

## **LEP - Joint Scrutiny Committee**

**Tuesday, 8th March, 2022 held as a Hybrid meeting – in person in Savoy Suite 2 - The Exchange - County Hall, Preston, at 3.30 pm and via Microsoft Teams (Link sent separately).**

**PLEASE NOTE: This meeting is webcast in accordance with the Terms of Reference**

### **Agenda**

- 1. Constitution, Membership and Terms of Reference of the Committee (Pages 1 - 8)**
- 2. Welcome and Apologies**
- 3. Declaration of Interests**
- 4. Minutes of the meeting held on 24th March 2021 (Pages 9 - 14)**
- 5. Matters Arising**
- 6. Introduction to Lancashire Innovation Ecosystem (Pages 15 - 24)**
- 7. Lancashire Skills and Employment Strategic Framework: Future Workforce (Pages 25 - 34)**
- 8. Any Other Business**
- 9. Date of Next Meeting**

The next meeting of the LEP Joint Scrutiny Committee will be held in September 2022 (date TBC) at County Hall, Preston.





## LEP – Sub Committee

## LEP - Joint Scrutiny Committee

**Private and Confidential: NO**

**Date:** Tuesday, 8 March 2022

**Constitution, Membership and Terms of Reference of the Committee**  
(Appendix 'A' refers)

**Report Author: Andy Milroy, Tel: 01772 530354, Democratic Services Manager (Companies), andy.milroy@lancashire.gov.uk**

### **Executive Summary**

An update on the constitution, membership, and Terms of Reference of the LEP Joint Scrutiny Committee.

### **Recommendation**

The LEP Joint Scrutiny Committee is asked to:

- (i) Note the update on the constitution, membership, and Terms of Reference of the Committee, as set out in the report including that Mike Leckie has been appointed as the new Independent Private Sector Chair of the Committee, and
- (ii) To agree to the appointment of a Deputy Chair from amongst the Local Authority Committee Members.

### **Background and Advice**

In accordance with the criteria set out in the governing documents for Local Enterprise Partnerships, the National Local Growth Assurance Framework, the LEP and its Accountable Body have agreed the Constitution and Terms of Reference of the LEP Joint Scrutiny Committee as attached at Appendix 'A'.

In addition to this, since the last meeting of the Joint Scrutiny Committee held on 24<sup>th</sup> March 2021, the LEP has identified an Independent Private Sector person to assume the role of Chair – Mike Leckie. In accordance with the Governance requirements for appointments of the Independent Chair this has been approved by the LEP and the Accountable Body for the LEP – Lancashire County Council in addition to being endorsed by the Company Members – Blackpool Council and Blackburn with Darwen Borough Council.



There is provision in the Terms of Reference for the Committee to appoint a Deputy Chair from amongst the Committee Members from the 15 Local Authorities. The Committee is therefore requested to consider nominating and approving the appointment of a Deputy Chair from amongst its members.

### List of Background Papers

Paper	Date	Contact/Tel
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None		
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Reason for inclusion in Part II, if appropriate

N/A

## **Lancashire Enterprise Partnership – Joint Scrutiny Committee**

### **Governance Structure and Terms of Reference – January 2022**

#### **Composition**

1. The Joint Scrutiny Committee shall comprise of one elected representative from each of the 15 councils in Lancashire plus an Independent Private Sector Representative who will act as Chairman.
2. The Members of the Joint Scrutiny Committee, as at the date of adoption of these Terms of Reference, is as follows:

Independent Private Sector Representative (Chairman)

Blackpool Council

Blackburn with Darwen Borough Council

Burnley Borough Council

Chorley Borough Council

Fylde Borough Council

Hyndburn Borough Council

Lancashire County Council

Lancaster City Council

Pendle Borough Council

Preston City Council

Ribble Valley Borough Council

Rossendale Borough Council

South Ribble Borough Council

West Lancashire Borough Council

Wyre Council

Each council shall nominate one member each who must be a Councillor. Members from council authorities (that operate with Executive Arrangements) cannot nominate Leaders of their councils to serve as Joint Scrutiny Committee members.

Existing Lancashire Enterprise Partnership Directors also cannot be members of the Joint Scrutiny Committee.

There are no requirements for the committee to adhere to political balance rules.

Members can nominate substitute representatives, with written notification provided to the Clerk in advance of the meeting, provided that they meet the criteria for membership as specified above. Substitutes will be counted towards the quorum and will be entitled to vote. The use of substitutes shall be by exception rather than rule.

In addition to the 15 Lancashire Council Members set out above there shall, in accordance with Government guidance for Local Enterprise Partnerships, be one representative from the business sector who will be the Independent Chair.

The representative from the business sector cannot be an existing Lancashire Enterprise Partnership Director or Committee Member.

### **Observers**

3. The Joint Scrutiny Committee may invite any persons it sees fit to attend meetings as observers. Observers shall be subject to the Lancashire Local Assurance Framework protocol on observer attendance at meetings.

### **Chairman and Deputy Chairman**

4. The Joint Scrutiny Committee shall note the appointment of the independent person to act as Chairman ("Chairman") in accordance with the fixed term as set out at point 7.
5. The Chairman shall not have a casting vote.
6. The Joint Scrutiny Committee shall appoint one of its number to act as Deputy Chairman ("Deputy Chairman") on an annual basis.
7. The appointment of the Chairman shall be for a fixed term of no longer than three years (plus in exceptional circumstances a further three years) in line with the fixed terms applicable to LEP Directors.

### **The role of the Chairman (and in his/her absence the Deputy Chairman)**

8. The role of the Chairman (and in his/her absence the Deputy Chairman) shall be:
  - To set the Agendas for meetings, having regard to the advice of support officers.
  - To develop a draft Annual Work Programme, having regard to the advice of support officers.
  - To facilitate the smooth running of each meeting.
  - To ensure that Members of the Committee have an equal voice and an opportunity to discuss and debate items of interest.
  - To ascertain the sense of the meeting and ensure realistic recommendations are developed.
  - To ensure the committee maintains its independence.
  - To resolve any dispute in meetings through the exercise of his/her powers.
  - To be a point of contact with regard to scrutiny of the Lancashire Enterprise Partnership.
  - To lead the Committee in its role as critical friend to the Lancashire Enterprise Partnership; and
  - To be a champion for the role of scrutiny.

## **Quorum**

9. The quorum for Joint Scrutiny Committee meetings shall be 3 and shall comprise, as a minimum, the Chairman, one Upper Tier authority and one District Council.
10. If within 15 minutes from the time appointed for the holding of a Joint Scrutiny Committee meeting a quorum is not present, the meeting shall be adjourned. The Secretary shall arrange for the meeting to take place within 2 weeks and if at that meeting a quorum is not present within 15 minutes from the time appointed for holding the meeting the Members present shall be a quorum.

## **Secretary**

11. The Company Secretary of the Lancashire Enterprise Partnership (or their nominee) shall serve as the Secretary ("The Secretary") to the Joint Scrutiny Committee.
12. The Secretary shall produce minutes of all meetings of the Joint Scrutiny Committee and will maintain a list of conflicts of interests, in accordance with the Lancashire Local Assurance Framework. Joint Scrutiny Committee agendas will include a standing item requiring declarations to be made in relation to specific items of business.

## **Declarations of interest**

13. Declarations of interest will be made in accordance with Government Guidance.

Joint Scrutiny Committee Members are subject to the Code of Conduct for Elected Members adopted by the constituent authority that nominated them including the requirement to declare relevant interests at formal meetings of the Joint Scrutiny Committee. All Members, including the business sector representative are also subject to the Code of Conduct for Lancashire Enterprise Partnership Committee Members as set out in the Lancashire Local Assurance Framework.

## **Voting**

14. In principle recommendations will be reached by consensus, but if a vote is required it will be by a simple majority of all members present.

