

# **THE LANCASHIRE ENTERPRISE PARTNERSHIP: THE WAY FORWARD**

**Draft Final Report to  
Lancashire Enterprise Partnership  
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## THE LANCASHIRE ENTERPRISE PARTNERSHIP: THE WAY FORWARD EXECUTIVE SUMMARY

### WHAT'S IN THIS REPORT?

1. This report provides a high-level review of economic priorities for Lancashire to help shape the work of the Lancashire Enterprise Partnership (LEP). The Government approved Lancashire County Council's application to establish the LEP in mid-April. It has since set up a wholly owned company limited by guarantee with a Board of 16 Directors, 11 of whom represent the private sector including the Chair, and the remainder representing the public sector. The primary purpose of the LEP is to provide the business-led leadership and single economic voice needed to enable Lancashire to grow and compete in the market place for new jobs and investment. It will also play a leading role in shaping economic priorities and projects that will not only enable sustainable local economic growth, but also deliver outcomes of national importance. The LEP operates as a strategic and co-ordinating body supported and serviced by the County Council and other partner organisations as necessary or appropriate. The presumption is that delivery of activity should take place at the appropriate level - in most cases, district or 'cluster' level. The LEP does not employ staff, hold assets, enter into contracts or incur any liabilities and does not have share capital.
2. The report is based on three kinds of evidence: interviews with a large number of Board members, businesses, representative organisations and Government officials; focus groups with businesses and a review of key documents. We asked stakeholders to: identify Lancashire's key economic issues and prospects; review the strengths and gaps in existing programmes; outline the objectives, role and priorities of the LEP and the role they would like to play in it. We report the range of views we found quite fully so stakeholders and partners can appreciate the areas of agreement and difference. But that does not mean the Institute endorses all the views we report. The last part of the report gives our overall assessment and sets out our key recommendations and action points for the LEP Board.

### WHAT'S THE NATIONAL PICTURE ON LEP PROGRESS?

#### Lancashire is not alone

3. These are challenging days nationally with major institutional changes taking place in the middle of major public spending reductions. LEP partners should recognise that many of the challenges and dilemmas they confront are found elsewhere. Six main messages emerged from our review of the national scene:
  1. LEPs in areas with better economic performance or prospects or a strong tradition of public and private sector partnership working are finding it easier to make progress.
  2. LEPs have had to decide where they should focus since Government has left it to them to choose which of a series of options to pursue. Most have opted for strategic roles - increasing skill levels, inward investment, improving strategic infrastructure, business development and promoting key economic sectors.
  3. LEPs lack powers, resources and staff and have been introduced in a turbulent environment of institutional change and public spending cutbacks. There are questions about the scale of their resources to meet the scale of their challenges.
  4. LEPs give the private sector a leading role. But business has not always found working with the public sector culture easy and needs to work closely with public officials.
  5. The localist agenda of Government does not always link with businesses' wider economic markets and interests.
  6. LEPs provide the chance for a more business oriented approach to local economic policymaking. But they will need to develop new ways of mobilising resources and creating institutional capacity if they are to succeed.

So LEPs - and the Lancashire LEP - will need to be ambitious but realistic.

## WHAT DO STAKEHOLDERS THINK ARE LANCASHIRE'S MAIN ECONOMIC ISSUES, OPPORTUNITIES, CHALLENGES AND PROSPECTS?

### Lots of opportunities – despite challenges

4. Lancashire has the second largest economy in the North West and most parts of the county contain resilient and successful companies. However, lagging GVA figures suggest that it is not maximising its considerable potential and firing on all cylinders. Lancashire has many assets and strengths including:
  - competitive sectors such as aerospace, energy, advanced manufacturing, digital and creative and tourism;
  - a rapidly growing and well regarded Higher Education/Further Education sector which has recently strengthened links with business by launching incubators, spinoffs, joint research and development, training and technology transfer programmes;
  - good external rail, road and air links and an extensive motorway network;
  - proximity to Manchester, Leeds and Liverpool city regions which offers many business and job opportunities;
  - a comparatively low cost base;
  - quality of life advantages owing to its mix of coastal, urban and rural environments;
  - entrepreneurs and high flyers who tend to remain in the area.So there is much to go on and exploit more fully.
  
5. These advantages are offset by the following weaknesses:
  - economic restructuring and heavy job losses in traditional industries;
  - overreliance in some parts on public sector activity and employment;
  - Lancashire contains many centres, some of which are thought to compete with each other;
  - many urban development projects have been affected by the credit crunch and recession;
  - the county lacks a range of available inward investment sites and premises;
  - Lancashire suffers from a low external profile and lack of identity;
  - East-West road and rail connections within the county are less good, partly because of bottlenecks, as are links between Pennine Lancashire and Greater Manchester and Leeds;
  - there are skills mismatches - some areas and sectors suffer from lack of skills and graduate retention is a major issue;
  - some areas lack suitable housing – mainly affordable homes and/or executive homes;
  - local government administration and business representation is complex and fragmented which can limit county wide consensus.

## WHAT ARE STAKEHOLDERS VIEWS OF THE CURRENT STATE OF PLAY?

### What do stakeholders agree on?

6. There is strong backing for a wide range of economic measures:
  - boosting support for key economic sectors and the areas where those industries are based;
  - assembling a county-wide portfolio of readily available major development sites and premises;
  - improving transport infrastructure (e.g. Todmorden Curve, Heysham - M6 link);
  - introducing Next Generation Access broadband;
  - supporting businesses in rural areas to a greater extent;
  - streamlining and targeting of business support at high value added, high growth potential, businesses;
  - achieving a closer match between employers' skill needs and education and skills provision;
  - closer working between business and HE and FE sectors;
  - unlocking new sources of finance (e.g. JESSICA, TIFs).
  
7. Stakeholders' views, by and large, confirmed the analysis and priorities contained in many existing strategy documents. However, some felt that a key issue for business and Lancashire has been the failure to deliver against many of the priorities.

### Where do they differ?

8. But there are some differences of view. The most contentious areas were:

- the balance struck between generic and sector specific business support, higher and lower value added sectors, inward investment and indigenous industries;
- the relative priority to give to buoyant and struggling parts of the county;
- the balance between strategising and opportunistic approaches and the extent to which forecasting future skills needs is possible.

### **What do stakeholders think the LEP should build on?**

9. There are many areas of good practice and potential the LEP could build on including:
- University and College links and joint ventures with businesses in terms of knowledge exchange, incubation and skills strategy;
  - effective business support programmes such as Lancaster University's LEAD Programme;
  - agencies with specialist knowledge of particular sectors and areas;
  - active business networks which could prove useful sounding boards, ambassadors and sources of intelligence for the LEP;
  - a range of attractive development opportunities including the four Enterprise Zone candidates.

