



## **Lancashire Enterprise Partnership Limited**

**Private and Confidential: NO**

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### **Development of Lancashire's Local Industrial Strategy**

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

#### **Executive Summary**

This report provides the Lancashire Enterprise Partnership Board with an update on the development of Lancashire's Local Industrial Strategy and the evidence base which will underpin it.

#### **Recommendation**

The Lancashire Enterprise Partnership Board is asked to consider and approve the proposed approach and timeline to develop both the evidence base and Local Industrial Strategy for Lancashire.

### **Background and Advice**

The Industrial Strategy White Paper set out that the first Local Industrial Strategies will be agreed with Government by March 2019. However, in recent guidance Government has confirmed that it will aim to agree all places' Local Industrial Strategies in England by early 2020.

In December 2018, Government announced that all areas were now invited to commence the development of the evidence base which will underpin the development of their Local Industrial Strategy as well producing and consulting on the development of the Local Industrial Strategy itself.

Government has also now started to share the requirements of the evidence base for Local Industrial Strategies, with consistency of evidence across all 38 a key requirement.

The Board has previously received regular updates on the development of Lancashire's evidence base. However, this report proposes a detailed timeline to further develop our evidence base in line with new national requirements and to reflect a focus on Lancashire's specific opportunities and challenges. The timeline also focuses on the development of the Local Industrial Strategy itself, including extensive business engagement and work with key stakeholders as the evidence base and



document emerges. Key considerations throughout the process of evidence base and strategy development will be collaboration, prioritisation and evaluation including the proposed establishment of a Lancashire wide economic intelligence and research function.

To accelerate the development of the Local Industrial Strategy and ensure the timeline proposed is achieved, independent consultancy support has been secured.

The Board is advised that the timeline below was presented by the Transition Director to Lancashire Leaders at their meeting in January.

## **Lancashire Plan**

A Lancashire Plan is being refreshed to set the long term vision and ambition of Lancashire and provide a strategic framework to secure integration across multiple pan-Lancashire strategies and priorities, including the Local Industrial Strategy. This will help set the ambition and targets for the Local Industrial Strategy as well as providing a long range lens within which Local Industrial Strategies will sit.

The strategic framework for Lancashire will help enable this integration with a number of strategies working together as interlocking spheres of influence. Therefore, all things come together in all strategies, but the focus is different. The Local Industrial Strategy for example will focus on such things as productivity, innovation, sectoral strengths and skills, whereas the Local Transport Plan will focus on connectivity, and so on. It will not be the case that themes or functions are assigned solely to individual institutions. Rather we are seeking to create a collaborative set of arrangements where the multiple strategies come together.

## **Lancashire's Local Industrial Strategy**

The Local Industrial Strategy will be produced in parallel to the proposed Lancashire Plan given the requirement from government for each area to publish a Local Industrial Strategy by March 2020. It will be developed within the framework of the five Foundations and four Grand Challenges identified in the National Industrial Strategy with universities and the research and development strategies of major companies playing a key role in meeting the target of securing 3% of GDP invested in Research and Development in the Lancashire powerhouse.

### *Evidence Base: the production of a strategic assessment*

- Consultant led evidence base review by Steer Economic Development;
- Review of the Science and Innovation Audit;
- Consolidation and identification of gaps;
- Review and publish evidence base in line with national evidence and data requirements;
- Analysis of productivity challenges;
- Analysis of opportunities;
- Ongoing work with Government analysts;
- Consultation on evidence base up to end March/April.



- In parallel the establishment of a Lancashire Independent Economic Review, to advise on and assist the LIS design, formulation and development.

*Strategy development and production:*

- Formulate key trends from evidence base into strategy underpinned by the five Foundations and four Grand Challenges;
- Production of Local Industrial Strategy throughout April to June/July with ongoing business and stakeholder engagement throughout;
- Consultation over summer;
- Final draft published by end of September for submission to Government;
- Consultation with Government Autumn 2019;
- Publication of a Lancashire Local Industrial Strategy early 2020.

In terms of the approach to inclusive growth, the Lancashire Enterprise Partnership will commit to securing it as part of the overall strategy for raising productivity, closing the output gap and increasing international competitiveness, to support local economies. As a minimum, the Local Industrial Strategy will continue to apply Social Value Toolkit requirements and the Skills Escalator approach model to investment programmes and the embedding of Social Value in capital programmes with partners.

Local authority engagement will be ongoing via the Leaders' Economic Development theme group and via the Local Authority Economic Development Officer Group (LEDOG) through a joint working group on Lancashire Plan. The Lancashire Skills and Employment Hub will also continue to support the work of the Leaders' Skills and Education theme group, aligning the work of the Lancashire Leaders and the Skills and Employment Board and the development of the People foundations of the LIS.

An Expression of Interest for £75,000 of funding relating to the Skills Analysis Advisory Panels (Skills and Employment Board) has been submitted to the Department for Education following approval by the Executive Committee. The funding, which is available for delivery to boost analytical capacity in 2019/20, will support the development of the evidence base for the Local Industrial Strategy with a specific focus on combining the strengths of the Lancashire Labour Market Intelligence Toolkit with the Skills Analysis Advisory Panel Toolkit, consultant led qualitative research with local employers to supplement quantitative data, contribution to the employment of a Data Analyst, development of a Monitoring and Evaluation Framework and training for the Lancashire Enterprise Partnership's team to support the development of its analytical capability.

In addition, an Expression of Interest has been submitted on behalf of the LEP for £5,000 of support through the Impact Acceleration Account which is available to all Local Enterprise Partnerships as part of the Local Industrial Strategy evidence base development. The project, which will fund a Research Placement post for a limited time, will seek to enhance collaborative working by partners to increase Lancashire's innovation performance by highlighting potential for joint working across a wider range of partners.



### List of Background Papers

Paper	Date	Contact/Tel
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None

Reason for inclusion in Part II, if appropriate

N/A