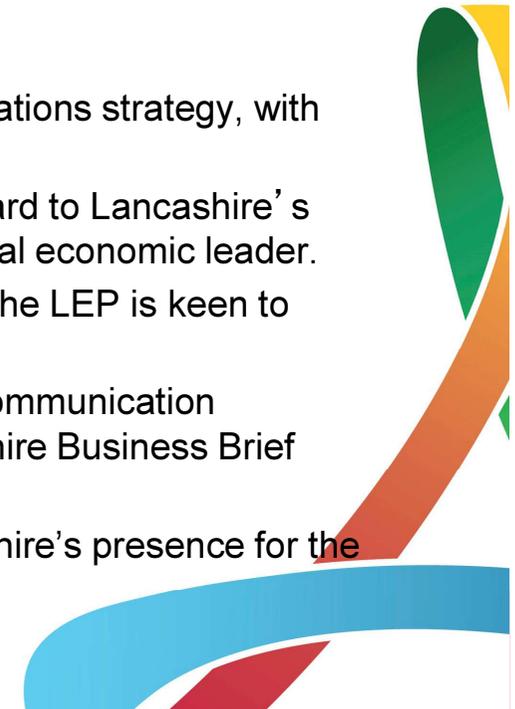
LEP INITIATIVES UPDATE

European Strategic Investment Funding (ESIF) Strategy 2014-20

- Government agreed the ESIF operational programme for England in June 2015.
- LEP successfully secured a 100% improvement in Lancashire's Assisted Area coverage.
- LEPs can only advise local ESIF Partnerships which are managed by and accountable to Government - unless renegotiated as part of devolution deals with Government.
- A number of ESIF funding calls underway and planned with 29 projects live with delivery aimed at supporting business to align with key local priorities.
- Focus on influencing Government's thinking on a new Shared Prosperity Fund as a successor to ESIF as the UK exits the EU.

Strategic Marketing & Communications

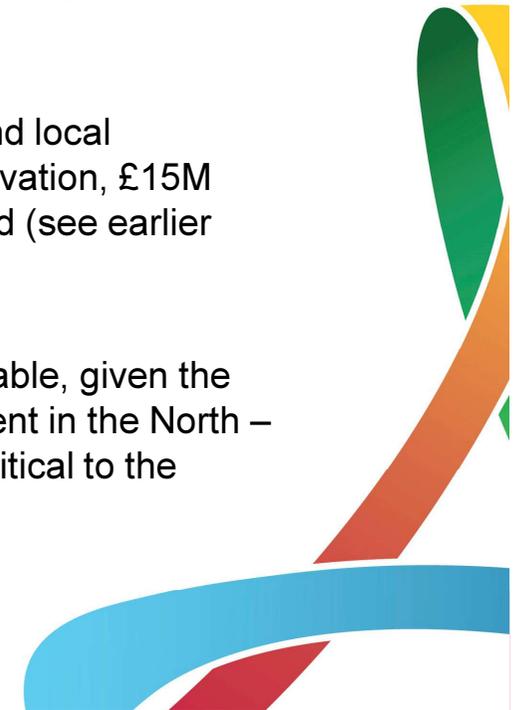
- LEP has commissioned the development of a place marketing and communications strategy, with Marketing Lancashire managing this work programme.
- Developed to ensure coherent and relevant messages are promoted with regard to Lancashire's economic successes and opportunities – repositioning Lancashire as a national economic leader.
- Commission is not about the LEP, more about Lancashire, the place, though the LEP is keen to improve communications with local stakeholders.
- The new marketing strategy, launched in Autumn 2016, builds on improved communication activities already in place with key stakeholders, including the weekly Lancashire Business Brief with greater presence in social, regional and national media.
- Increased event activity nationally and internationally is key, including Lancashire's presence for the second year running at the UK's largest property event MIPIM UK.





Northern Powerhouse - 1

- Northern Powerhouse (NP) first referenced by the Chancellor in 2014 with further announcements in Autumn Statements and Budgets.
- NP aims to close the North of England's performance gaps and rebalance the UK economy.
- Much of the initial case-making with Government has been made by Manchester and the other Core Cities.
- NP should be considered as an emerging framework for change and not a fully worked-up programme of action.
- Early focus on developing initiatives of Northern significance that transcend local boundaries, including agendas such as inter-city rail connectivity and innovation, £15M Northern Cultural Regeneration Fund, and the £400M NP investment Fund (see earlier reference).
- At this stage, very little new economic development funding of scale available, given the scale of the challenge and opportunity and the legacy of national investment in the North – increasingly educational attainment and improved skills level viewed as critical to the economic success of the North.

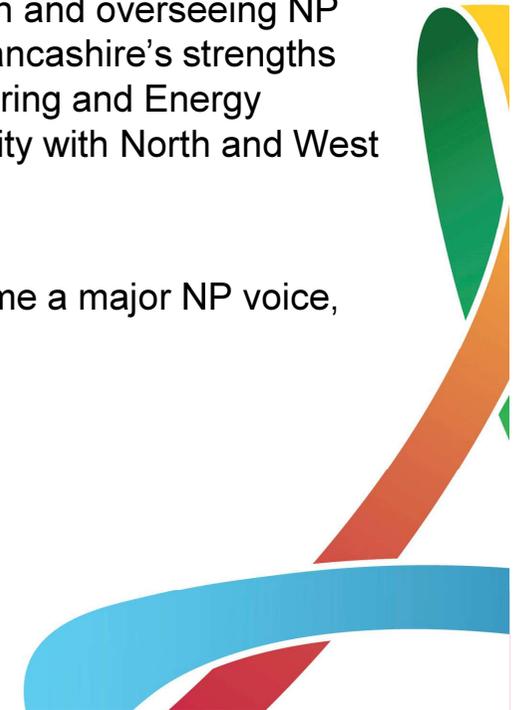




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Northern Powerhouse - 2

- NP has value as a vehicle to promote the North of England in international markets with NP trade missions and the development of NP investor propositions for economic strengths with global reach.
- An Independent Economic Review (IER) has been undertaken to review NP economic strengths.
- Advanced manufacturing, energy, health sciences and digital will be identified as the key NP competitive strengths – Lancashire has major strengths and assets in these sectors.
- Lancashire's local authority and LEP leaders are playing key roles in shaping NP – directly influencing Transport for the North, securing support for key transport priorities, investing in and overseeing NP Investment Fund, developing new initiatives such as AMRC (NW) which link Lancashire's strengths with neighbouring city-regions, promoting our Lancashire Advanced Manufacturing and Energy Cluster, undertaking further evidence work on developing East-West connectivity with North and West Yorkshire.
- Still more to be done with Lancashire needing to seize the opportunity to become a major NP voice, but local authorities and LEP are committed to getting the best from the NP.





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Next Steps

- Continued focus on growth and productivity drivers – including, SME growth, innovation, strategic planning, connectivity, educational attainment and skills.
- Delivery of major investment programme to establish national track-record.
- Continue to develop a pipeline of strategic initiatives.
- Refresh of the SEP to take advantage of new national Industrial Strategy.
- Stronger strategic marketing and investor engagement.
- Understand the impacts and opportunities associated with BREXIT.
- Continue to develop the LEP's business operating model.
- Continue to strengthen governance, especially in response to Government's national LEP review.
- Work with local authority partners as part of LEP's commitment to collaborate and progress shared inclusive growth priorities.
- Continue to position Lancashire within Northern Powerhouse and national growth frameworks.