### **What do stakeholders think are the gaps in existing economic plans?**

10. The main gaps were:
- the need for comprehensive strategies for the whole county and all sectors;
  - most strategies predate the Credit Crunch, recession and public expenditure cuts;
  - the need for in-depth analysis of the dynamics of growth and market opportunities in the most promising sectors and locations;
  - the need for attention to inward investment performance, branding and marketing;
  - the need for a greater focus on business needs and a move away from a supplier mentality;
  - the lack of clarity about whether strategies have been approved by business organisations.

## **WHAT DO STAKEHOLDERS THINK SHOULD BE THE LEP'S ROLE AND PRIORITIES?**

### **Core business**

11. Stakeholders think the LEP's core business should be:
- better marketing and branding of Lancashire;
  - strengthening inward investment capacity and aligning national, regional and local actions;
  - co-ordinating and enabling a better supply of strategic sites and premises and better place making;
  - developing and championing sound business propositions;
  - lobbying for the removal of major barriers and bottlenecks preventing business growth;
  - capturing more effectively the potential of rural growth industries;
  - supporting supply chain development in key sectors;
  - reviewing business support provision and deciding future priorities;
  - commissioning a comprehensive review of businesses' skill needs;
  - promoting more comprehensive dialogue between Higher and Further Education and business to increase skills technology transfer, joint research and development and incubation facilities;
  - reviewing planning and transport frameworks and infrastructure plans.

### **Ways of working**

12. Stakeholders believe the LEP should operate in a way which:
- builds trust and consensus;
  - delivers some early wins to boost its credibility;
  - focuses on strategic issues rather than detail and delivery;
  - builds alliances with the key constituencies;
  - is efficient by creating effective support arrangements while minimising bureaucracy;
  - exercises leadership but shares power and responsibility to gain ownership and capacity;
  - considers issues of representativeness, accountability, transparency and independence;
  - lobbies proactively, talks up Lancashire and promotes its interests;
  - improves strategic and local economic intelligence;
  - directs the necessary capacity.

## WHAT DO WE RECOMMEND?

### Focus

13. Stakeholders have suggested a number of issues that the LEP should tackle. However, the LEP is just getting going and has no resources of its own and could quickly become overstretched if it tries to advance on too many fronts at once. It is therefore vital in our view that the LEP:
- prioritises a few areas where it has most scope to make a difference in the short term;
  - acts as a vehicle for rallying support around such projects and directing resources;
  - bears in mind governance issues but avoids getting absorbed by them;
  - focuses on getting things done.

### Collective challenge but also opportunity

14. Despite the challenges, we believe that all parts of Lancashire stand to gain from a business-oriented LEP. This is because:
- **different parts of Lancashire specialise in producing different goods and services** and are not in direct competition with each other;
  - there are **hotspots** and signs of dynamism **throughout the county** and areas of economic potential as well as deprivation in each of the three main sub-areas of the county;
  - a business-led approach should yield **greater overall returns and opportunities**;
  - the LEP has a **high-powered Board** and Directors who run established highly successful companies which could act as exemplars and have **skill sets** which could be tapped into;
  - there is **scope for public sector partners to combine their human and financial resources** to support the LEP and implement significant projects.

### Guiding principles

15. The LEP should adopt and adhere to the following guiding principles:
- the LEP must be **pro-growth, strategic and forward looking**. It should **focus** support on those parts of the economy **where future GVA and/or jobs growth is most likely**;
  - the LEP must **draw upon** the **distinctive strengths** of different parts of Lancashire and **create synergy and cross border benefits** which would not otherwise materialise;
  - the LEP's **actions** should be **based primarily on the best business case** and commercial criteria to maximise collective gains and build trust and consensus;
  - the LEP should where possible **try to narrow the gap** between the more and less prosperous parts of the county, echoing national and local economic policy;
  - LEP **partners must go beyond considering just the location of investment** because the supply chain and employment opportunities are just as important.
  - Lancashire needs a **storyline** in terms of **branding** with which all partners can identify;
  - the LEP must strike the right **balance** between improving **hard and soft infrastructure**.
  - its **actions** must be **based on sound, up-to-date commercial intelligence**;
  - the LEP must **tap** into available **specialist knowhow** and enthusiasm;
  - the LEP should **use** its **clout and influence to lobby** on behalf of Lancashire;
  - the LEP must do what it can to **support related delivery** at the **sub-area and local level**.
  - The LEP should direct resources against investment priorities.
16. In summary, the LEP should focus on supporting opportunities which maximise jobs and growth wherever those are located in Lancashire and ensuring that the benefits of such opportunities are distributed across the county in order to maximise their collective impact.

### Immediate priorities

17. During the next year, we recommend that the LEP concentrates on:
- **raising the profile and visibility of Lancashire** by celebrating business success and communicating what Lancashire is good at;
  - **improving its attractiveness to inward investment** through better marketing, packaging and championing of strategic development opportunities in the three main sub-areas of Lancashire and reviewing current support by commissioning a benchmarking exercise comparing Lancashire with its 'best in class' peers;

- **unlocking business opportunities and improving support infrastructure in key sectors** where there is most growth potential, scope for innovation and competitive advantage such as energy, advanced manufacturing, digital and creative and tourism;
- **lobbying** on the county's behalf. It should lobby relevant parties about: its key business propositions and barriers to business growth such as poor transport connections and bottlenecks and other infrastructural needs. Other important issues include minimising public sector job losses, identifying where Government policy does not mesh with local business needs, unsympathetic banking practices and promoting local procurement by major public and private sector organisations.

### Medium term tasks

18. Within the next year or so the LEP should consider:
- **commissioning work on supply chain development in key sectors** such as nuclear, aerospace, advanced manufacturing, digital and creative and the best means of promoting this;
  - **calling for a review of local business support services** to ensure existing provision is streamlined and meets economic demands;
  - **calling for a medium term skills assessment** which should focus on areas where there are either current or prospective skills shortages, the nature of supply, access issues and getting a closer match between demand and supply;
  - **Working with the HE/FE sector** to boost the level of innovation within growth sectors and industries;
  - **fulfilling a networking role** to improve mutual awareness of indigenous economic assets and identifying where there may be scope for greater collaboration. A key example is bringing together regional business organisations and the Higher Education/Further Education so that opportunities for additional technology transfer, more business R&D investment, incubators and training are fully maximised so that the economic potential of HE/FE is fully realised;
  - **conducting business proofing of key strategy documents** such as housing and spatial strategies, Local Transport Plans, employment and skills plans, tourism and marketing strategies.

