



**Company Number: 07388600**

**Lancashire Enterprise Partnership Limited Board**

**Tuesday, 8th November, 2016 in Cabinet Room 'D' - The Henry Bolingbroke Room, County Hall, Preston, at 4.30 pm**

## **Agenda**

### **Part I (Items Publicly Available)**

- 1. Welcome and Apologies for Absence**
- 2. Minutes of the meeting held on 13th September 2016** (Pages 1 - 10)
- 3. Matters Arising**
- 4. Declaration of Interests** (Pages 11 - 12)
- 5. LEP Governance and Committees Decisions Report** (Pages 13 - 18)
- 6. Key Initiatives Report** (Pages 19 - 28)
- 7. Enterprise Adviser Network**  
*Presentation by Michele Lawty-Jones*
- 8. LEP Achievements and Business Plan Documents** (Pages 29 - 76)
- 9. Developing a Strategic Marketing Proposition for Lancashire** (Pages 77 - 84)
- 10. Strategic Economic Plan and Growth Deal 3 Update**  
*Oral update by Martin Kelly*
- 11. Combined Authority Update**  
*Oral update*
- 12. Any Other Business**

**13. Date of Next Meeting**

It is proposed that the next LEP Board meeting will be held on 31<sup>st</sup> January 2017, 4.30pm at County Hall, Preston.

**Part II (Items that are Private and Confidential)**

**14. LEP Board Directors Update (Pages 85 - 96)**

**15. Health Innovation Campus Growth Deal Funding Approval (Pages 97 - 100)**



## Lancashire Enterprise Partnership Limited Board

**Minutes of the Meeting held on Tuesday, 13th September, 2016 at 4.30 pm at the Cabinet Room 'D' - The Henry Bolingbroke Room, County Hall, Preston**

### Present

Edwin Booth (Chairman)

Jim Carter  
Graham Cowley  
Mike Damms  
Richard Evans  
Councillor Stuart Hirst  
David Holmes

County Councillor Jennifer Mein  
Councillor Phil Riley  
Professor Mark Smith  
David Taylor  
Councillor Mark Townsend

### In Attendance

Joanne Ainsworth, Subject Matter Expert / Specialist Advisor: Finance, Lancashire County Council  
Brian Bailey, Head of Policy and Programmes, Blackburn with Darwen Borough Council  
Ruth Connor, Chief Executive, Marketing Lancashire  
Andrew Good, Head of Service Financial Management, Lancashire County Council  
Neil Jack, Chief Executive, Blackpool Council  
Martin Kelly, Director of Economic Development, Lancashire County Council  
Dr Michele Lawty-Jones, Director Lancashire Skills Hub, Lancashire County Council  
Sean McGrath, External Investment / Funding, Lancashire County Council  
Andy Milroy, Senior Democratic Services Officer, Lancashire County Council  
Kathryn Molloy, Head of Service, LEP Coordination, Lancashire County Council  
Jo Turton, Chief Executive, Lancashire County Council  
Ian Young, Company Secretary

#### 1. Welcome and Apologies for Absence

The Chairman, Edwin Booth, welcomed all to the meeting, apologies for absence were received from Councillor Simon Blackburn, Mike Blackburn, Malcolm McVicar and Dennis Mendoros.

#### 2. Declarations of Interest

Graham Cowley declared an interest in Item 6, Lancashire Area Based Review. He has been commissioned by an education organisation to carry out management consultancy, some of their member schools may in future be indirectly affected by the Area Based Review. It was deemed that this interest did not warrant Mr Cowley being excluded from this item.

**3. Minutes of the Board meeting held on 14th June 2016 and Special Board meeting held on 5th July 2016**

**Resolved:** That the minutes of the Board meeting held on 14<sup>th</sup> June 2016 and the Special Board meeting held on 5<sup>th</sup> July 2016 be approved as an accurate record and signed by the Chairman.