## **Meeting Frequency**

15. The Joint Scrutiny Committee shall meet at least twice a year in accordance with business needs as and when required.

## **Remit**

16. The objective is to make positive recommendations for how future decisions of the LEP can be effectively implemented.

17. To increase transparency of the decisions made by the LEP and to give further assurance by providing an independent committee that is able to explore and interrogate the rationale for decisions taken by the Lancashire Enterprise Partnership with particular regard to investment decisions including, but not limited to, Growth Deal and Growing Places allocations.
18. To make reports or recommendations to the Lancashire Enterprise Partnership Board, and its Committees, as necessary with respect to the discharge of any functions which are undertaken by the Lancashire Enterprise Partnership.
19. To hold general strategy and policy reviews and to assist in the development of future strategies and policies of the Lancashire Enterprise Partnership and to make recommendations to the Lancashire Enterprise Partnership Board as appropriate.
20. To invite to any meeting of the Committee and permit to participate in discussion and debate, but not to vote, any person whom the Committee considers would assist it in carrying out its functions.
21. To require any Lancashire Enterprise Partnership Chairman, Director or Officer nominated to attend any meeting of the Committee to explain the performance of the Lancashire Enterprise Partnership and / or any particular decision or series of decisions.
22. The Committee does not have the power to delay or refer back the LEP's decision, but it will be able to publicise its conclusions and to make recommendations for improvements to the LEP's decision making processes.

### **Governance Relationship with the Lancashire Enterprise Partnership**

23. The Lancashire Enterprise Partnership is responsible for agreeing the Terms of Reference of the Joint Scrutiny Committee and has the power to vary the same.
24. The Joint Scrutiny Committee shall review its Terms of Reference on an annual basis, and as deemed necessary, and report their findings to the Lancashire Enterprise Partnership Board.
25. The Joint Scrutiny Committee shall make recommendations to the Lancashire Enterprise Partnership as appropriate.

### **Duty to attend, cooperate and respond**

26. The Joint Scrutiny Committee may, as set out in its remit, require by invitation that any Lancashire Enterprise Partnership Chairman, Director or Officer nominated appear before it to explain (in relation to all aspects of the Committee's work) the performance of the Lancashire Enterprise Partnership and / or any particular decision or series of decisions.



Following each meeting of the Joint Scrutiny Committee, the Committee's recommendations will be submitted to the Lancashire Enterprise Partnership Board for consideration. The Board will be required to consider those recommendations at its next meeting and respond to the Joint Scrutiny Committee indicating what (if any) action the Board proposed to take. The response should be made within 28 days of the Board meeting and will be published.

### **Additional Scrutiny**

27. The formation of this Joint Scrutiny Committee does not preclude any Lancashire Local Authority Scrutiny Committee requesting a review of the work of the Lancashire Enterprise Partnership in accordance with the Lancashire Local Assurance Framework but there shall be no Sub Committees formed of the Joint Scrutiny Committee.

### **Publication of Papers**

28. The agendas and papers of the Joint Scrutiny Committee will be published on the Lancashire Enterprise Partnership website in accordance with the Lancashire Local Assurance Framework.

### **Meeting Arrangements**

29. Meetings of the Joint Scrutiny Committee shall be webcast from an appropriate venue capable of facilitating webcast broadcast.



## LEP - Joint Scrutiny Committee

### Minutes of the Meeting held on Wednesday, 24th March, 2021 at 2.00 pm, held as a Virtual Zoom Meeting

#### Present

County Councillor Cosima Towneley (Chair, from Item 2)

Councillor Dave Brookes	Councillor Mohammed Iqbal MBE
Councillor Paula Burdess	Councillor Marcus Johnstone
Councillor Christopher Dixon	Councillor Adrian Lythgoe
Councillor Graham Dunn	Councillor Zainab Rawat
Councillor Dave Evans	County Councillor Cosima Towneley
Councillor James Flannery	Councillor Matthew Vincent

#### Observers

Paul Evans, BEIS Director (Government Department)

#### In Attendance

Sarah Kemp, LEP Chief Executive Officer;  
Anne-Marie Parkinson, Investment Programme Manager;  
Michele Lawty-Jones, Skills Hub;  
Andy Walker, LCC Economic Development;  
Pritam Patel, LCC Economic Development;  
Laura Sales, LCC Director of Corporate Services;  
Andy Milroy, LCC Democratic Services  
Bryan Magan, LCC Democratic Services

#### 1. Appointment of Chairman for this meeting

It was noted that the appointment of an Independent Private Sector Representative was still ongoing

Sarah Kemp, LEP Chief Executive Officer sought nominations for the Chairman for this meeting. Councillor CC Towneley was proposed and it was Agreed that she be appointed to the Chair for this meeting only.

**Resolved** – That Councillor CC Towneley was appointed Chairman for this meeting

(Councillor CC Towneley in the Chair)

## 2. **Welcome and Apologies**

The Chairman welcomed everyone to the meeting and gave a round table opportunity for both members and officers to introduce themselves.

Apologies for the meeting were received from Councillors Stuart Hirst, Ribble Valley and Glen Harrison, Hyndburn Borough Council and from the representative of Preston City Council.

## 3. **Declaration of Interests**

There were no Declarations of Interest submitted at this meeting.

## 4. **LEP Joint Scrutiny Committee - Terms of Reference**

The Joint Scrutiny Committee considered a report of the LEP Chief Executive, Sarah Kemp detailing the Terms of Reference for the Joint Scrutiny Committee. The Terms of Reference had been approved by the LEP Board at its meeting held on 23 March 2021, and in accordance with guidelines the approach has been endorsed by the Lancashire Leaders, and the Accountable Body (Lancashire County Council).

It was noted that District Council Leaders and Executive Members had been nominated to serve on the Committee

**Resolved** – That the Terms of Reference be received and noted and brought back to the next meeting of the Committee following a further examination/review of the membership.

## 5. **Overview of the Lancashire Enterprise Partnership**

The Joint Scrutiny Committee considered a report and PowerPoint presentation of the LEP Chief Executive, Sarah Kemp which provided a brief overview of the LEP, and which set out broader context for the benefit of the Joint Scrutiny Committee.

The PowerPoint presentation covered the following key points:

- Local Enterprise Partnerships
- LEP Structure
- LEP Board Committees
- Overview on Governance
- Role of Local Authority Scrutiny
- Overview on Delivery
- LEP Joint Scrutiny Committee

- The Strategic Economic Framework
- Development of the Framework – strategy elements in development
- Pillars of Growth
- Response to Covid
- Sector Groups
- Looking ahead, Responding to the big challenges
- Forward Plan – suggestions:
  - Local Industrial Strategy
  - Implementation of the Innovation Strategy
  - Sector Plans – Energy and Low Carbon
  - Food and Agriculture
  - Digital
  - Health
  - Manufacturing
  - Tourism, Culture and Place
  - Growing Places loan Fund
  - Growth Deal

It was noted that a new Sector Report would be available approximately every three months and that the outcome of the LEP review would be reported to the next meeting of the Joint Scrutiny Committee.

The Chairman sought clarification on the inclusion of fisheries and rural business and the LEP Chief Executive, Sarah Kemp responded highlighting the relevant sector groups. In doing so, she identified 'coastal and rural strategy' as a potential future piece of work to which scrutiny members could add value and contribute to.

Councillor G Dunn sought clarification in relation to regional coordination and cooperation, highlighting a specific issue in relation to Chorley and its relationship with Greater Manchester. The LEP Chief Executive, Sarah Kemp replied indicating that this question presented a possible opportunity to 'deep dive' into the Independent Economic Review of the Greater Lancashire Plan and the Lancashire Infrastructure Plan developed by the Economic Development Officers of the Local Authorities are making consideration of these issues. Regional Co-operation is good through the North West LEP Network and NP11.

