



LEP – Sub Committee

LEP - Business Support Management Board

Private and Confidential: No

Date: Thursday, 26 May 2022

Availability of Finance in Lancashire Report

Appendix A and B refers

**Report Author: Sue Roberts, Tel: 01772 536605,
sue.roberts@lancashire.gov.uk**

Executive Summary

Consultancy EKOS were commissioned by the LEP to provide an overview of the finance market in Lancashire. The commission also asked EKOS to investigate opportunities for a Lancashire Investment Forum.

The research included desk-based research, broad engagement with around 40 key stakeholders, representations to the LEP's sector groups and a presentation to an informal LEP board.

It should be noted that the research was done during the pandemic where the availability of government funds skewed the financial markets. The supply and demand side research was primarily done through business support organisations, finance providers and limited business engagement.

Recommendation

The Board is asked to:

- (i) Review the Executive Summary and Action Plan and recommend to the LEP Board

Background and Advice

1. Background

- 1.1 The LEP board identified an opportunity to provide financial investment to advanced manufacturing businesses that were struggling during the pandemic.



- 1.2 LEP board members were concerned that momentum in research & development and the adoption of new technologies would hinder businesses as a result of the pandemic and saw an opportunity to support with a financial instrument.
- 1.3 To establish what financial instruments were needed in the county the LEP commissioned EKOS to conduct a review of what was already available and to identify any gaps in the marketplace.
- 1.4 The Executive Summary at Appendix A identified Early-Stage finance as problematic in Lancashire with companies finding difficulty in identifying sources of this type of funding.
- 1.5 The report identified that there were circa 20,000 financial products available in Lancashire and that businesses found it difficult to navigate those streams of funding.
- 1.6 Ten recommendations were proposed, and a stakeholder group was set up to review the recommendations, prioritise them and create an Action Plan to improve the financial eco-system in Lancashire.
- 1.7 Nine recommendations are proposed to be taken forward and work has already commenced. One recommendation was deemed not appropriate.
- 1.8 The stakeholder group consists of representatives from the
 - Lancashire Enterprise Partnership
 - Lancashire County Council
 - British Business Bank, covering the Northern Powerhouse Investment Fund
 - Access to Finance
 - University of Central Lancashire
 - Institute of Chartered Accountants England and Wales
 - Foresight Group
 - ReOrient Consulting Ltd
- 1.9 The stakeholder group has met frequently over the last nine months to consider the recommendations and devise the Action Plan at Appendix B recognising that working together to common goals will positively impact the financial market in Lancashire.

2. Consultation

- 2.1 The report has been shared with the LEDDG group and the LEP's Manufacturing, Food & Agriculture and Energy & Low Carbon Sector Groups



2.2 Feedback from the consultation has been incorporated into this report.

3. Next Steps

3.1 If the report is accepted by the Business support Management Board the report will go to the LEP board with a recommendation to publish the reports.

3.2 The stakeholder group will continue to meet quarterly to receive updates on progress. The stakeholder group has been expanded to include the

- East Lancashire Chamber of Commerce,
- Lancaster University,
- Edge Hill University,
- University Of Cumbria,
- Nat West Bank, and
- Lancashire Universities Innovation Manager

3.3 An annual report will be brought to this committee and the LEP Board reporting on progress regarding the actions identified in the plan.