

LEP - Business Support Management Board

Minutes of the Meeting held on Wednesday, 9th January, 2019 at 10.30 am at the Committee Room 'B' (The Diamond Jubilee Room) - County Hall, Preston

Present

Michael Blackburn

Gillian Bardin
Miranda Barker
Paul Foster

Sue Smith
Stuart Thompson
Alan Welsh

In Attendance

Garth Harbison, Democratic Services Officer, Lancashire County Council
Andrew Leeming, Boost Programme Manager, Lancashire County Council
Joanne Mansfield, Democratic Services Officer, Lancashire County Council
Andy Walker, Head of Service Business Growth, Lancashire County Council

1. Welcome and Apologies for Absence

The Chair welcomed all to the meeting.

The Chair informed the Board that Miranda Barker, representing the East Lancashire Chamber of Commerce, had replaced Mike Damms on the Board. Miranda was welcomed to her first meeting.

2. Declaration of Interests

None were declared.

3. Minutes of the meeting held on 19 October 2018

Resolved: The minutes of the meeting held on the 19th October 2018 were agreed as an accurate record and signed by the Chairman.

4. Matters Arising

With regard to the Growth Hub update and looking at examples of other similar

schemes to Boost, Andrew Leeming Boost Programme Manager - LCC Business Growth and Innovation, informed the Board that Regeneris Consulting were completing a Summative Assessment of the last three years of Growth Hub activity. He advised the Board that he would ask that comparator data was picked up as part of this exercise which would provide some benchmarks against which to compare the schemes success.

Regarding the Northern Powerhouse Investment Fund Update, Andy Walker Head of Service Business Growth, informed the Board that they were facing issues in terms of sharing detailed, publishable performance data, but that the funds needed to raise their profile and activity levels, specifically in East Lancashire.

5. Developing a Local Industrial Strategy for Lancashire - the role of the Lancashire Enterprise Partnership's Business Support Management Board

Andy Walker, Head of Service Business Growth, provided the Business Support Management Board with an update on national guidance in respect of the production of a Local Industrial Strategy.

The Lancashire Enterprise Partnership was responsible for the production of Lancashire's Local Industrial Strategy, with the Business Support Management Board playing an important role in the development of the document through engagement with the business community, largely small and medium sized enterprises, via representatives of leading business organisations and networks therefore providing a mechanism to test emerging ideas and proposals. The report also set out the work completed to date within the three trailblazer areas. All three areas were required to complete their Local Industrial Strategies by March 2019.

Local Industrial Strategies were seen as long-term plans based on clear evidence and aligned to the national modern Industrial Strategy. They were to be developed through extensive local consultation with business, public partners and civil society, and would build on unique local strengths to ensure every community reached their economic potential and created high quality good jobs. It was noted that in order to be successful, Local Industrial Strategies must be developed from the bottom up and led by those who best know the needs of local economies. It was felt that places should harness the expertise of universities, independent experts, the civil society sector and other stakeholders, to develop a granular understanding of the local economy.

The Chair emphasised the three main issues that need to be included in the Strategy:

- Infrastructure implications
- The priorities
- 4 grand challenges – These include issues which would impact positively/negatively on the social impact in Lancashire – what are the place-based assets in Lancashire

It was noted that formal briefing sessions had been held with potential consultants to help with this process. It was important to get early consultation with the business community. Three to four thousand businesses had been consulted already. The business community had to visualise how it could help the process. Community and Voluntary organisations would also play a huge part in the process.

The core issues for the Lancashire economy had to be identified and the implementation of the assessment framework was vital. The LEP had to encourage people to buy into the strategy.

It was noted that the Industrial Strategy was an agreement with the Government and that it was important to look at how Lancashire could influence the UK economically. The Board stated that it would be useful to receive a briefing document about what it was hoped to achieve and the required process. The strategy should be evidence based and it was therefore important to ask the right questions and the same questions to businesses. Good communication was vital. It was important to consider what Lancashire could lead on for the UK – it was suggested that we could ask to lead on the Adult Skills budget.

Resolved: That the report be noted.