**Resolved** – That, subject to the above points raised by members and the responses of the LEP Chief Executive and potential inclusion into the work programme of the Committee, the Joint Scrutiny Committee noted the presentation.

## 6. Getting Building Fund - Allocation Process

The Joint Scrutiny Committee received a presentation from Anne-Marie Parkinson Investments Programme Manager which covered the following key points:

- Background
- Invitation
- Funding Criteria
- Process
- Prioritisation
- Approval
- Project Status
- Expected Outputs
- Risk
- Getting Building Fund Projects

**Resolved** – That the Joint Scrutiny Committee note the presentation and raise any questions of clarification or additional information required

## 7. Refresh of the Lancashire Skills and Employment Strategic Framework

The Joint Committee received a report and PowerPoint presentation from Dr Michele Lawty-Jones which -

- detailed the background to the development of the first evidence-based Lancashire Skills and Employment Strategic Framework 2016-20, which was published in February 2016 and developed in consultation with employers, providers, local authorities and stakeholders;
- outlined a number of achievements to-date against the original framework, and the process undertaken to refresh the framework as it came to the end of its lifetime;
- Identified that, it was agreed to refresh the framework for a one-year period, taking into account the evolving impact of the pandemic on employment and skills, and the evolving LEP Sector Groups, Lancashire Industrial Strategy and Greater Lancashire Plan; and
- set out the process undertaken, including the review of Labour Market Intelligence (LMI) and consultation with stakeholders, approval by the LEP Board and publication of the refreshed Lancashire Skills and Employment Strategic Framework in January 2021.

The Chairman again sought clarification on the inclusion of rural business and Councillor Zainab Rawat thanked the officer for including the challenges associated with youth unemployment in the presentation as this was a specific priority issue in Blackburn with Darwen.

**Resolved** – That the LEP Joint Scrutiny Committee received and noted the report and PowerPoint presentation and reflect on the presentation at the meeting and process undertaken to refresh the Lancashire Skills and Employment Strategic Framework for 2021.

## 8. Boost Business Lancashire – Covid 19 Response

The Joint Scrutiny Committee received and considered a report of Andy Walker

which provided some detail on the operation of Boost and in particular, how Boost had responded to support businesses impacted by the COVID 19 pandemic. The report detailed that:

- Boost was Lancashire's Business Growth Hub and sits at the heart of the business support landscape within the Lancashire LEP area
- Boost delivers around £2.5m worth of business support activity each year, supported by European Regional Development Fund grant (60%), Lancashire County Council funding (30%) and variable grants from the Department for Business Energy and Industrial strategy (10%).
- The Growth Hub delivers the largest volume of publicly funded business support activity in the area working with around 1,000 each year.

Members of the Joint Scrutiny Committee also received a PowerPoint presentation from Pritam Patel providing further detailed information.

**Resolved** – That the report and presentation was noted.

## **9. Date of Next Meeting**

It was noted that the next meeting would take place on a date and time to be agreed in September 2021.







## LEP – Sub Committee

## LEP - Joint Scrutiny Committee

**Private and Confidential: NO**

**Date:** Tuesday, 8 March 2022

## Introduction to Lancashire Innovation Ecosystem (Appendix 'A')

**Report Author: Matt Wright, Innovation Manager**  
**Matthew.Wright@lancashirelep.co.uk**

### Executive Summary

The attached report sets out an introduction to innovation policy, challenges and opportunities in Lancashire aimed at informing scrutiny members of the key issues to be considered.

### Recommendation

The Joint Scrutiny Committee are asked to note and comment on the report enabling members to consider areas they may wish to scrutinise further in terms of Innovation policy and delivery.

## Background and Advice

This report sets the scene for the innovation ecosystem in Lancashire, giving an introduction to the field of innovation, the trends and opportunities presented by innovation and technology and the emphasis placed on innovation in current and emerging LEP plans.

Innovation is a core component of the LEP strategy and is illustrated as a cross cutting theme in the Strategic Framework which sets out the key sectors and activities which can benefit from innovation.

The LEP Growth Plan is structured around four overarching drivers of growth and shared prosperity, with the following ambitions:

- **Skills:** to build a talent pipeline aligned with the needs of the economy, boost the skills of our people to enhance productivity and drive an inclusive workforce in partnership with business, providers and stakeholders.



- Business: to make our economy more prosperous and resilient by enabling business recovery, growth, diversification and internationalisation through digital transformation, tailored business support and strong sector leadership.
- Innovation: to be more innovative by embracing technological change and collaborating across sectors to support globally leading, cutting edge R&D and enable the broader diffusion and adoption of innovation across our business base.
- Infrastructure: to enable sustainable growth through strategic transport, digital and utilities infrastructure and focus growth around the development and expansion of high-quality strategic employment sites and thriving town centres.

### List of Background Papers

Paper	Date	Contact/Tel
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N/A

Reason for inclusion in Part II, if appropriate

N/A

## Introduction to Innovation in Lancashire

### Introduction

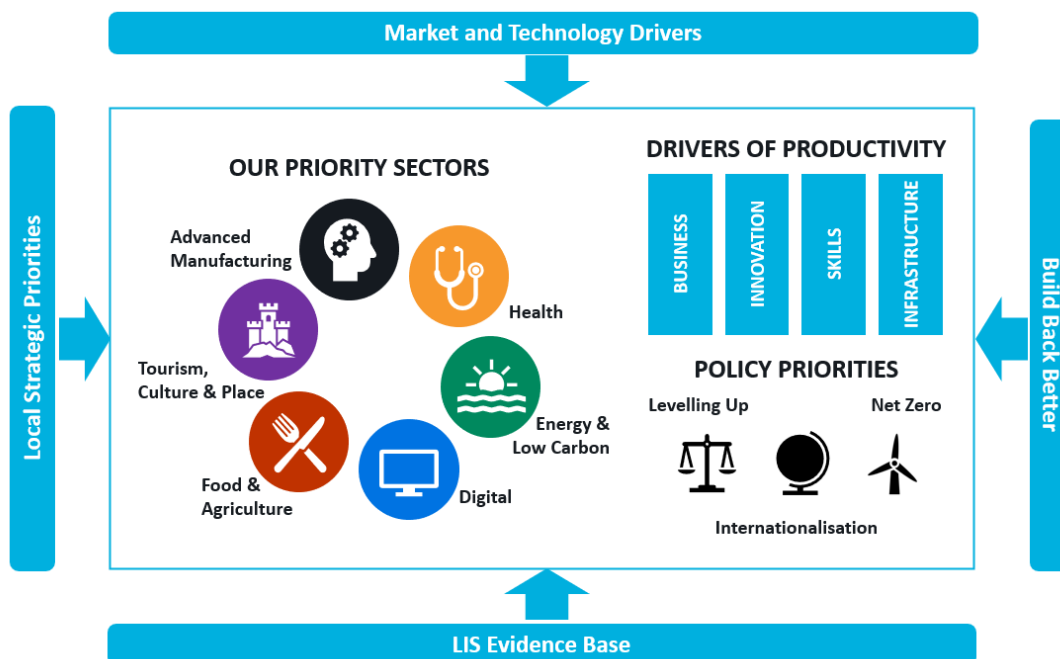
This report sets the scene for the innovation ecosystem in Lancashire, giving an introduction to the field of innovation, the trends and opportunities presented by innovation and technology and the emphasis placed on innovation in current and emerging LEP plans.

### LEP approach & role of Innovation

Innovation is a core component of the LEP strategy and is illustrated as a cross cutting theme in the Strategic Framework which sets out the key sectors and activities which can benefit from innovation.