**4. Matters Arising**

None

**5. LEP Governance and Committees Decisions Report**

Andy Milroy, Senior Democratic Services Officer, Lancashire County Council presented a report (circulated) which provided LEP Governance updates and a summary of decisions taken at recent LEP Committee meetings.

With regard to Governance it was highlighted that revised Terms of Reference were included for the Business Support Management Board. The main change being the membership of this Committee. It was proposed that Dr Sue Smith (UCLAN) and the Chair (currently Kevin Duffy) of the Institute of Chartered Accountants in England and Wales (ICEAW) be added as members.

In addition it was proposed that the membership held on the Committee by the ICEAW and the Lancashire Institute of Directors should pass to the respective annual office bearers without the need to formally ratify these changes as new appointments by the LEP Board.

In addition to the Governance updates presented in the report, the Chairman, Edwin Booth, reported that meetings had taken place with new prospective Directors and a further update would be provided in due course.

**Resolved:** The LEP Board

- (i) Noted the updates provided in the report in relation to the Committees of the LEP; and
- (ii) Approved the revised Terms of Reference and Membership for the Business Support Management Board as presented.

**7. European Structural and Investment Funds (ESIF) - Post EU Referendum Update**

Sean McGrath, External Investment / Funding Officer, Lancashire County Council presented a report (circulated) regarding the European Structural and Investment Funds (ESIF) and updates since the result of the EU referendum.

It was reported that Lancashire had received an initial allocation of £211m. It is currently estimated that up to £112.5m of ESIF financial support for priority activity is at risk if no further projects are approved after the Autumn Statement.

It was highlighted that a number of key projects are due to continue/come forward later in the programme which are integral to Growth Deal and Lancashire's Skills and Employment Strategy. Without these projects there will be a short fall in (amongst others);

Enterprises receiving support	58%
Enterprises cooperating with research institutions	88%
Business and Properties with reduced from Food Risk	100%
Participants in Skills and Employment programmes	48%

A significant reduction in funding will jeopardise key activities supporting business growth and have a detrimental impact on plans to enhance skills levels and increase technological development and innovation in Lancashire.

After a discussion the Board agreed that the Chair of the LEP, Chair of the Shadow Lancashire Combined Authority and Chair of the Lancashire ESIF Committee should write to the Chancellor of the Exchequer to seek clarification on this issue and that Lancashire Members of Parliament (MP's) be contacted with a request that they seek clarification from Government.

On a related matter, the Chairman, Edwin Booth reported to the Board that a LEP delegation had met with the Lancashire MP's in the last week and the meeting was positive.

**Resolved:** The LEP Board

- (i) Agreed that a joint letter from the Chair of the LEP Board, Chair of the shadow Lancashire Combined Authority and Chair of the Lancashire ESIF Committee is sent to the Chancellor stressing the importance of continued support for Lancashire's priorities, whether through ESIF funding or a successor funding stream, highlighting local strategic objectives and key pre-planned activities, as well as cross-funding dependencies to other major funding streams such as Growth Deal.
- (ii) Requested additional clarity on the Chancellor's recent funding guarantee on the status of projects/activity already within the ESIF programme that might not be contracted by the Autumn Statement.
- (iii) Agreed to work with the shadow Combined Authority to brief Lancashire MPs and secure their support for Lancashire's case-making with Government.
- (iv) Requested a more detailed discussion with senior Government officials regarding the nature of Lancashire's current allocation and the importance of local flexibility in meeting specific needs related to Research and Innovation and Flood Mitigation activity; and

- (v) Request Lancashire's ESIF lead officers urgently review the current pipeline of ESIF activity and undertake a rapid consultation exercise in order to identify key objectives, projects and outputs that are still to be supported by the current ESIF programme and authorised ESIF lead officers to action the resolutions of the LEP Board as set out in resolutions (i) to (iv).

## **6. Lancashire Area Based Review**

Dr Michele Lawty-Jones, Director of the Lancashire Skills Hub, Lancashire County Council presented a report (circulated) regarding the Lancashire Area Based Review and progress made to date.