6. LEP Review Update and Process to select new Chair

Graham Cowley, LEP Transition Director, presented an oral update on a review of the Lancashire Enterprise Partnership Board (LEP).

The Board was informed that it was expected that the LEP Board which meets three or four times a year, would be reshaped with new Terms of Reference. It was proposed that there would be seven boards under the LEP including a potential Innovation Board, all feeding into the production of the Local Industrial Strategy. All the reshaping would be done by 1st April. It was noted that the LEP Board would be required to adhere to the governance arrangements set out in the National Assurance Framework.

Graham explained that discussions were taking place with stakeholders to discover what they required from the new Chair of the LEP Board and a list of nominees would be ready by the mid to the end of February 2019.

Resolved: That the verbal report be noted.

7. North West Coastal Arc Clean and Sustainable Growth

A report was presented on the North West Coastal Arc Partnership for Clean and Sustainable Growth.

It was reported that in the autumn of 2015, the UK Government had announced regional Science and Innovation Audits in order to catalyse a new approach to regional economic development. Science and Innovation Audits enable local consortia to focus on analysing regional strengths and identifying mechanisms to realise their potential.

The North West Coastal Arc Partnership for Clean and Sustainable Growth was formed in 2017, to focus on the North West's strength in science and innovation for Clean and Sustainable Growth. The report presented the results which included broad ranging analysis of the North West Coastal Arc Clean and Sustainable Growth Partnership's capabilities, the challenges and substantial opportunities for future economic growth.

The Board was advised that the Lancashire Enterprise Partnership was a named partner in the North West Coastal Arc.

It was noted that the Science and Innovation Audit provided the evidence base to demonstrate that the North West Coastal Arc was exceptionally well-positioned to lead globally to drive forward the economic and environmental benefits of Clean and Sustainable Growth.

The audit identified the following five key opportunities emerging from our vision for Clean and Sustainable Growth:

- Communicating the economic importance of Clean and Sustainable Growth;
- Improving connectivity between the regions assets for Clean and Sustainable Growth;
- Enhanced support for connecting business to global markets;
- Training regional talent to support and lead Clean and Sustainable Growth;
- Freedom and flexibility in supporting industrial Research and Development for Clean and Sustainable Growth, particularly in small and medium enterprises.

It was noted that Clean Growth had been established for two years and Lancashire was the leading low carbon innovator in the UK.

The hypothesis of the North West Coastal Arc Partnership was to realise its potential as a global market leader for low carbon and sustainable products, processes and services through greater networking, integration and connectivity across the whole of the region's research base and business community, beyond that which exists in the its current networks.

The collective vision was to translate world class research via innovation for Clean and Sustainable Growth in order to create regional economic value.

The Centre for Global Eco-Innovation was vital. It was launched in 2012 and had £17m funding to date. It was challenge led and solution driven. The Board was informed that the Centre demanded an interdisciplinary approach. Eco-innovation was the engine for Clean Growth. The Centre focused on measurable economic

values and outputs.

It was important for businesses to grow and have an environmental impact at the same time.

From its 12 month analysis the NWCA had to identify its gaps that limited its ability to connect current capabilities with future market opportunities. Some of the gaps included:

- A poor understanding of the opportunities for Clean and Sustainable Growth.
- Lack of connectivity across the region's assets for research, development and demonstration
- A substantial skills gap at all levels in sectors relevant to Clean and Sustainable Growth.
- Limited use of the partner's international networks to maximise shared benefits.
- Poor integration in funding research and innovation in Clean and Sustainable Growth.

There were opportunities for the partnership to communicate the economic importance of clean and sustainable growth and also create an International Centre of Excellence for Clean and Sustainable Growth. There was also an opportunity for enhanced support for connecting business to global markets. There were possibilities for training regional talent through a virtual Clean Growth Training Academy. There would also be flexibility and freedom to operate at regional scales beyond LEP boundaries.

The partnership wanted to improve connectivity between the region's assets for Clean and Sustainable Growth and there was an existing opportunity for a more joined up approach to the region's existing research, development, demonstration and co-location facilities.