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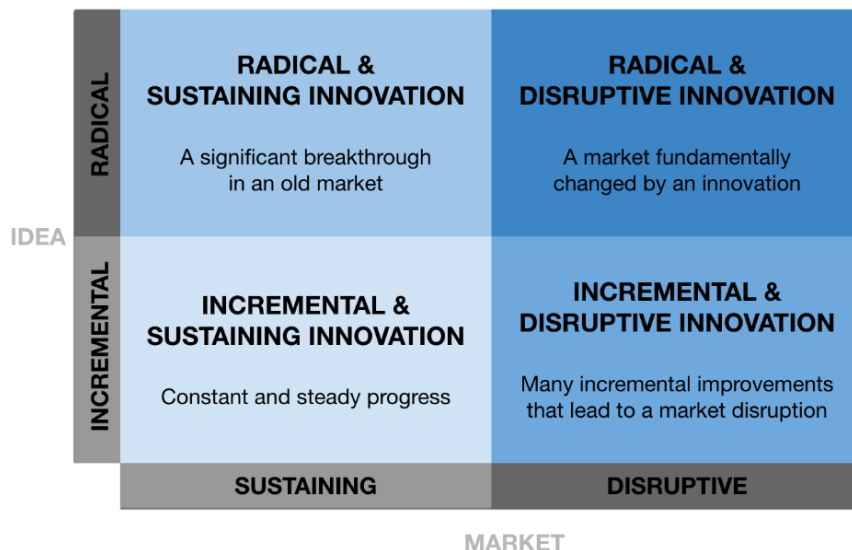


## Defining Innovation

A 2009 study of definitions of innovation in scientific papers came up with the following multi-disciplinary definition:

*"Innovation is the multi-stage process whereby organizations transform ideas into new/improved products, service or processes, in order to advance, compete and differentiate themselves successfully in their marketplace"*

As such Innovation as a concept has long been regarded as the key lever in transforming societies, industry and economies. It has underpinned major transformations such as the Industrial Revolution as well as being closely aligned to productivity gains. It is important to understand that innovation is much more than invention as it is not enough to have an idea, it has to be purposeful and aimed at meeting a need where a transaction is enabled in the economy. In this sense Innovation is closely associated with enabling technology and new ways of working and is mainly associated with markets. It comes in different forms as illustrated below:



## Technology is driving change

Lancashire, like other areas, is facing a number of key technology drivers and rapid global change. Some of the technology drivers are enabling ones – essentially new technologies that have a multitude of potential applications. These are not necessarily being developed in response to one specific field or market opportunity but represent ways of addressing wider challenges which the county needs to understand how to harness to stay ahead (eg AI, machine learning, robotics, genomics). These enabling trends include:

\* Digital connectivity – more and more things (and people) can and will be connected up digitally (sometimes known as the Internet of Things) which is being facilitated by the roll-out of 5G or data comms from space.

\* The intelligent automation of more and more activities previous carried out by people (combination of robotics and AI) - replacing the “dull, dirty and dangerous” jobs and responding to areas of labour shortage.

\* Changes in energy vectors (largely electrification but other potential sources such as hydrogen and synthetic fuels) and the associated resultant infrastructure (batteries, charging, smart grids, local energy storage/buffering, cogeneration tech etc).

\* The combining and integration of technologies such as bio-convergence, electech, embedded functionality etc

## **Market & Socio-Economic Change**

Key drivers of technology trends in industry can largely be categorised into market led and external drivers. Market led drivers include the emergence of secure digitalisation, customisation/ personalisation (of products and services) and automation (e.g. AI, IoT, 3D printing). These trends have been accelerated by COVID-19 and overlaid by the need for new working practices, resilience in supply chains, security, on-shoring and sovereign capabilities.

Alongside market led trends are external drivers including the imperative for low and zero carbon practices, health pressures (from long term ageing populations and shorter term health threats), and political influences (such as Brexit and growing economic and security threats to the East).

These multiple drivers highlight the importance of businesses having digital and technology ‘starting blocks’ in place to enable them to adapt to new and developing business models, market demands, working practices, and contextual changes.

Technology consequently opens up new opportunities and influences the shape of the economy. Essential technologies including IoT, AR/VR, Blockchain, Drones/Robots, 3D printing and AI are being deployed across multiple sectors, leading to rapid change in how traditional sectors are operating at ‘convergence zones’.

Global experience points to the key to productivity being entrepreneurialism and innovation. Studies of areas of the world that successfully nurture innovation indicate common features occurring at a critical mass, chiefly including:

- Long term goals and a culture of experimentation and entrepreneurialism with innovative open management;
- Networking/mixing of sectors, companies (small and large), staff and researchers - immersing them in problems and challenges;
- Business model innovation and strong market orientation alongside product and technical strengths/facilities;
- Significant funding and R&D investment for ventures through to later TRL, start-ups and larger scale-ups.

While Lancashire has been successful in maintaining its overall competitiveness and supporting business, evidence suggests further work is required to achieve the critical mass to engender sufficient levels of knowledge intensive activity in the face of the changes described and to join up our strong asset offerings.

### **Innovation Policy Arena**

The last few years has seen frequent Government changes in their approach to innovation. When the first Lancashire Innovation Plan was written UK government prioritised economic growth and productivity through a National Industrial Strategy which targeted a number of Grand Challenges based on national strengths and opportunities (Healthy Ageing; Future of Mobility; Clean Growth; Data & Digital) alongside drivers of productivity (Ideas; People; Infrastructure; Business Environment; Places). It was intended that all LEPs would develop and institute a Local Industrial Strategy but this has been discontinued as a policy.

The UK Innovation Strategy was published in August 2021 and it replaced the National Industrial Strategy of the previous Government, although there are aspects that crossover such as the underpinning technologies that informed the Grand Challenges and the importance of key themes that arose from those challenges. It sets out interest in supporting innovation in Places, Sectors and Business with an emphasis on levelling up the economy, creating high value jobs and global trading opportunities. At various stages the interlinking of these factors is stressed and the importance of infrastructure, skills and innovation as key drivers and sets out to boost private sector investment. To assist it commits to increasing public spend on R&D.

It states at various points states that it has asked Innovate UK to inform on detail and operationalise the strategy and in the development of the Places Pillar, it is clear that the work of Regional Heads of IUK in co-designing cluster priorities with local stakeholders is key. It is likely this will underpin funding whether through Innovation Deals or cluster initiatives.

In February 2022 the UK Government launched its Levelling-Up White Paper which set out 12 ambitious missions cutting across Government departments and proposing public R&D outside the south east will increase by 40% along with more devolution of powers including nine priority areas for County Deals (not including Lancashire). The Metropolitan Combined Authorities were highlighted with three Innovation Accelerators proposed for city regions, one of which was Manchester. The plan was however limited on the specifics of how the ambitions would be achieved.