Dr Lawty-Jones gave an overview of the purpose of the review and explained that the review in Lancashire was due to commence during September 2016 with the first Steering Group meeting scheduled for 4<sup>th</sup> October 2016.

An initial view of the principles, mapped against the Lancashire Skills and Employment Strategic Framework, was reviewed by the LEP Board in June 2016 and supported. This has been used to develop the slide pack (attached at Appendix 1 to the report) with LEP Directors asked to review and provide comment, as the pack is further developed for presentation at the first Steering Group.

With regard to Membership of the Steering Group the LEP Board was reminded that Steering Group will include each College's Chair of Governors and Principal / CEO, and representation from the LEP, Local Authorities, and other stakeholders e.g. The Lancashire Colleges Executive Director and the Diocese of Salford and Diocese of Lancaster. West Lancashire College's Chair and Principal will also be included, although the College will be formally reviewed through the North East review as the College is owned by the Newcastle College Group (NCG).

It was noted by the LEP Board that the Lancashire Shadow Combined Authority will be consulted on the Area Based Review at their meeting scheduled to be held on 15<sup>th</sup> September 2016.

In addition, it was reported that the Skills and Employment recommended that Dr Michele Lawty-Jones, as Director of Skills and Employment attend and present the slide pack, and that Paul Holme, Skills and Employment Board member, represent the views of the LEP. Paul is an independent consultant who has a strong track record and history in the skills and employment sector and has been providing expert advice in the run-up to the review.

**Resolved:** The LEP Board

- (i) Authorised the Chair of the LEP, with support from the Director of Economic Development and the Director of the Lancashire Skills and Employment Hub (both Lancashire County Council) to finalise the LEP's slide pack and input to the Area Based Review; and

- (ii) Endorsed the recommendations in relation to the Steering Group Membership and agreed to appoint LEP Director Mike Damms as the LEP representative.

## **8. Lancashire and Sheffield Science and Innovation Audit**

Professor Mark Smith, LEP Director and Vice-Chancellor Lancaster University, presented a report (circulated) which provided the LEP Board with a progress update on the Lancashire and Sheffield Science and Innovation Audit (SIA).

It was reported that a Working Group had now been established and data gathering at various levels had commenced. It was noted that there was strength across Sheffield and Lancashire and that the SIA covered a large majority of the "Northern Powerhouse".

The conclusion to the SIA is formed on an assessment of the complementary science and innovation assets and excellence in translational capabilities combined with the sound industrial base that can be built upon, sets a series of 'asks' to Government for the significant investment that will be required to drive a transformational change in the productivity performance of the region.

These major potential pan-Northern initiatives will build upon the more localised current and emergent physical and revenue proposals that will become significant enablers of, and pathways to, the bigger programmes that are built on the combined power of Lancashire and Sheffield City Region and the orchestration of complementary strengths and assets to firmly establish the North as a global leader in advanced manufacturing into the long term.

The suggestions will need to feed into and compliment the Government's new industrial strategy and the direction this will take on making strong connections between industries and places, together with a link drawn through towards future devolution agreements and consideration of the potential for a future joint Lancashire-Sheffield City Region devolution deal on key priorities.

**Resolved:** The LEP Board noted the report and that further progress updates will be provided to further LEP Board meetings.

## **9. Lancashire Strategic Economic Plan Refresh**

Martin Kelly, Director of Economic Development, Lancashire County Council presented a report (circulated) which presented a proposal to refresh the Lancashire Strategic Economic Plan (SEP) over the next few months with a view to having a refreshed SEP approved and endorsed by the Lancashire Combined Authority (LCA) by April 2017.