### Getting the process right

19. As the LEP goes about its work it must also tackle some key process and relationship issues to build trust and ownership. It should:
- **provide clarity** by defining **what** the LEP is **for** and what it is not and manage expectations;
  - **raise its visibility and profile** by communicating what it does to key interests;
  - **identify Board champions** to oversee and progress the main elements in the LEP's work programme which link to LEP Directors' particular skill sets, while ensuring that they receive the necessary support and briefing;
  - **secure the goodwill of major partners** such as businesses, developers and local authorities by working closely with key delivery bodies, supporting their key projects and persuading them to let the LEP badge such projects to achieve some quick wins;
  - **harness the necessary capacity and expertise** in partner organisations by developing attractive business propositions and then persuading partners to lend practical support to such projects;
  - **set up a SME advisory panel** which would bring together existing SME support organisations and networks in order to engage with the LEP Board on small business and enterprise issues, provide intelligence and act as a sounding board.
20. After a settling in period of between a year and 18 months, the Board should:
- **revisit issues of Board composition, representativeness, accountability, transparency and independence.**

### *Carpe Diem - Seize the day!*

21. There is a strong desire in public and private sectors to make the LEP work and get on and improve Lancashire's economic performance and prospects, and the LEP must capitalise on the Government's recent decision to award Lancashire Enterprise Zone status. The LEP provides a key opportunity and vehicle for creating the right conditions for private investment which Lancashire leaders must grasp. There is a toolkit of measures and resources which the LEP could access and public sector partners must align their investment with its key priorities and projects. The LEP has a crucial role in encouraging high level debate and reaching long term consensus about economic priorities, consolidating private and public sector expertise and

partnership working and developing viable business propositions for its partners to deliver. Most crucial, the LEP must get on and do things. Then people will come to know its works - and support it.



## THE LANCASHIRE ENTERPRISE PARTNERSHIP: THE WAY FORWARD

### 1. WHAT IS IN THIS REPORT?

- 1.1 This report provides a high-level review of economic priorities for Lancashire to help shape the work of the Lancashire Enterprise Partnership (LEP). The Government approved Lancashire County Council's application to establish the LEP in mid-April. It has since set up a wholly owned company limited by guarantee with a Board of 16 Directors, 11 of whom represent the private sector including the Chair, and the remainder represent the public sector. The primary purpose of the LEP is to provide the business-led leadership and single economic voice needed to enable Lancashire to grow and compete in the market place for new jobs and investment. It will also play a leading role in shaping economic priorities and projects that will not only enable sustainable local economic growth but also deliver outcomes of national importance. The LEP operates as a strategic and co-ordinating body supported and serviced by the County Council and other partner organisations as necessary or appropriate. The presumption is that delivery of activity should take place at the appropriate level - in most cases, district or 'cluster' level. The LEP does not employ staff, hold assets, enter into contracts or incur any liabilities and does not have share capital.
- 1.2 The review has been undertaken at the request of the LEP Board by Michael Parkinson, Richard Evans and Gerwyn Jones of the European Institute for Urban Affairs. It has given the opportunity for a large number of private sector and key public sector bodies to air their views about, and aspirations for, the Lancashire economy and what they want to see the LEP focus upon and achieve. The Lancashire Enterprise Partnership was formed at a relatively late stage compared with most other LEPs. So it is crucial it gets off to a good start. It is vital that the LEP engages quickly with businesses and other key interests to clarify the key economic issues and the hopes and expectations of the LEP.
- 1.3 This report tries to encourage this process by providing an open and honest assessment of private and public sector partners' stances on four key questions:
- What are the crucial economic issues facing different parts of Lancashire and what are their prospects?
  - Do existing strategies, programmes and policies address the key issues - which should be built on and where is more action required?
  - What do partners want from the LEP and what role do they want to play in it?
  - What role should the LEP play, what should it focus on doing and how might it make most difference?
- 1.4 This report is deliberately brief. It highlights the main views of interviewees. Where these confirm the findings of previous strategy work it simply notes the fact rather than exploring them further in great detail. In fact, we found a substantial degree of consensus on many issues which provides a solid basis for future action. However, many stakeholders felt that strategic intentions have not been sufficiently matched by action on the ground in the past. Ultimately, the LEP will be judged by whether it makes a difference to the Lancashire economy. So the report is in the main a call to action which sets out our recommendations on the key tasks for the LEP in the short and medium term. However, there remain some differences of opinion and limitations of past policy. So the LEP Board and partners should understand where there is a need for more dialogue, communication, relationship building and developmental work to get an agreed way forward. Despite the common commitment to a single LEP approach, there is still some way to go before partners can act in sufficiently concerted fashion. Part of this report discusses how to get those processes and relationships right.
- 1.5 The report is based on three sources of intelligence: a review of key recent economic strategy documents and local and national LEP literature; Chatham House rules discussions with around forty senior players including Board members, businesses, representative organisations and Government officials; focus groups with a sample of businesses from different parts of Lancashire and key umbrella groups. Details of these consultations are given in Appendix 1.
- 1.6 The report has two main parts. The first part concentrates on stakeholders' views and wishes. The latter contains the Institute's assessment of those views and our recommendations for action. It has five sections.

Section 2 sets the scene by rehearsing national debates about LEPs and showing that many local issues and concerns are faced elsewhere. Section 3 discusses what partners see as the main economic issues, challenges, opportunities and prospects for Lancashire. In Section 4 we summarise key players' views of current economic development policies and partnership working in Lancashire. Section 5 discusses what partners believe the LEP's role should be, what it should focus on and how it might most add value. In Section 6 we give our overall assessment and recommendations and set out a series of action points for the LEP to consider. The early sections of the report quickly rehearse some familiar issues and challenges as well as many opportunities for the LEP. The last two sections show how those opportunities should be grasped.

## 2. WHAT IS THE NATIONAL PICTURE ON LEP PROGRESS?

- 2.1 Lancashire officially joined the LEP family relatively late on. So it has had to get quickly up to speed and try to ensure it does not miss the boat in seizing opportunities. However, its delayed start does offer scope to survey the national scene and learn from what is going on elsewhere.

### *Not on your own*

- 2.2 Some have applauded the LEP model because it seeks to place the private sector in the lead and casts local authorities and other public bodies in a more enabling role. They also welcome Government's non-prescriptive approach to LEPs which allows plenty of scope for local colour and initiative. As the dust settles, however, it is becoming clear that LEPs face some common challenges and concerns as well as opportunities. Many apply to Lancashire and LEP partners should derive some comfort in knowing that they are not on their own in having to confront such issues.

### *Easier for some*

- 2.3 LEPs' progress in addressing local economic challenges, setting priorities and creating the right environment for business and growth has so far been mixed. Many have worked hard to engage relevant partners, set up appropriate structures and define what they are about. However, those LEPs in areas with a history of engaging the private sector, close relations between local authorities and business and local authorities working together across boundaries have generally found it easier to make progress than areas which lack such traditions. LEPs in areas with greater economic potential have tended to attract more interest from the private sector. They have been able to draw upon a larger reservoir of expertise and talent than those areas which have weak economies and face acute economic difficulties.