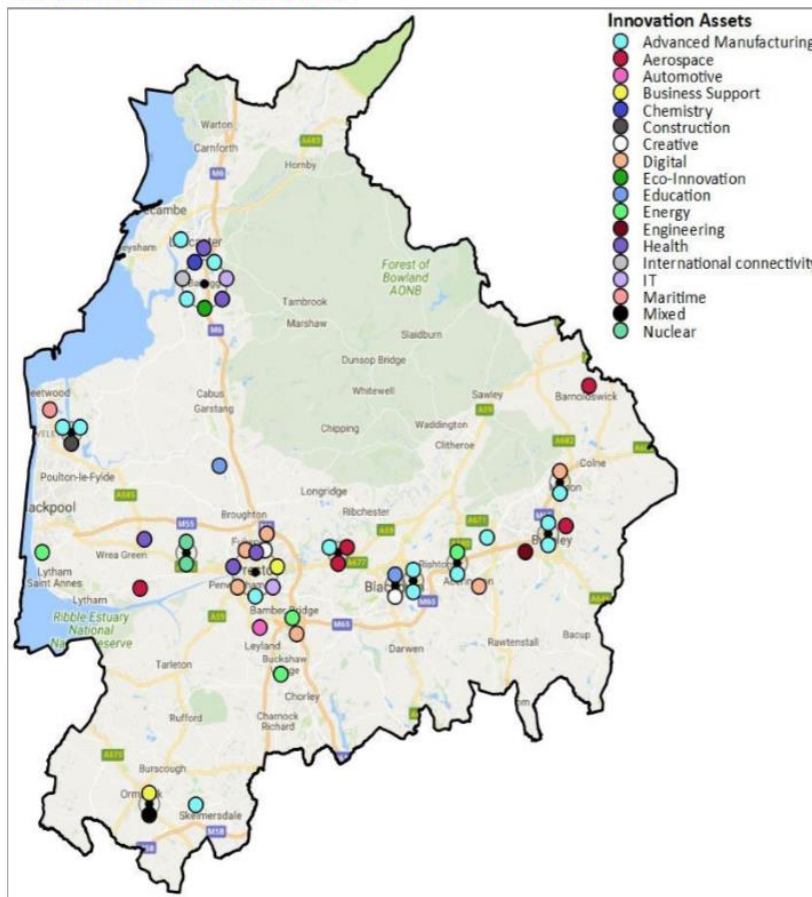
The paper included references to the Shared Prosperity Fund (SPF), intended to replace European funding but this appears comparatively limited in scale compared to previous European funds. For those areas outside of MCAs and County Deals the SPF is proposed to be handled by district councils which could present difficulties in achieving a joined up impactful approach to innovation which tends to operate across areas more typically optimised closer to a regional emphasis.

## Structures & Staff

The number of direct staff managing and directing innovation plans in the county is currently small. The LEP has one Innovation Lead funded by the three universities supported by a paid intern from Lancaster University on a 12 month contract. The County Council has an Innovation & Digital Lead supported by two officers. Collectively this represents a small group of five people who meet on a regular basis to address policy, partnerships, initiatives and marketing of innovation efforts.

Indirectly a broader number of organisations encourage and support innovation plans in Lancashire. Through the LEP, Boost deliver general business support which includes some elements of innovation but the bulk of specialist innovation support is provided through numerous programmes delivered by the universities. Over the years these have led to the development of major innovation assets and supported thousands of small and medium sized companies in Lancashire. Such assets include AMRC(NW), the Engineering Innovation Centre and the Health Innovation Centre to name a few.

### Lancashire's Innovation Assets



Source: Lancashire Innovation Plan, 2018

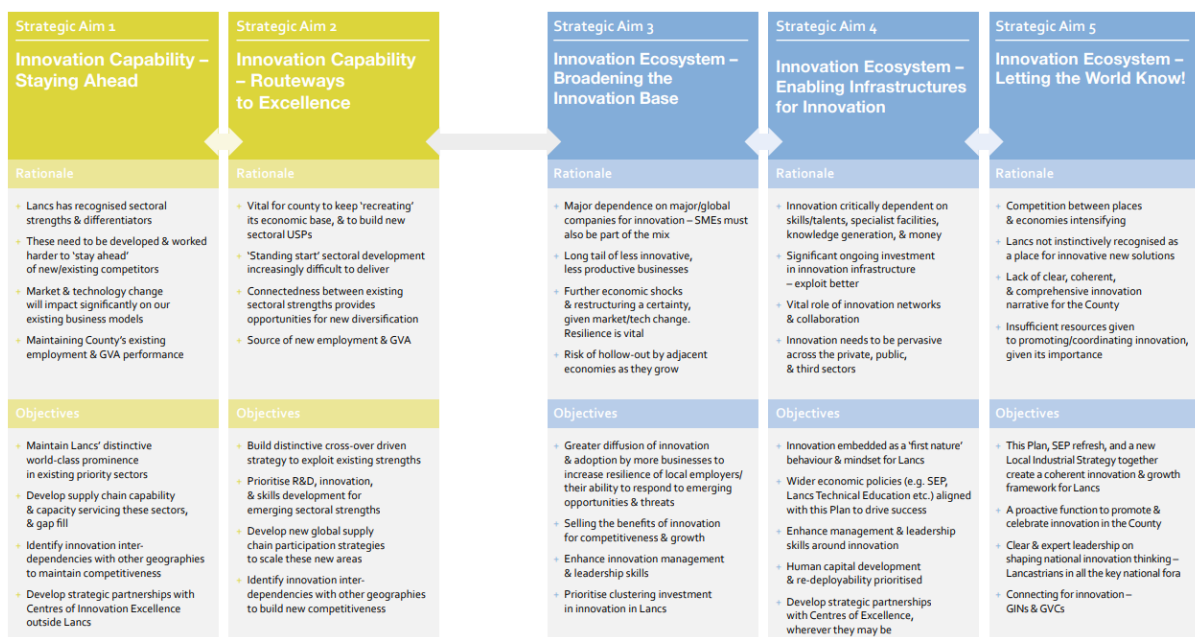
These have chiefly been funded through European monies that are currently phasing out due to Brexit and end in 2023 presenting a potential challenge for future delivery of coordinated innovation activities.



The innovation activities are guided and steered by an Innovation Board which was set up in late 2020 and draws together key stakeholders from across the public and private realms and sectors. The Board is chaired by Prof Graham Baldwin, the Vice Chancellor of UCLan. The Board oversaw the successful delivery of two Innovation Festivals and is developing a web platform called Innovate Lancashire as the shop window for innovation activities as well as working with Steer Group Consultants to refresh the Lancashire Innovation Plan with a new set of actions based on the work to date and new opportunities for the county.

## Lancashire Innovation Ecosystem

Lancashire has a formal Innovation Plan which was written in 2017 but is currently being refreshed due to major government changes in policy, the impact of Brexit and of Covid and other emerging trends. The basic approach of the Lancashire Innovation Plan was to build on our capabilities to stay ahead in our strong sectors, to cross fertilise new opportunities across our sectors by supporting clusters and to better join up our assets into a strong innovation ecosystem.



Through the LEP Strategic Framework, innovation is a cross cutting enabler and the LEP is developing a vision where innovation plays a key role in further orchestrating growth. A SWOT analysis of the ecosystem identified some key features in the county as follows:

- Lancashire has three Universities delivering research and innovation support programmes with increasing collaborative efforts. Lancashire has supported the establishment of a number of key Innovation assets across its geography (eg EIC, HIC, AMRC etc) with good partnership links and has skills support across five colleges. All Institutes have strong SME support with over 20 ESIF innovation programmes supporting thousands of SMEs.