**Resolved:** The LEP Board

- (i) Noted the contents of this report.
- (ii) Agreed to the rationale and proposed way forward with the refresh of the SEP, as outlined in the report.
- (iii) Authorised the LEP Chair to engage with the Chair of the shadow LCA to develop the proposed SEP refresh.
- (iv) Agreed to work with the shadow LCA, whilst engaging with public and private sector partners, to identify new strategic and transformational priorities, programmes and scheme proposals for consideration by the LEP Board.
- (v) Welcomed the offer of the shadow LCA to identify senior local authority economic development officers to support the SEP refresh; and
- (vi) Requested a further report on the SEP refresh work programme to the LEP Board meeting in November 2016 following further consultation between the LEP Chair and shadow LCA Chair.

**10. Strategic Marketing and Communications Update**

Ruth Connor, Chief Executive, Marketing Lancashire presented a report (circulated) which updated the LEP Board on recent Marketing and Communication activity.

**Resolved:** The LEP Board

- (i) Noted the report as presented.
- (ii) Approved the proposed approach to continuing to develop a strategic marketing proposition for Lancashire, as set out in this report; and
- (iii) Noted that the Chief Executive of Marketing Lancashire, as the LEP's Media Communications and PR lead, will continue to provide regular updates to the LEP Board on the strategic marketing outputs as required.

**11. Growth Deal 3 Update**

Martin Kelly gave an oral update on Growth Deal 3 and advised the LEP Board that at this stage there is nothing further to report on the Growth Deal 3 submission for Lancashire. It is expected that there will be further developments following the Chancellor's Autumn Statement. It was noted that the Growth Deal 3 fund was at least eight times oversubscribed across the country and that the priority ranking given to each project would more than likely be used to determine funding allocation.



**Resolved:** The LEP Board noted the Growth Deal 3 update.

**12. Any Other Business**

None

**13. Date of Next Meeting**

It was noted that the next LEP Board meeting was scheduled to be held on 8<sup>th</sup> November 2016 at 4.30pm in Cabinet Room 'D' - The Henry Bolingbroke Room, County Hall, Preston.

**Part II (Private and Confidential)**

*At this point the LEP Board approved that the meeting move into Part II, Private and Confidential to consider the remaining items which contained exempt information provided in confidence as defined in the Freedom of Information Act 2000. It was considered that in all the circumstances of the case the public interest in maintaining the exemption outweighed the public interest in disclosing the information.*

**14. Lancashire Combined Authority Update**

County Councillor Jennifer Mein, Leader of Lancashire County Council, presented a report (circulated) which provided the LEP Board with an update on the Lancashire Combined Authority.

The report provided an update on progression with a Lancashire Devolution Deal and the development of a Work Programme and Activities for the shadow Combined Authority. In particular it was noted that the shadow Combined Authority is now developing a Lancashire Plan which will set out a vision for Lancashire based on five core themes – Skilled Lancashire, Better Homes for Lancashire, Connected Lancashire, Prosperous Lancashire and Public Services Working for Lancashire.

**Resolved:** The LEP Board noted the update regarding the progression of the Lancashire Combined Authority.

**15. Growing Places Funding Update and Scheme Approval**

Kathryn Molloy, Head of Service – LEP Coordination, Lancashire County Council presented a report (circulated) which contained an update on Growing Places Funding and Scheme approval.

It was confirmed to the Board that £14.8m had been repaid to the fund. This amount does not include the proposed repayment of £2.7m from Luneside East Ltd which is anticipated in 2017.

When the revolving funds available to Barnfield Construction to support the delivery of 'On the Banks' and Innovation Drive have been accounted for, £10.9m is available for investment.

It was confirmed that £2.1m has been allocated towards Guild Hall Street, Preston but this scheme had not concluded legal or financial due diligence.

Should Guild Hall Street proceed, £8.8m is available for investment.

The LEP Board noted the current balance of the Growing Places Fund (GPF) and noted that five of the scheme have fully repaid their GPF loan plus all outstanding interest. The scheme that have fully repaid are Blackpool Pleasure Beach, Teanlowe Centre, Burnley Bridge, Blackburn Cathedral Quarter and Chatsworth Gardens.

Updates were provided on each of the three remaining GPF loan schemes.