### *Where to focus?*

- 2.4 Apart from having responsibility for Enterprise Zones and the power to make bids for Regional Growth Funds, LEPs lack formal roles, powers and resources. Government has indicated that LEPs could potentially help to decide investment priorities, provide business support, advise and work with partners on planning policy, business regulation, delivery of housing, incentives for renewable energy, private investment, digital infrastructure. But these are all options on the menu. In line with its 'localist' philosophy, the Government has not stipulated which areas it expects LEPs to concentrate upon. LEPs are simultaneously being urged by some to assume all kinds of responsibilities in the wake of the demise of Regional Development Agencies and Business Link and by others to focus on a few strategic areas in order to maximise their impact and avoid duplication with existing initiatives. Most LEPs have opted for strategic roles such as increasing skill levels, inward investment, improving strategic infrastructure, business development and promoting key economic sectors. LEPs appear therefore to be more about strategy than delivery. But many in the private sector prefer to get stuck in to practical projects where they can expect some tangible outcomes. A potential way round this could be for LEPs to take the lead in identifying investment opportunities and undertake conceptual work on such propositions and then get appropriate private or public sector partners to work them up in detail.

### *Powerful enough?*

- 2.5 Each LEP faces considerable economic challenges and there is growing concern about the mismatch between the scale of their task and their lack of resources. Indeed, some in the private sector question whether LEPs will be able to make an impact given their lack of powers, resources, manpower and they fear that they might soon become talking shops. Some also maintain that LEPs will struggle to meet expectations. Since Government Offices no longer exist, there is no longer a regional body which facilitates links with Central

Government departments. LEPs have been introduced at a time of unprecedented turbulence in terms of institutional change and dramatic public expenditure cuts. This makes forward planning and partnership working more difficult to achieve. Some areas of public expenditure such as economic development, regeneration and place making have been more harshly affected than others which may also limit LEPs. LEPs will therefore need to become vehicles for directing partners' resources and investments.

### *Different cultures*

- 2.6 LEPs are proving a steep learning curve for those in the private sector who have chosen to become involved. Many business people are unfamiliar with the workings of Government and the public sector. Consequently they find some of LEPs' business and processes alien and a culture shock. Business representatives have to learn to work together closely with public partners and combine their commercial knowledge with governmental expertise if LEPs are to lever scarce private and public funding. But this all takes time.

### *Connecting local and wider agendas*

- 2.7 Some senior business leaders are also struggling to reconcile their new role in local decision making and part in the Government's localism agenda with the scale at which they typically operate. Many of the factors affecting business competitiveness transcend particular localities and regions and require wider perspectives and policies. Some are also unclear what the Government's strategy for economic growth and lifting the country out of recession is and where they come into the picture.

### *A big opportunity but also a big ask*

- 2.8 LEPs represent a fresh start and open up opportunities to pursue a more business-led agenda less trammelled by public funding regimes. Too often these have fostered a provider culture and mentality which has failed to address local economic needs and priorities. However, the reality is dawning that despite being the latest initiative, LEPs could soon lose credibility unless they can harness expertise and resources, develop innovative ways of attracting new types of public and private resources and achieve some quick wins. Conversely, Greater Manchester's experience shows that if a strong partnership is forged then there is a strong likelihood that the Government will engage with it in terms of policy initiatives and investment opportunities.
- 2.9 So all LEPs – including Lancashire - need to be optimistic but realistic about the task they face.

## **3. WHAT DO STAKEHOLDERS THINK ARE LANCASHIRE'S MAIN ECONOMIC ISSUES, CHALLENGES, OPPORTUNITIES AND PROSPECTS?**

### *Underperformance but major potential*

- 3.1 We outline the challenges and opportunities Lancashire faces to indicate the job facing the LEP and also the range of views of that job within the county. Two headline messages about the Lancashire economy emerged. The first is that despite the recent recession, most parts of Lancashire contain resilient and successful companies that are growing, in turnover if not size of workforce. Lancashire has the second largest economy in the North West. Many businesses sensed that this was insufficiently understood and recognised. However, the second message is that the Lancashire economy as a whole is not punching its weight in comparison with other parts of the North West, specifically Greater Manchester. Interviewees cited Lancashire's increasingly lagging GVA figures as evidence of this and pointed out that it secures a relatively low percentage of Foreign Direct Investment relative to the size of its economy. Explanations vary. These boiled down to failures to sufficiently exploit its opportunities and address its shortcomings as well as some limitations in governance. We next briefly discuss them.

### *Opportunities and strengths*

#### *Many assets*

- 3.2 Lancashire has many economic assets and strengths which stakeholders think should be exploited more fully. Many of these are already recognised in strategy documents. They include its economic base, Higher and Further Educational Institutions, transport links with elsewhere, low cost base, quality of life and loyalty to the area.

### *Several competitive sectors*

- 3.3 Lancashire has the second largest economy in the North West and contains some world class **companies, and strengths in key sectors**. These include **aerospace, energy, advanced manufacturing** (e.g. ceramics, polymers, composites, prefabrication), **digital and creative and tourism**. For example, Lancashire contains the second largest aerospace cluster in Europe and one of the largest concentrations of manufacturing businesses in the country. But many pointed out that this is not widely known, especially outside the region. All parts of the county contain rapidly growing small and medium sized enterprises which will be the source of most new jobs in future.

### *High performing Further/Higher Education sector*

- 3.4 The sub-region's four Higher Educational Institutions and twelve Further Education Colleges are a major strength. Many are rated highly in assessment exercises. Recently, they have increasingly sought to serve the business community. They not only supply **graduates** in key disciplines but also set up **incubators**, generate **spinoff companies**, run **joint research and development** programmes with usually larger businesses. They promote **technology transfer** and run **training** courses such as mentoring business leaders. Mainly they complement rather than compete with one another.

### *Well connected to North and South*

- 3.5 **External road/rail links** to London and major urban centres are **good** and the region is relatively well served by **airports** (Manchester and Blackpool). Preston could in future gain from being a hub in the **high speed rail** network if HS2 goes ahead and planned electrification investment.

### *Many motorways*

- 3.6 The county also contains a significant number of **motorway corridors** which provide access and **attractive development opportunities**.

### *Good location*

- 3.7 Lancashire's **proximity to Manchester, Leeds and Liverpool** gives it many business and job opportunities. An example of this is the spinoffs anticipated by the Media City development in Salford.

### *Favourable cost base*

- 3.8 The **cost base** (land/labour) for manufacturing and service industries is reasonably **low**, giving the region a competitive advantage.

### *Environmental quality*

- 3.9 Lancashire contains a **mixture of coastal, urban and rural environments** which provide a choice of residential environments, **quality of life advantages** and **tourism and leisure** opportunities.

### *Loyalty to area*

- 3.10 Successful **entrepreneurs** tend to remain in the county and are less likely to relocate their business activities elsewhere. This is key to creating a sustainable economy. Some who work in London the majority of the time **prefer to remain** in Lancashire either because they are attached to the area, have family ties or because it offers them a better quality of life. Companies are able to persuade well trained personnel originally from the area to return.

### *Challenges and weaknesses*

- 3.11 Nevertheless, despite those strengths, stakeholders have underlined the challenges Lancashire faces.