The work done by the partnership had been presented to the Department for Business, Energy and Industrial Strategy (BEIS) in December 2018 and had been well received. It was pointed out that the document needed to include reference to specialist sector support and that it was vital to unlock the economic potential of Lancashire.

In September 2019 there was a planned Centre for Global Eco-Innovation Conference which would provide a public facing platform to communicate further steps.

It was felt that if funding was available, universities could help answer business challenges. There needed to large commercial backing in the area regarding technology.

Resolved:

- i. The contents of the report and accompanying presentation be noted.
- ii. That the North West Coastal Arc Science and Innovation Audit Report be presented to the Lancashire Enterprise Partnership Board.

8. Lancashire Energy Plan

A report was presented by Andy Walker, Head of Service Business Growth, on the Lancashire Energy Strategy which had been produced by a Steering Group comprising representatives from local authorities, public health, two universities, local utility companies, the private sector and the Lancashire Enterprise Partnership.

The report identified that one of the four 'grand challenges' of the Local Industrial Strategy, Clean Growth, had emerged as an increasingly important area of government policy. In 2018, the Energy Team in the Department for Business, Energy and Industrial Strategy provided a grant of £40,000 via Local Enterprise Partnership structures in England. The push to develop a Local Energy Strategy / Plan was prompted by two main factors:-

- Analysis commissioned by the Department of Business, Energy and Industrial Strategy of local Strategic Economic Plans and European Structural and Investment Fund plans highlighted a mixed picture in respect of clear policies, strategies and activity focused on clean growth / low carbon activity.
- The Department for Business, energy and Industrial strategy was also concerned about the lack of interest and applications for European Structural and Investment funds to support low carbon projects (Priority 4 for the use of European Regional Development Fund allocations in local areas.

The Lancashire Energy strategy commission had been led by a specialist consultancy, Encraft. Details of their key findings, current activity and future priorities were provided in the report.

For the Lancashire Enterprise Partnership and Local Authority partners, six key indicators were proposed:

- Insulate – Improving energy efficiency of hard to treat properties
- Heat – Delivery of a city centre heat network within a Lancashire urban area
- Jobs – Supporting the creation of jobs in the energy and low carbon sectors
- Low carbon – Carbon emissions reduced in line with UK targets, a 57% reduction on 1990 levels by 2032
- Active – double journeys by bike and increase the number of people walking by 10% by 2027, in line with Lancashire's Cycling and Walking Strategy
- Productivity – Improve energy productivity by 20% in commercial and

industrial sectors.

The Clean Growth Strategy recognised that moving to a productive low carbon economy could not be achieved by central government alone, it was a shared responsibility across the country. The Government had recognised the importance of local action on decarbonisation and so were providing resources to support LEPs and local authorities to take action.

The BEIS had identified that barriers to progression towards a low carbon economy at a local level included limited capacity and capability amongst LEPs and local authorities to deliver local energy investment. The BEIS Local Energy programme was designed to address the gap in the capacity and capability of LEPs and other local organisations. Part of this involved funding LEP Energy Strategies to understand the opportunities across each LEP area. The overall aim of the BEIS proposal was to provide a series of local energy hubs across the country.

With European funding, the LEP was doing well in identifying projects for low carbon emissions, one of these being the North West Energy Hub. The Hub would provide expertise and resources to help LEPs across the North West to deliver local energy projects.

It was vital that the Local Energy Plan picked up on sector opportunities. It was noted that a key priority of the plan was the low carbon supply chain. Low priority would be given to the exploration of shale gas.

Resolved: That the Business Support Management;

- i. Note Lancashire's Energy Strategy on behalf of the Lancashire Enterprise Partnership.
- ii. Note the extent to which European Regional Development Funding Priority 4 funding has been committed.

9. Reporting to Lancashire Enterprise Partnership Board

Resolved: That the North West Coastal Arc Science and Innovation Audit Report be presented to the Lancashire Enterprise Partnership Board.

10. Any Other Business

None

11. Date of Next Meeting

It was noted that the next meeting of the Business Support Management Board was scheduled to be held at 10.30am, on 14th March 2019 in Committee Room B, County Hall, Preston.