In addition, the Board noted that County Council officers, with the support of Enterprise Ventures, are reviewing the investment and operating principles underpinning the LEP's Growing Places Investment Fund.

**Resolved:** The LEP Board

- (i) Noted the contents of the report including the current Growing Places Investment Fund balance.
- (ii) Considered the draft Heads of Terms in respect of the Guildhall Street project and agreed to delegate responsibility to the LEP's Executive Committee, with the support of the County Council's Director of Economic Development and the Director of Governance, Finance and Public Services to undertake financial and legal due diligence and prepare and enter into loan documentation; and
- (iii) Noted the work being undertaken to review the operating and investment principles of the Growing Places Investment Fund, including the potential to establish a "Fund of Funds", and agreed receive a further update report at its next Board meeting to be held on 8<sup>th</sup> November 2016.

## **16. Lancaster University's Health Innovation Campus - Update**

Kathryn Molloy presented a report regarding Lancaster University's Health Innovation Campus (HIC).

It was reported that progress had been made regarding technical issues raised through the independent assessment in respect of the scheme business case. The Board were updated on the European Structural and Investment Fund (ESIF) implications for the HIC following the EU Referendum and it was proposed that any lobbying by the LEP to Government specifically raises the issue of the HIC.

**Resolved:** The LEP Board

- (i) Noted the contents of the report.
- (ii) Agreed to lobby Government in respect of the concerns around Lancashire's European Structural and Investment Funds specifically the HIC project; and
- (iii) Subject to the outcome of the Growth Deal Management Board meeting in October 2016, agreed to receive a Growth Deal funding approval report for the HIC project at its Board meeting to be held on 8<sup>th</sup> November 2016.



# Agenda Item 4

## Director's Declaration of Interest in Proposed Transaction or Arrangement

### LANCASHIRE ENTERPRISE PARTNERSHIP LIMITED

Name	
Date of Notification	
Date of Consideration of Item (i.e. date of Board meeting)	08.11.16
Item Number (if relevant)	
Description of Transaction	
<b>Nature of Interest</b>	





## Lancashire Enterprise Partnership Limited

**Private and Confidential: NO**

Tuesday, 08 November 2016

### LEP Governance and Committees Decisions Report

**Report Author: Andy Milroy, Senior Democratic Services Officer, Lancashire County Council, Tel: 01772 530354, email: [andy.milroy@lancashire.gov.uk](mailto:andy.milroy@lancashire.gov.uk)**

#### Executive Summary

This report extracts the key items considered by each of the Lancashire Enterprise Partnership (LEP) Board Committees at their recent meetings, and where applicable, and if not considered elsewhere on the Board's main agenda, contains decisions referred to the Board by the Committees for approval.

#### Recommendation

The LEP Board are asked to:

- (i) Approve the revised meeting schedule for 2016 / 17 as follows:
  - December 2016 – MEETING CANCELLED
  - Tuesday 31<sup>st</sup> January 2017 – 4.30pm
  - Tuesday 28<sup>th</sup> March 2017 – 4.30pm
  - Thursday 29<sup>th</sup> June 2017\* – 4.30pm (\*new date replacing the previously arranged 13<sup>th</sup> June 2017 date)
  - 7<sup>th</sup> November 2017 – 4.30pm
- (ii) Note the updates from each LEP Committee as presented in the report.

#### Background and Advice

The Lancashire Enterprise Partnership Board (LEP) approved a LEP Assurance Framework on 17<sup>th</sup> March 2015 which was subsequently submitted to Government as final in April 2015. The Assurance Framework is made publically available on the LEP website: <http://www.lancashirelep.co.uk/about-us/about-the-lep.aspx>

The Assurance Framework ensures that the LEP records decisions taken by the LEP and its Sub-Committees in an open and transparent way. The purpose is to ensure that arrangements are in place enabling effective and meaningful engagement of local partners and the public, and that those arrangements operate transparently with LEP decisions capable of being independently scrutinised.