### *Loss of staple industries*

- 3.12 Lancashire has suffered from **economic restructuring** within its traditional industries (e.g. **textiles, heavy engineering, seaside tourism, low value added manufacturing**) and the human and social consequences of unemployment. It has also been hit hard by the recession and cut backs and shifts in production in key manufacturing industries such as aerospace.

### *Reliance on public sector*

- 3.13 Parts of Lancashire are heavily **dependent on public sector** employment and some are vulnerable to planned cuts in public expenditure, especially defence-related businesses. The Fylde Coast, for example, contains a major concentration of civil service jobs and there are fears it could lose up to half its current jobs with severe knock-on effects.

### *Competing centres*

- 3.14 Lancashire is **diverse and polycentric**. This has led to some **territorial competition**, concerning, for example, the location of major retail investment.

### *Lack of investment in key places*

- 3.15 Lancashire is seen as **behind** other parts of the North West **in terms of town centre regeneration, commercial development and place making**. This has particularly been true of Preston despite its commercial potential. No single centre clearly dominates or has unique functions. The credit crunch and recession and the lack of capacity to deliver in some areas have also frustrated some plans.

### *Shortage of available major sites and premises*

- 3.16 Lancashire **lacks** a **sufficient** number of readily available **prestigious sites and premises** for inward investment, major relocation and business expansion purposes, although local authorities and partners are addressing this.

### *Low profile*

- 3.17 The county has a **low external profile**. This means that its **many assets go unrecognised**. Lack of marketing makes it more difficult for some companies to recruit skilled people from elsewhere because they do not appreciate that Lancashire is an attractive place in which to live and work.

### *Missing internal transport links east to west*

- 3.18 The quality of transport infrastructure in the Lancashire sub-region is mixed. Despite the good external connections, **North-South road and rail connections** are **better than** those running **East-West**. **Connections** between key parts of Lancashire such as **Pennine Lancashire and Greater Manchester and Leeds** are **not very good** and the rolling stock is dated. There is a general **overreliance on private transport** and the road network is prone to bottlenecks, especially near major motorway and trunk road connections.

### *Lack of appropriate skills*

- 3.19 **Skill shortages, lack of aspiration** and **educational underattainment, reluctance to travel far to work** are problems in some parts. A number of businesses reported mismatches between the nature of jobs available and the labour supply due to a mixture of lack of information, certain sectors being perceived as undesirable to work in and inappropriate qualifications.

- 3.20 Lancashire, along with many parts of northern England, **struggles to retain graduates** because of a shortage of related employment opportunities.

### *Travel to work patterns*

- 3.21 In some areas, there is limited propensity to travel very far to work either because of a tradition of local sources of employment, poor transport links, lack of access to a car, limited income and cultural factors.

### *Housing offer*

- 3.22 **Lack** of the right kind of housing - mainly **affordable homes and executive homes** - is a constraint in **some areas**. For example, premature termination of the Housing Market Renewal Pathfinder programme in Pennine Lancashire has had a major impact.

## *Weaknesses in governance*

### *Complex local government*

- 3.23 Governmental arrangements in Lancashire can be complex. There are few pan-Lancashire bodies apart from the county council. Local government is fragmented, since Lancashire comprises a county council, 12 district authorities and two unitaries. The size of authority varies as does the scale of their economic development

activities. Established arrangements exist in Pennine Lancashire and the Fylde Coast where economic development companies have also been created, with organisations such as Lancashire County Developments Ltd operating across the county. But recent reductions in public funding have meant that such bodies have had to cut back their staff and activities. A collective approach has proved harder to achieve in Mid Lancashire given that it consists of three sub-areas. However, negotiations surrounding the MAA and HCA Single Investment Programme have improved relations and joint working there.

### *Seeing the big picture*

- 3.24 Complicated governance and delivery arrangements have made it hard for public and private partners to reach agreement about county wide economic priorities and actions and pull in the same direction.

### *Fragmented business representation*

- 3.25 To some extent private sector fragmentation matches that of local government. In terms of business representative organisations, there are three Chambers of Commerce which operate semi-independently, and the Federation of Small Businesses has four branches in the county (East, West, Blackpool and Fylde and Lancaster and Morecambe). There is also Downtown Lancashire, the Institute of Directors has a Lancashire branch while the Confederation for British Industry operates at the North West rather than county level.

### *But desire to see the LEP succeed*

- 3.26 Despite these problems, we encountered a lot of goodwill, recognition that policymaking is difficult and a willingness to share views and expertise. Even those who are sceptical about the LEP want to make it work as it is the main show in town. Partners recognise that Lancashire needs a strong partnership if it is to compete successfully with other regions and the core cities.

## 4. WHAT ARE STAKEHOLDERS' VIEWS OF THE CURRENT STATE OF PLAY?

- 4.1 We found a lot of agreement amongst stakeholders about many economic issues things even if inevitably some differences of views.

### *Areas of agreement on economic priorities*

- 4.2 There is county-wide backing for the following proposals in existing strategy documents:
- **additional support for key economic sectors** such as advanced manufacturing (e.g. aerospace), energy and renewables, environmental technology, digital, creative/media, tourism) **and** the **areas** where those industries are based.
  - **expediting assembly** of a **county-wide portfolio of** readily available **major development sites and premises** since there is evidence of dynamism in most parts of the county and a need to boost FDI performance.
  - **improving transport infrastructure** (e.g. Todmorden Curve, Heysham - M6 link)
  - **introducing Next Generation Access broadband** which will particularly help **rural businesses**.
  - **supporting businesses in rural areas** by promoting local food production and investment, underappreciated tourism assets, providing a supportive planning regime, encouraging diversification and new environmental industries, providing necessary infrastructure.
  - **streamlining and targeting of business support** towards high value added, high growth potential, businesses.
  - **achieving a closer match between** employers' current/future **skill needs and** education and skills **provision** through better promotion of job opportunities, exchange of intelligence and forward planning.
  - **closer engagement with HE and FE sectors** to allow businesses to access their expertise more fully;
  - **unlocking new sources of finance** (e.g. JESSICA, TIFs) partly in order to compensate for cuts in public funding.
- 4.3 Stakeholders also identified a huge range of developments and initiatives the LEP could build upon.
- 4.4 **Universities and Colleges** based within Lancashire have taken major strides forward in developing closer links with business in recent years. Prominent examples include the University of Lancaster's **knowledge**
-

**exchange** activities and facilities and UCLAN's **incubation** facilities and providing courses for local businesses. **The LEP could encourage more dialogue between employers and education/training providers** on skills strategy and exchange of intelligence.