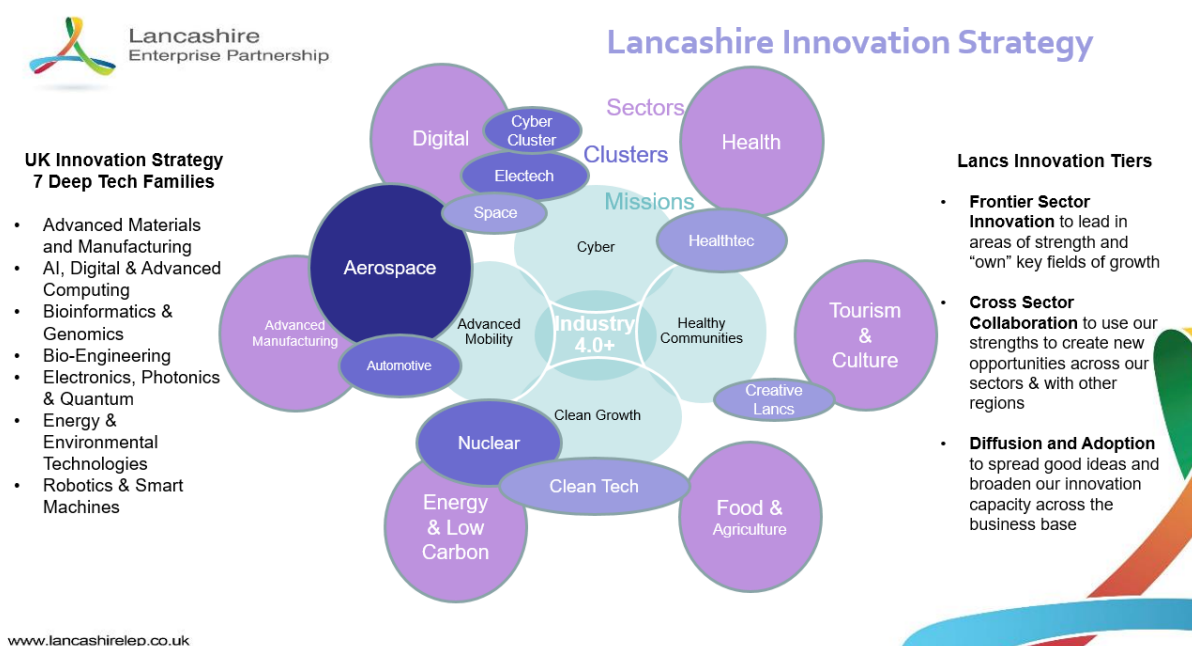


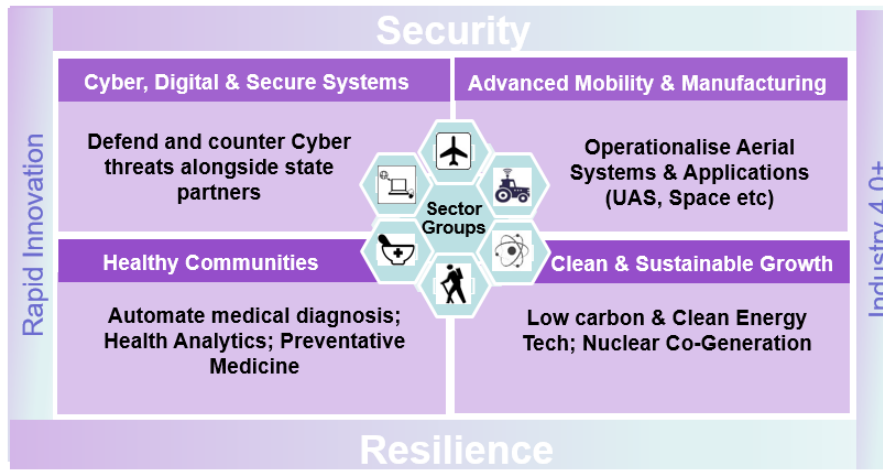
- Lancashire has leading businesses with world-class expertise in R&D and manufacturing, notably in the aerospace, manufacturing and energy sectors and a history of product development with some key emerging market opportunities aligned to local strengths. Nevertheless it is somewhat reliant on a limited number of larger companies.
- In keeping with much of the North, Lancashire has lagged on SME R&D spend and business productivity and needs both more high growth innovative companies with international ambitions as well as adoption of new technologies in existing supply chains to keep ahead. The county needs to understand its future strengths and growth opportunities and how to cross-fertilise sectors, join up delivery and better fund innovation to broaden the economic base and improve impact.
- Lancashire has a polycentric geography requiring it to work at uniting its comparative advantages and finding synergies in the face of more compact metropolitan centres more easily able to achieve critical mass. The county needs to better understand the depth and breadth of its strengths and their complementarity with partners locally and nationally in order to lead on building cluster critical mass that advantages Lancashire and reaches out across the Northern region and to the world.

## Building on LEP Successes

Recent work at the LEP is building on the analysis of the strengths and capabilities in Lancashire and a deeper understanding of sectors and clusters in the county along with the factors that underpinned recent successes in attracting investment such as the National Cyber Force.

The following illustrations map out the factors around our cluster strengths and how these can be framed as Missions that share synergies and can be relayed as a unique value proposition for Lancashire in the field of *security and resilience*.







**LEP – Sub Committee**

**LEP - Joint Scrutiny Committee**

**Private and Confidential: NO**

**Date:** Tuesday, 8 March 2022

**Lancashire Skills and Employment Strategic Framework: Future Workforce**

**Report Author:** Dr Michele Lawty-Jones, Director of the Lancashire Skills and Employment Hub, Michele.Lawty-Jones@lancashirelep.co.uk

## **Executive Summary**

The paper builds on the presentation and discussion at the last committee meeting which was focused on the process undertaken to develop and refresh the Lancashire Skills and Employment Strategic Framework. The paper focuses on one of the strategic themes: Future Workforce, and the work of the Lancashire Careers Hub and Enterprise Adviser Network in raising careers aspirations and enabling young people to make informed choices about their pathway into the world of work.

The paper outlines how the Careers Hub is working in partnership with businesses across Lancashire to enable young people to gain a wide variety of insights into sectors, jobs and local companies, through employer encounters and experiences. The aim being to enable young people to secure good employment and to build a future talent pipeline that meets the needs of Lancashire's economy now and in the future.

## **Recommendation**

Committee members are asked to note the content of the paper and reflect on the presentation at the meeting and the implementation of the Future Workforce strategic theme.

## **Background and Advice**

### **1.0 Lancashire Skills and Employment Strategic Framework**

- 1.1 At the last Scrutiny Committee, a paper and presentation were provided regarding the development of the Lancashire Skills and Employment Strategic Framework, which was first published in 2016 and refreshed in January 2021. The process for the development of the framework was outlined, which included the development of an extensive evidence base and consultation with employers,



stakeholders and Local Authorities. Committee members were given the opportunity to comment on the process and the development of the framework.

- 1.2 The framework is overseen by the Lancashire Skills and Employment Advisory Panel which is a committee of the LEP, and which supports the work of the 15 Local Authorities across Lancashire. The Lancashire Skills and Employment Hub supports the work of the board and the implementation of the Lancashire Skills and Employment Strategic Framework, working closely with partners across the area. The evidence base and the framework can be accessed on the Lancashire Skills and Employment Hub website:

<https://www.lancashireskillshub.co.uk/strategies/strategic-framework/>

- 1.3 The Strategic Framework highlights 4 strategic themes for Lancashire:

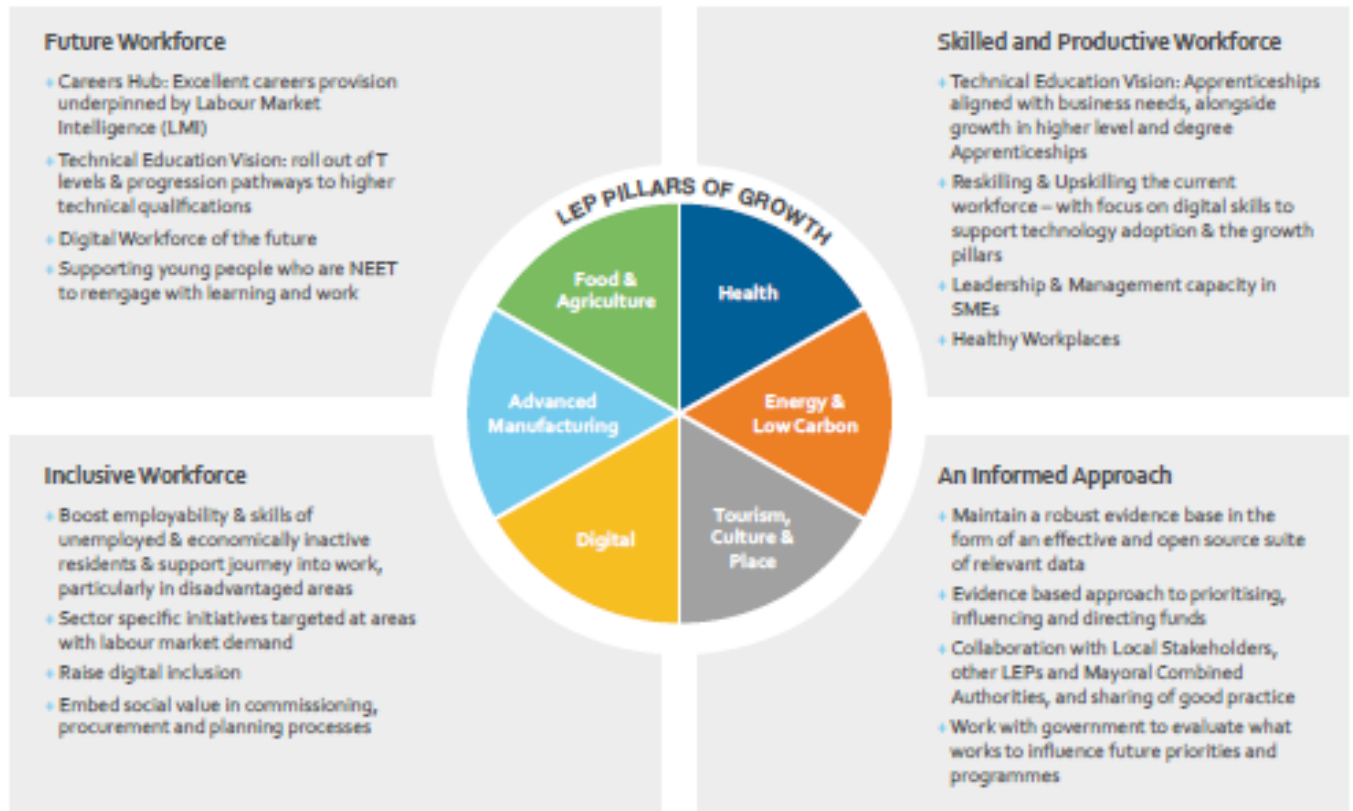
1. **Future Workforce** – working with education and business to establish a talent pipeline and future workforce that meets the current and future demands of the local labour market
2. **Skilled and Productive Workforce** – working with business to drive up skills in Lancashire's workforce to boost productivity, in-line with the needs of Lancashire's growth pillars
3. **Inclusive Workforce** – supporting unemployed and economically inactive residents into sustainable employment, driving up digital skills and embedding social value to level up areas of Lancashire and accelerate inclusive growth
4. **An Informed Approach** – taking an evidence-based approach to identifying skills and employment issues facing Lancashire's businesses and industries, prioritising and influencing locally and nationally, and working with partners to identify best practice.

The summary page of the framework is provided overleaf.

- 1.4 The focus for this committee meeting is the 'Future Workforce' and the role of the Lancashire Careers Hub and Enterprise Adviser Network in raising the career aspirations of Lancashire's young people and building our future workforce in-line with business needs and future labour market forecasts.



**Purpose: An enabler of the LEP's Strategic Economic Framework and the Greater Lancashire Plan, the Lancashire Skills and Employment Strategic Framework aims to build a talent pipeline aligned with the needs of the economy, boost the skills of our people to enhance productivity and drive an inclusive workforce in partnership with businesses, providers and stakeholders.**



Interactions with Enablers			
<p><b>Infrastructure</b></p> <p>Investment in skills infrastructure. Embedding social value. Building construction skills &amp; workforce of future.</p>	<p><b>Mental Health</b></p> <p>Building the resilience of our Future Workforce. Healthy workplaces driving up productivity and health and well-being.</p>	<p><b>Finance &amp; Inward Investment</b></p> <p>Supporting inward investment through skills base offer and supporting recruitment.</p>	<p><b>Stakeholder Engagement</b></p> <p>Businesses, providers and stakeholders engaged in the implementation of joint objectives.</p>

## 2.0 Future Workforce

2.1 As above, the strategic theme Future Workforce is focused on working with education and business to establish a talent pipeline and a future workforce that meets the current and future demands of the local labour market.

2.2 There are four priorities that underpin the Future Workforce theme:



- Raise the breadth and quality of careers provision across secondary schools and post-16 education, inspire young people through engagement with business and enable informed choice
- Implement the [Lancashire Technical Education Vision](#) in collaboration with providers and business including rolling out T Levels and progression pathways to higher technical qualifications
- Develop a digital careers journey through secondary education and post-16 education which embeds digital skills and careers provision
- Support young people who are not in education, employment or training (NEET) or at risk of becoming NEET to positively reengage with learning and work

2.3 A pivotal aspect of the Future Workforce theme is the Lancashire Careers Hub and Enterprise Adviser Network, which is funded by the Careers and Enterprise Company, who receive DfE funding and who fund Careers Hub and Enterprise Adviser Networks across the country, matched by Lancashire County Council, Blackpool and Blackburn with Darwen Unitary Authorities, the LEP and the Blackpool Opportunity Area.

### **3.0 Lancashire Careers Hub and Enterprise Adviser Network**

#### **3.1 Strategic Context**

3.1.1. As above, the Lancashire Skills and Employment Strategic Framework was published in February 2016. The underpinning research highlighted the inconsistent and fragmented careers education, information, advice and guidance offer in schools and colleges across the Lancashire area.

3.1.2 As part of the research, a mapping exercise, undertaken in November 2015, emphasised the plethora of organisations offering piece meal activity across the area. A debate with the Youth Council concluded that young people's experiences of careers provision were inconsistent; young people described support as a 'postcode lottery', few had insight into the world of work and indeed, a number of young people indicated that they had not heard of an Apprenticeship until they had left school.

3.1.3. The framework prioritised the need to improve the offer to young people – to inspire young people about potential careers opportunities, particularly in Lancashire-based businesses, and to help young people make informed choices about their future based on labour market intelligence.

#### **3.2 Careers and Enterprise Company**

3.2.1 The Careers and Enterprise Company (CEC) was established in 2015, to take forward the recommendations of the Lord Young review 'Enterprise for All'. The company which is private sector led, and funded by the Department for Education, aims to improve the careers offer to young people and increase the number of employer encounters that young people experience throughout their





educational journey. CEC have built up on an evidence base which demonstrates the positive impact of employer engagement. For example:

*'Research shows that a young person who has 4 or more encounters with an employer is 86% less likely to be unemployed or not in education or training (NEET) and can earn up to 18% more during their career'.*

3.2.2 CEC approached the LEPs and Local Authorities across the Country in relation to co-funding Enterprise Adviser Networks, to co-ordinate careers and enterprise activities within schools and increase the engagement and connections between local businesses and schools. As careers provision was identified as a strategic priority within Lancashire, Lancashire County Council and the LEP agreed to co-fund an initial pilot and drive the establishment of a network in Lancashire.

### **3.3 Lancashire Enterprise Adviser Network**

3.3.1 In January 2016, the network was initially established in Blackburn with Darwen and Burnley – linking with the two local business networks. In September 2016 the network was rolled out to the rest of East Lancashire, Blackpool (coinciding with the Opportunity Area status) and Morecambe, and then in September 2017 all areas of Lancashire. The Lancashire Skills & Employment Hub subcontract to Inspira, who employ the Enterprise Coordinators and oversee day-to-day delivery.

3.3.2 The network is made up of funded Enterprise Coordinators who support a cluster of around 16 schools and colleges each. The coordinators match volunteer business leaders (from private, public and third sector companies), 'Enterprise Advisers' to schools and colleges, to work with a named Careers Leader and the school or college leadership team to develop a careers plan, and ultimately increase the number of planned employer encounters that young people experience throughout their educational journey. The coordinators and advisers support the schools to review their careers plan against the Gatsby Benchmarks, which were incorporated into the Ofsted inspection framework in September 2018 (as per the Government's Careers Strategy), and to develop their careers offer to young people. The initial focus being on 2 of the 8 Gatsby Benchmarks – employer encounters every year for every pupil, and experiences of the workplace.