Since the implementation of the LEP Assurance Framework, the LEP and its Sub-Committees publish their agendas and minutes on the LEP website. In order to ensure the LEPs decision making is open and transparent in relation to the Sub-Committees this report presents updates from each of the Sub-Committees and, where applicable, contains decisions that are outside of the Sub-Committees powers and require referral to the LEP Board for approval.

## **Governance Updates**

Following consultation, it is proposed that the frequency of LEP Board meetings be changed to quarterly. It is therefore proposed that the 13<sup>th</sup> December 2016 Board meeting be cancelled (although it is recognised that there could be a need to convene a meeting of the Board, if anything significant requiring LEP action is announced as part of the Chancellor's Autumn Statement, so Directors are asked to keep the date on hold).

It is proposed that the 2017 schedule be altered as follows:

Tuesday 31<sup>st</sup> January 2017 – 4.30pm

Tuesday 28<sup>th</sup> March 2017 – 4.30pm

Thursday 29<sup>th</sup> June 2017\* – 4.30pm (\*new date replacing the previously arranged 13<sup>th</sup> June 2017 date)

7<sup>th</sup> November 2017 – 4.30pm

It is proposed to cancel the 12<sup>th</sup> September 2017 Board and the 5<sup>th</sup> December 2017 Board leaving the four dates above as the new 2017 schedule.

It should be noted that there is still provision within Articles of Association for the LEP to take urgent decisions, and, additional special Board meetings can and will be arranged as required.

It is intended, where possible, to co-ordinate the LEP Committee meetings to meet in advance of the LEP Board meetings, broadly in line with the same quarterly meeting cycle, subject to each Committees requirements.

## **Updates from recent LEP Committee Meetings**

### **1. Executive Committee**

#### **Decision taken - 27<sup>th</sup> September 2016**

The Executive Committee approved the inclusion of Katherine O'Connor and Mick Allen from the Department for Business, Energy and Industrial Strategy (BEIS) as observers on the Enterprise Zone Governance Committee and approved revised Terms of Reference to reflect this.



## 2. Transport for Lancashire Committee

This Committee has not met since the last LEP Board but will meet on 2<sup>nd</sup> November 2016 (after agenda despatch for the LEP Board meeting to be held on 8<sup>th</sup> November 2016). This will be reported to the next LEP Board meeting to be held on 31<sup>st</sup> January 2017.

Full agendas and minutes for Transport for Lancashire meetings can be accessed here: <http://council.lancashire.gov.uk/ieListMeetings.aspx?CommitteeId=956>

## 3. City Deal Executive and Stewardship Board

The City Deal Executive and Stewardship Board, Chaired by Jim Carter (Executive) and Danielle Gillespie (Stewardship Board) met on 30 September 2016.

### Executive and Stewardship Board Meeting – 30 September 2016

The Executive and Stewardship Board considered the following:

- An Employment and Skills Update from Dr Lis Smith, Preston's College and endorsed the proposed employment and skills matrix as presented.
- A City Deal Communications and Marketing Update and requested that a further presentation on this work be brought to the Executive and Stewardship Board at its meeting to be held in November 2016, and, agreed that the City Deal key messages be further developed for use at MIPIM UK.
- A HCA Update on progress made in quarter 1 and quarter 2 which was noted.
- Implementation Updates regarding Year 3, Quarter 1 Project and Finance Monitoring, and, an update from the Planning and Housing Delivery Group
- Developing a City Deal Community Infrastructure Plan and noted the progress made to date and that a further update will be provided to the November 2016 Combined City Deal meeting.
- Scheme specific issues relating to Pickerings Farm, Croston Road Spine Road, Broughton Bypass (in Part II), North West Preston – East / West Link Road, Fishergate Phase 3, Fishergate Winckley Square – Cannon Street, and, East Cliff Cycle Link and Bridge.
- The City Deal Business and Delivery Plan for 2016-19 and approved the updated Plan and that it be published on the City Deal Website.
- A Resources Review update report, considered in Part II, which was noted and endorsed.
- A specific report regarding Broughton Bypass, considered in Part II, and approved a revised programme.