- 4.5 A number of **business support programmes** have been wound up because of the demise of the NWDA and/or Business Link and loss of funding. The **LEP** could take part in **reviewing** such programmes and working with deliverers to improve local intelligence and provision.
- 4.6 There are good examples of **agencies with invaluable specialist knowledge of particular sectors** and the potential opportunities open to them and how they might best grasp them (e.g. the North West Aerospace Alliance; Creative Lancashire). The **LEP** could play a **role in developing such infrastructure** and extending it to underserved sectors and areas.
- 4.7 The LEP could assemble a **SME advisory panel** to draw upon the expertise of existing SME support organisations and networks.
- 4.8 The LEP's review of **four Enterprise Zone bids** has brought to its attention a range of **development opportunities** which it could back. This could boost business confidence and yield a number of quick wins.

### *Differences of view*

- 4.9 There are **differences** of opinion **around thematic priorities**. Most acknowledge that certain economic sectors present major growth opportunities and warrant support in terms of supply chain development, specialised business support and provision of skills. But this must not be at the expense of generic business support for all kinds of growing small and medium sized businesses. Some were worried that an exclusive focus on high value added businesses and growth areas could result in the neglect of lower value sectors which provide valuable entry level job opportunities and more deprived communities being left behind. Many are concerned about the region's poor performance in terms of attracting inward investment. But it is a double edged sword if such firms subsequently decide to relocate or shift production. It is therefore crucial that new firms become embedded in the sub-regional economy and that indigenous businesses with local roots and connections which can provide sustainable jobs are also strongly supported
- 4.5 Another area of discussion was over where there is greatest potential for business growth and increase in private sector jobs in the county and the **balance** to be struck **between investing in the most buoyant areas and helping struggling areas** and underperforming sectors of the economy. Some thought it important to take into account the impact of the Credit Crunch, recession and public expenditure cuts and the Government's renewed interest in manufacturing on the performance and prospects of different sectors and areas.
- 4.4 Some felt that there had been too much strategising in the past and called for a more flexible, opportunistic approach. Others felt that some strategies were too high level and called for more targeted research and market intelligence on areas of greatest economic potential. Others pointed out that many strategic priorities have not yet been implemented. In the skills sphere, some argued for a longer term approach to skills forecasting especially in the manufacturing sector. Others argued for a shorter term, more flexible approach and that it is not possible to predict skill needs beyond the next five years.

### *Strategy gaps*

- 4.12 There are a number of strategies covering particular themes or parts of Lancashire. But very **few cover the whole county and all sectors**. Only the former Lancashire Economic Partnership's and Lancashire County Council's economic strategies endeavour to provide an overarching framework.
- 4.13 **Few documents discuss whether the Credit Crunch, recession and public expenditure cuts have affected strategic priorities** and the pace of implementation. Most strategies either predate the current crisis or are based on rather dated evidence. There is a **need for more in-depth analysis of the most promising sectors and locations** to gain a better understanding of the dynamics of growth.

- 4.14 Strategy documents devote very **little attention to inward investment performance and branding and marketing**. Strategies refer to the sub-region's inherent strengths such as its compelling mix of urban-rural-coastal environments but they do not indicate how they should be exploited.
- 4.15 Some stakeholders thought that business support and training programmes sometimes suffer from a **provider mentality** and were too grant-oriented rather than loan and equity based. For example, some business support programmes were felt to duplicate one another and leave gaps in provision and there were calls for a suite of programmes to provide seamless support for different stages of businesses' growth and for simplification of rules and processes which can be off-putting.
- 4.16 While particular economic development programmes have sometimes been evaluated, there are **few evaluations of strategies' overall impact** and related refinements in approach. This is partly because they have not yet been fully implemented.
- 4.17 It is **often not clear whether strategies** have been **approved by business**.

## 5. WHAT DO STAKEHOLDERS THINK SHOULD BE THE LEP'S ROLE AND PRIORITIES?

- 5.1 The Lancashire Enterprise Partnership is just getting going. There was a collective feeling that the LEP must quickly get on with its core business. Stakeholders also thought it was important that the LEP gets processes and relationships right. Awareness of the LEP is currently a bit patchy. And it has not yet fully engaged some key public and private partners.

### *Getting the product right*

- 5.2 Lancashire would benefit from **better marketing and branding** to project a clearer identity and more effectively communicate its economic strengths and business success stories. Many felt that the county undersells itself and that external bodies do not know what it is good at.
- 5.3 Lancashire's **inward investment capability** should also be **strengthened** and **closer links** forged **with UKTI** which will have primary responsibility for this in future.
- 5.4 The LEP could play a **co-ordinating and enabling** role in securing a **better supply of key strategic sites and premises**, improvements to town centres and **better place making**.
- 5.5 The LEP should **work up and champion sound business propositions** in expanding economic sectors and **lobby** actively **for the removal of major bottlenecks and barriers**.
- 5.6 The LEP should **capture the potential of rural growth industries** by reviewing current policy and promoting improvements in business support, planning policy and other forms of regulation.
- 5.7 The LEP should commission a **systematic and comprehensive review of businesses' skill needs** in the short to medium term **and an assessment of how well provision matches such demand**.
- 5.8 The Higher Education and Further Education sectors are crucial economic assets but at present a relatively small proportion of businesses in the county access such expertise despite these sectors' closer links with business. The LEP could play a **role in closing the gap between the demand and supply of higher order skills**. It could play a role too in **promoting additional technology transfer, more business R&D investment and incubators** in key sectors of the economy.
- 5.9 There are significant opportunities for the LEP to **support supply chain development in key sectors** of the economy which are either due to expand or where there is potential for local and sub-regional substitution. These include aerospace, advanced manufacturing, nuclear, offshore energy, digital and creative.



- 5.10 The LEP should call for, and take part in, a **review business support provision** in the aftermath of the NWDA and Business Link to **decide which forms of support are needed in future** and what balance should be struck between generic forms of local support and more specialist support for particular sectors.
- 5.11 The LEP should **review land use and transportation planning policy documents** since they have not always sufficiently taken into account businesses' development needs in the past.