3.3.3 Over 160 volunteers from business are currently engaged in Enterprise Adviser roles. Business volunteers hold senior roles, to enable them to support the schools and colleges with strategic planning. Volunteers are from a range of private sector businesses in the priority sectors and public sector, and a range of large, medium and small businesses – reflecting the business demographic of Lancashire.

3.3.4 Twinning funds from the Blackpool Opportunity Area have enabled further engagement of business networks across Lancashire. Joint actions plans are



in place with 13 business networks – from the three Chambers of Commerce and Federation of Small Businesses to geographically focused networks such as the Fylde Responsible Business Network and the Burnley Bondholders. Action plans are in place to encourage members to engage in the Careers Hub and Enterprise Adviser Network, through the Lancashire Skills Pledge.

- 3.3.5 Key to the coordinator roles is working with providers of activities and embedding activities in the careers plans, to enable the schools and colleges to take a strategic approach to improving the offer to young people. For example, working with local businesses, STEMfirst, JCP Support into Schools, Future U (the Uni Connects programme), National Careers Service, and private providers.

### **3.4 Lancashire Careers Hub**

- 3.4.1 The LEP secured a pilot Careers Hub in the first wave. The Lancashire Careers Hub was launched in September 2018 and involved 30 schools and colleges. The purpose of the Careers Hub was to add value to the existing Enterprise Adviser Network, by supporting schools and colleges to achieve the full breadth of the 8 Gatsby Benchmarks. The Careers Hub in Lancashire is focused on quality and sustainability, working closely with Careers Leaders in the educational institutions.

- 3.4.2 In September 2021 the Careers Hub rolled out to 130 schools and colleges, and in September 2021 to every secondary school and college in Lancashire, including all the special schools and alternative providers – 156 institutions in total. The phased roll out of both the Careers Hub and the Enterprise Adviser Network has ensured quality and progress. Lancashire is one of a small number of areas that has reached full coverage, engaging all secondary schools and colleges, and is one of the largest Careers Hubs across the country.

- 3.4.3 As part of the development of the Careers Hub, a Cornerstone Employer group was established, initially in the Blackpool Opportunity Area (OA), with careers inspiration and transition to the world of work being one of three priorities of the OA in Blackpool. The group is now Lancashire wide. The Cornerstones have individual commitment plans and come together as a group to support the strategic development of the Careers Hub. They also act as ambassadors in the business community. The group is chaired by Peter Caney of BAE Systems, who is also a member of the Lancashire Skills and Employment Advisory Panel. Employers include a range of businesses, for example, BAE Systems, Blackpool Transport, Westinghouse, Regenda, United Utilities, and Pendleside Hospice.

- 3.4.4 Each Careers Hub has a lead Head Teacher – in Lancashire, this is Ruth England, Head Teacher at Shuttleworth College, which is a secondary school in Burnley. Ruth is also a member of the Lancashire Skills and Employment Advisory Panel.



- 3.4.5 Early evaluation includes a step-change in the number of good quality employer encounters, improved teacher and tutor knowledge of the local labour market, excellent feedback from students, improved aspirations and awareness of different pathways including apprenticeship opportunities, and improved outcomes in Ofsted inspections. In the longer term, it is anticipated that there will be a positive impact on destinations, with less young people becoming NEET, and wider engagement in apprenticeships and technical education routes, and greater retention rates in post-16 options due to more informed decision making.
- 3.4.6 The Careers Hub is one of the highest performing in the country, receiving the accolade of the ‘Careers Hub of the Year’ at the last annual awards event run by the Careers and Enterprise Company and the Gatsby Foundation in 2019.
- 3.4.7 Whilst the pandemic created extremely challenging circumstances to delivery provision, investment was made in a digital platform called ‘Start in Lancashire’ utilising Blackpool Opportunity Area funds and other funds from local partners to enable encounters and experiences with employers, further education, higher education and Apprenticeships to pivot to the virtual world. The platform uses local labour market intelligence from the Skills Hub and sets out the world of work by sector and by travel to work area in Lancashire: <https://lancashire.startprofile.com/page/industries-national>
- 3.4.8 Progress against the targets set by the CEC is provided below. In terms of governance, progress is reported to the Lancashire Skills and Employment Advisory Panel, and through to the LEP Board. Progress is also discussed in a number of forums – for example, Careers Leader Community of Practices that are run across Local Authority areas and Enterprise Adviser cluster meetings, to share good practice and support progress.

	Careers Hub – Autumn 2021 (Based on CEC data)	
	Target % (July 2022)	Actual % (December 2021)
EA’s matched to schools	98%	83%
Gatsby BM 1	80%	79%
Gatsby BM 5	Sustained Progress Baseline July 21- 63%	75%
Gatsby BM 6	Sustained Progress Baseline July 21– 36%	49%
Average BM’s	5	5.53

The average across the 8 Benchmarks for Lancashire Careers Hub at the end of the Autumn Term was 5.53 (target of 5), against a national average of 4.35.



### 3.5 Integration

3.5.1 The Careers Hub and Enterprise Adviser Network are key to supporting the priorities under the Future Workforce.

3.5.2 The Lancashire Technical Education Vision has a number of priorities, one of which is to raise the profile of technical education routes with young people. A key priority within the work of the Careers Hub is to ensure that young people are aware of the different pathways available to them – whether that be academic or technical – through vocational provision or Apprenticeships. The Careers Hub work closely with the Lancashire Work Based Learning Forum to draw into careers plans sessions regarding Apprenticeships and engagement of Young Apprentice Ambassadors who tell their story to pupils and students and who act as role models. Much activity has also taken place, working collaboratively with the Gatsby Foundation and the college network, to integrate information regarding T Levels – new technical qualifications that are equivalent to 3 A Levels in specific occupational pathways. Technical routes are critical to needs of Lancashire's industry base and are a way to boost the skills of local people, alongside the academic route.

3.5.3 A priority within the framework is to also build the talent pipeline to meet the current and future demands in regard to digital and cyber skills – both within the digital sector and across sectors. The Careers Hub is collaborating with the Lancashire Digital Skills Partnership to integrate digital programmes to raise the profile of the plethora of job opportunities. This includes the Teen Tech Festival, delivered in collaboration with Maggie Philbin and her team, Cyber Girls in Blackpool and Lancaster and Morecambe, and a programme sponsored by BAE Systems which is supporting 70 schools, and 7,500 young people to engage in activities with InnovateHer – to boost gender diversity in our digital workforce, and Create Education, which is gifting 3D printers to schools and providing sessions regarding additive manufacturing. These efforts will build our future workforce in-line with the demands of the local labour market, and have supported inward investment opportunities – such as the announcement regarding the basing of the National Cyber Force in Lancashire.

3.5.4 There is also a focus on ensuring that young people from disadvantaged boroughs are able to engage in careers activities to build their insight and boost social mobility – recognising that some young people lack social collateral and insight into different careers opportunities through their family and friends. As one young person said in Blackpool 'I need to see it to be it'.

3.5.5 The Careers Hub also collaborates with providers of programmes supported by European Social Funds that aim to support young people who are at risk of NEET and funds have been secured this year to undertake a two and a half year programme to test the benefits of extended work experience and enhanced careers sessions to support young people in Year 10 to transition



positively to post 16 destinations who live in disadvantaged areas and who are at risk of NEET.

3.5.6 The Careers Hub is integrated into the Lancashire Skills Pledge, which was developed to enable employers to easily engage in the skills and employment programmes available to them across Lancashire, and to pledge their commitment to inspiring, developing and recruiting the people of Lancashire. A growing group of committed employers are signed up to the pledge.

### List of Background Papers

Paper	Date	Contact/Tel
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N/A

Reason for inclusion in Part II, if appropriate

N/A

