**LEP – Sub Committee**

**Performance Committee**

**Private and Confidential: No**

**10th October 2016**

**Development of the LEP's Business and Operational Plan**

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| **Executive Summary**The LEP is committed to producing an updated Strategic Economic Plan in early 2017, but it is also considered timely and complementary that the LEP produces its first operational business planning document.The suggested purpose of the document is twofold, acting as both:-* An externally facing summary of the LEP's strategic focus, performance, achievement and challenges, set within a two to three year timeframe; and
* An annually refreshed internal operational business planning document, with a focus on LEP income and financial sustainability; key priorities for action and investment; governance structure and executive capacity issues; and the positioning of the LEP itself.

The LEP Board will consider and approve the final Business and Operational Plan. However, it is considered that the Performance sub-committee is the most appropriate part of the LEP's governance structure to develop and have oversight of this area of work, with a view to providing the LEP with a clear organisational assessment and statement of annual priorities. **Recommendation**The Performance sub-committee is recommended to:1. Note, consider and discuss the format and content of the attached presentation which captures the proposed structure of the external element of the Business and Operational Plan; and
2. Agree to a further special LEP Performance Committee meeting to develop the operational business planning document, with consideration given to LEP income streams and priorities for action and investment in the coming year.
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**Background and Advice**

* 1. The LEP is committed to re-establishing Lancashire as a major growth centre by unlocking the area's sectoral strengths and capabilities whilst also tackling its most acute growth, productivity and regeneration challenges.
	2. The LEP's ambition and approach is set out in its SEP, which was published in 2014. The SEP is to be refreshed in early 2017.
	3. The SEP represents a major milestone for Lancashire as the first agreed framework to gain any traction on improving the area's economic prospects. Indeed the strategic focus of the SEP has enabled the LEP and its local partners to establish a growth plan valued at nearly £1Bn with a reputation for bringing forward innovative initiatives of scale.
	4. Although still a relatively new body, the LEP commands the support and confidence of key public and private sector partners in Lancashire. The contribution of private sector leaders is also valued with SME businesses and networks engaged at all levels from LEP Board through to overview and business support delivery arrangements.
	5. The LEP continues to make strong progress across all of its key priorities, which is recognised by Government, and the formation of a Lancashire Combined Authority (LCA) will create the opportunity to further accelerate progress with the support of strong and inclusive civic leadership.
	6. However, in order to ensure the LEP remains effective and compliant in relation to the delivery of key priorities, initiatives and investment programmes it has been proposed by the Chair of the Board, that the LEP produce its first Business and Operational Plan.
	7. The LEP's three-year plan Business and Operational Plan will build on the outcome of the Board's re-purposing day in January of this year and will identify strategic focus, performance, achievements and challenges requiring consideration by the Board. The proposed operational business planning document will identify LEP income and financial sustainability; key priorities for action and investment; governance structure and executive capacity issues; and the positioning of the LEP itself.
	8. It is proposed that the LEP's Business Plan will be complemented by the production of an annual Review document detailing performance against operational objectives as well a 'dashboard' report of the LEP's progress in delivering its key outputs and outcomes.
	9. Furthermore, it is suggested that the Performance sub-committee is the most appropriate part of the LEP's governance structure to develop and have oversight of this area of work, though subject to Board consideration and approval.
	10. In terms of developing the proposed Business and Operational Plan, the special meeting will set aside discussion time to reflect on the progress the LEP has made in recent years, especially in light of available capacity, with an assessment of current priorities and future opportunities. The LEP's thinking and approach to achieving growth, mobilising local and national partners (public and private) to focus on new key initiatives, whilst lifting Lancashire's external profile have also evolved and this informed analysis will help to contextualise the development of the proposed Business and Operational Plan.

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