### *Getting key relationships and processes right*

- 5.12 **The LEP must build trust and consensus.** Stakeholders felt that the LEP can only work if it negotiates its way around some complicated relationships and quickly builds trust, sense of ownership, collective commitment and goodwill. It must show that all parties stand to gain from pursuing a united rather than fragmented approach. This will involve playing to partners' strengths, focussing on what unites partners, some tough negotiations, compromise and fair play. Partners may disagree at times in private, but the LEP must always present a united public face to show collective commitment. The LEP must also overcome some concerns that it will favour larger companies because of their representation on the Board. It should do so by adopting a commercial, evidence-led approach, engaging all parts of the private sector and acting in the wider interest. The LEP must not overlook the importance of the public sector as a supplier of procurement opportunities and in terms of employee consumption of goods and services.
- 5.13 The LEP must **deliver early wins**. It is crucial that it quickly demonstrates its credibility. It needs to show it is systematic, focussed and making a practical difference on the ground. It must avoid at all cost becoming a talking shop. Partners could help by letting oven-ready projects be badged as LEP-related. The Hillhouse scheme in Wyre was cited as an example since this former ICI site is the base for existing high value added chemicals manufacturers where there is major scope to attract inward investment.
- 5.14 Stakeholders backed the LEP's decision to **focus on some strategic priorities** and leave others to deliver and take care of the detail in order to add most value. Inward investment, strategic infrastructure and utilities, skills and business support were stakeholders' key strategic concerns.
- 5.15 The LEP must **build alliances** with key interests. If the LEP is to deliver, it is absolutely crucial that it establishes an early rapport with key business groupings and economic development bodies. It should engage key partners fully in order to maximise collective expertise and resources. A good starting point would be for the LEP to champion the schemes which were candidates for Enterprise Zone status as teams have already been assembled to pursue those plans. Tapping expertise and enthusiasm will also help the LEP get a flying start.
- 5.16 The LEP must be **efficient**. The time and resources of those on the Board are at a premium. The LEP must protect them and focus on where it can make most difference, keeping bureaucracy to a minimum. Board meetings must be kept to a minimum, meeting at most every two months.
- 5.17 The LEP will only work if **power and responsibility are shared**. Although the LEP is private sector-led, the Chair and other private sector members will need considerable briefing and support from appropriate officers since they are busy people who will need help with different, sometimes complex, agendas. They will also need support in negotiating their way around national and local government policy and processes to be able to influence public bodies and attract public funding. The County Council is currently providing secretarial functions, which is very helpful.
- 5.18 Those involved with the LEP must **work as a team**. Some thought an away day could help with team building and developing a collective understanding of what the LEP should focus on.
- 5.19 The LEP must bear in mind issues of **representativeness, accountability, transparency and independence**. Many respondents felt that after a settling in period the Board should revisit its make-up, formal status and protocols to ensure that it is seen to be as fully representative of different parts of the business community as possible. The LEP will also need to ensure that it is not seen as party political. It must also ensure it is seen as independent.

- 5.20 The LEP must **lobby proactively**. The LEP should use its influence to lobby on behalf of the region concerning major strategic issues such as improving transport links and supporting the indigenous manufacturing sector, banking practices and local procurement. It should try to shape Government agendas to Lancashire's needs as well as respond to them. The LEP Board could talk up the 'stock' of Lancashire with financial institutions and investors by putting propositions to the right people and championing them. The LEP should also try to ensure that the area obtains its fair share of resources and does not suffer disproportionately in terms of spending cut backs or public sector job losses.
- 5.21 The LEP must **improve commercial intelligence**. If the LEP is to be able to make difficult decisions about which projects to back and where best to invest its scarce resources, it must have access to the necessary market intelligence on different sectors' growth potential. Like businesses, the LEP must test alternative business propositions by carrying out market research, weighing the respective costs, benefits and risks, deciding which projects are most viable, then action plan and implement them and subsequently monitor and evaluate performance. The LEP could also help to identify local supply chain opportunities in key growth sectors and companies' future skill needs. The LEP will need help from partners with local as well as county wide intelligence because county averages can obscure important local variations in business make up and performance and skill levels.
- 5.22 The LEP must **direct the necessary capacity** if it is deliver what is a big agenda. It also needs to harness the necessary expertise and human and financial resources to demonstrate it has the necessary clout and authority. Partners could help here by contributing staff time and other resources to LEP projects. The LEP will also need to develop a 'toolkit' to develop and advance key priorities. This approach should seek to direct available resources, including ERDF, RGF, Pension Funds, for example, to secure agreed priorities and unlock private investment. The LEP will also need to take advantage of any new (though significantly limited) national programmes such as the recently launched local transport consortia initiative.

## 6. OUR OVERALL ASSESSMENT AND RECOMMENDATIONS

- 6.1 Up to this point, this report had concentrated on stakeholders' views. It is important that a wide range of voices is heard. Many have said what they think the LEP should do. But it cannot do everything. We next identify our recommendations on what the LEP should focus on doing and how it should go about its work.

### *Focus*

- 6.2. Stakeholders have suggested a number of issues that the LEP should tackle. However, the LEP is just getting going and has no resources of its own and could quickly become overstretched if it tries to advance on too many fronts at once. Also public resources are currently stretched and at a premium. It is therefore vital in our view that the LEP:
- prioritises a few areas where it has most scope to make a difference in the short term;
  - rallies support around such projects;
  - bears in mind governance issues but avoids getting absorbed by them;
  - focuses on getting things done.
- 6.3 While stakeholders have raised many valid concerns about governance, there is a big danger that focussing too much on structures and processes too early on will detract from delivery. Since form follows function, the LEP should revisit these issues once it has clarified its role and priorities and generated some momentum in terms of actions and achievements.
- 6.4 One of the key findings of this review is that the views expressed have by and large confirmed the analysis and priorities contained in many strategy documents. The key issue for business and Lancashire has been the failure to deliver against many of the priorities, hence the widespread call for action.

### *Collective challenge but also opportunity*

- 6.5 The LEP has a challenging agenda and there are many demands on its time and resources. However, all parts of Lancashire stand to gain from a business-oriented LEP. This is because:
- **different parts of the Lancashire specialise in producing different goods and services** and are not in direct competition with each other. The Fylde Coast is particularly strong in tourism, aerospace, nuclear and chemicals and food processing. Pennine Lancashire has strengths in aerospace, advanced manufacturing, digital and creative industries. Mid Lancashire tends to specialise in business services, infrastructure, engineering, ICT and HE spinoff companies.
  - statistics on business formation and density suggest that there are **hotspots** and signs of dynamism **throughout the county** and areas of economic potential as well as deprivation in each of the three main sub-areas of the county.
  - a business-led approach should yield **greater overall returns and opportunities**. However, attention will also have to be given to sharing the benefits by ensuring there is wide access to the jobs, developing the sub-regional supply chain and spreading investment wherever possible so that more deprived parts of the county are not left behind.
  - the LEP has a **high-powered Board** and Directors who have established highly successful companies which could act as exemplars and have **skill sets** which could be tapped into;
  - there is **scope for public sector partners to combine their human and financial resources** in innovative ways to support the LEP and implement significant projects. Potential options include Regional Growth Fund, Enterprise Zone Status, economic development company funding, local authority capital programmes, use of pension funds to de-risk projects, asset-backed vehicles and joint ventures.

### *Guiding principles*

- 6.6 The LEP should adopt and adhere to the following guiding principles:
- the LEP must be **pro-growth, strategic and forward looking**. It should **focus** support on those parts of the economy **where future GVA and/or jobs growth is most likely** (see 4.2);
  - the LEP must **draw upon** the **distinctive strengths** of different parts of Lancashire and **create synergy and cross border benefits** which would not otherwise materialise;
  - the LEP's **actions** should be **based primarily on the best business case** to maximise collective gains and build trust and consensus;
  - the LEP should where possible **try to narrow the gap** between the more and less prosperous parts of the county, echoing national and local economic policy;
  - LEP **partners must go beyond considering just the location of investment** because the supply chain and employment opportunities are just as important.
  - Lancashire needs a **storyline** in terms of **branding** with which all partners can identify;
  - the LEP must strike the right **balance** between improving **hard and soft infrastructure** - a purely property-led approach on its own will not work;
  - **actions** must be **based on sound, up-to-date intelligence**;
  - the LEP must **tap** into available **specialist knowhow** and enthusiasm;
  - the LEP should **use** its **clout and influence to lobby** on behalf of Lancashire;
  - the LEP should **direct resources against investment priorities**.
- 6.7 In summary, the LEP should focus on supporting opportunities which maximise jobs and growth wherever those are located in Lancashire and ensuring that the benefits of such opportunities are distributed across the county in order to maximise their collective impact.

### *Immediate priorities*

- 6.8 During the next year, we recommend that the LEP concentrates on:
- **raising the profile and visibility of Lancashire** by celebrating business success and communicating what Lancashire is good at and showcasing its achievements at major events such as the 2012 Open and Preston Guild;

- **improving its attractiveness to inward investment** through better marketing, packaging and championing of development opportunities in the three main sub-areas of Lancashire and reviewing current support by commissioning a benchmarking exercise comparing Lancashire with its 'best in class' peers;
- **unlocking business opportunities and improving support infrastructure in key sectors** where there is most growth potential, scope for innovation and competitive advantage such as energy, advanced manufacturing, digital and creative and tourism;
- **lobbying** on the county's behalf. It should lobby relevant parties about: its key business propositions and barriers to business growth such as poor transport connections and bottlenecks and other infrastructural needs. Other important issues include minimising public sector job losses, identifying where Government policy does not mesh with local business needs, unsympathetic banking practices, promoting local procurement by major public and private sector organisations.

### **Medium term tasks**

6.9 Within a year or so the LEP should consider:

- **commissioning work on supply chain development in key sectors** such as nuclear, aerospace, advanced manufacturing, digital and creative and the best means of promoting this;
- **calling for a review of local business support services** to ensure provision is streamlined and able to meet economic demands;
- **calling for a medium term skills assessment.** It should focus on areas where there are either current or prospective skills shortages, the nature of supply, access issues and getting a closer match between demand and supply;
- **Working with the HE/FE sector** to boost the level of innovation within growth sectors and industries;
- **fulfilling a networking role** to improve mutual awareness of indigenous economic assets and identifying where there may be scope for greater collaboration. A key example is bringing together regional business organisations and the Higher Education/Further Education so that opportunities for additional technology transfer, more business R&D investment, incubators and training are fully maximised so that the economic potential of HE/FE is fully realised;
- **conducting business proofing of key strategy documents** such as housing and spatial strategies, Local Transport Plans, employment and skills plans, tourism and marketing strategies.

### **Getting the process right**

6.10 As the LEP goes about its work it must also tackle some key process and relationship issues to build trust and ownership. It should:

- **provide clarity** by defining **what** the LEP is **for** and what it is not and manage expectations;
- **raise its visibility and profile** by communicating what it does to key interests;
- **identify Board champions** to oversee and progress the main elements in the LEP's work programme which link to LEP Directors' particular skill sets, while ensuring that they receive the necessary support and briefing;
- **secure the goodwill of major partners** such as businesses, developers and local authorities by working closely with key delivery bodies, supporting their key projects and persuading them to let the LEP badge such projects to achieve some quick wins;
- **harness the necessary capacity and expertise** in partner organisations by developing attractive business propositions and then persuading partners to lend practical support to such projects;
- **set up a SME advisory panel** which would bring together existing SME support organisations and networks in order to engage with the LEP Board on small business and enterprise issues, provide intelligence and act as a sounding board.

6.11 After a settling in period of between a year and 18 months, the Board should:

- **revisit** issues of **Board composition, representativeness, accountability, transparency and independence.**

***Carpe Diem - Seize the day!***

- 6.12 There is a strong desire in public and private sectors to make the LEP work and get on and improve Lancashire's economic performance and prospects, and the LEP must build upon the Government's recent announcement to award Lancashire Enterprise Zone status. The LEP provides a key opportunity and vehicle for creating the right conditions for private investment which Lancashire leaders simply must grasp. There is a toolkit of measures and resources which the LEP could access and public sector partners must align their investment with its key priorities and projects. The LEP has a crucial role in encouraging high level debate and reaching long term consensus about economic priorities, consolidating private and public sector expertise and partnership working and developing viable business propositions for its partners to deliver. Most crucial, the LEP must get on and do things. Then people will come to know its works - and support it.

## **APPENDIX 1: INTERVIEWEES**

### **Board of Directors**

Mr Edwin Booth  
Mr Mike Appleton  
Mr Mike Blackburn  
Cllr Simon Blackburn  
Mr Steven Broomhead  
Mr Graham Cowley  
Mr Mike Damms  
County Cllr Geoff Driver  
Mr Steve Fogg  
Cllr Kate Hollern  
Cllr Peter Gibson  
Cllr Ian Grant  
Mr Owen McLaughlin  
Dr Malcolm McVicar  
Mr Dennis Mendoros  
Cllr Michael Ranson (out-going Director)  
Mr Mike Tynan

### **Board Observers**

Mr Robert Hough  
Mr Graham Burgess  
Mr Steve Weaver  
Mr Phil Halsall

### **Industry/Sector Organisations**

Mr Charles Hadcock, Creative Lancashire  
Mr Alan Manning, Regional Secretary, TUC  
Ms Ann Morris, Lancaster Chamber of Commerce  
Mr Martin Wright, North West Aerospace Alliance  
Mr Gary Lovatt, NW Federation of Small Businesses  
Mr Steve Hoyle, Regenerate Pennine Lancashire Ltd  
Mr Ilyas Munshi, enterprise4all  
Focus Group involving six businesses from Pennine Lancashire  
Focus Group involving six businesses from North and Western Lancashire

### **Public Sector**

Mr David Higham, BIS NW  
Ms Deborah McLaughlin, NW Homes & Communities Agency  
Ms Cathy Francis, Deputy Director, CLG  
Mr Steven Cochrane, Blackburn with Darwen Borough Council  
Board of Lancashire County Developments Ltd  
The Mid Lancashire Partnership

### **Further/Higher Education Sector**

Mr Steve Palmer, Lancashire Colleges Consortium  
Mr Roderick O'Brien, Lancaster University  
David Wood, Lancaster and Morecambe College

### **Commercial Developers/Consultants**

Mr Ian Jenkinson, GVA Grimley  
Mr Andy Lavin, Terrace Hill  
Mr John Oliver, Team Enterprise Solutions  
Ms Michelle Taylor, St. Modwen  
Mr Mike Horner, Muse Development  
Mr Tim Webber, Barnfield Construction

### **Rural**

Mr John Wellbank, Pennine Lancashire Local Action Group Chair  
Mr Robert Sheasby, National Farmers Union

## APPENDIX 2: THE EVIDENCE BASE: KEY STRATEGY DOCUMENTS ON THE LANCASHIRE ECONOMY

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