Full agendas and minutes for the Combined City Deal meetings can be accessed here: <http://council.lancashire.gov.uk/ieListMeetings.aspx?CommitteeID=1072>



#### **4. Growth Deal Management Board**

The Growth Deal Management Board, Chaired by Graham Cowley has, met on 12 October 2016.

##### **Board Meeting held on 12 October 2016**

The Board considered the following:

- A report on Communications. It was agreed that information relating to media activity associated with Growth Deal projects be forwarded to the Department for Business, Energy and Industrial strategy in order to keep officials informed of progress within Lancashire.
- A report on Lancaster Health Innovation Campus. The Board agreed to recommend funding approval for up to £17m, subject to Lancaster University identifying alternative sources of funding or exploring the possibility of scaling down or re-phasing the project in the event that European Structural and Investment Funds (ESIF) are unavailable; and that approval be given to an initial drawdown of a maximum of £1.5m of Growth Deal funding, prior to ESIF or alternative funding having been secured, which will be subject to clawback provisions in the Grant Funding Agreement; A separate detailed report is included on this LEP agenda.
- A report on the Growth Deal Programme, and approved Local Grant Funding Agreements for five projects.

The reports and minutes for Growth Deal Management Board meetings can be accessed here:

<http://council.lancashire.gov.uk/ieListMeetings.aspx?CommitteeID=1218>

#### **5. Enterprise Zone Governance Committee**

The Enterprise Zone Governance Committee, Chaired by Edwin Booth, met on 26 September 2016.

##### **Committee meeting held on 26 September 2016**

The main item the EZ Governance Committee considered was a presentation regarding the brand identity for Lancashire's Enterprise Zones. It was noted that Cluster Naming Option 1 – Lancashire Advanced Manufacturing and Energy Cluster (Powering Success) was the Committees preferred naming option, but the final naming of each Enterprise Zone would be subject to consultation with all stakeholders.

Full agendas and minutes for the Enterprise Zone Governance Committee meetings can be accessed here:

<http://council.lancashire.gov.uk/ieListMeetings.aspx?CommitteeID=1171>

## **6. Lancashire Skills and Employment Board**

The Skills and Employment Board, Chaired by Amanda Melton, met on 17 October 2016.

### **Board meeting held on 17 October 2016**

The Board considered the following:

- An update on the Lancashire Enterprise Adviser Network which continued to develop with two new Enterprise Coordinators appointed who would work with schools and businesses to roll out the scheme into Blackpool/Morecambe/Preston and Pendle/Hyndburn/Rossendale. A presentation is included on this LEP agenda in relation to this.
- A report on the Area Based Review, and agreed that the Board be kept informed of developments, and a further report be brought to the next meeting on the outcome of the second ABR Steering Group
- A verbal update on the Combined Authority/Devolution Deal, and agreed that Cllr Townsend be invited to the January 2017 meeting to discuss the role of the Committee in the future development of the Lancashire Skills and Employment Framework
- A report on the Science and Innovation Audit
- A report on the European Structural and Investment Fund
- A presentation on the European Social Funded programme: Employee Skills Support. The report was accepted as the first stage of the reporting procedures outlined in the SFA ESF Specification and as a contribution to the Engagement Activity Plan due at month 3 of the contract, and the Prime Contractor was recommended to seek further information in relation to higher level skills and priority. It was noted that the role of the Lancashire Employee Skills Support Steering group was vital to ensure the delivery of long term benefits to Lancashire stakeholders.

Full agendas and minutes for the Lancashire Skills Board meetings can be accessed here: <http://council.lancashire.gov.uk/ieListMeetings.aspx?CommitteeID=1011>

## **7. Performance Committee**

A Special meeting of the Performance Committee, Chaired by Richard Evans, met on 10 October 2016.

### **Performance Committee Special meeting held on 10 October 2016**

The purpose of the Special meeting was to consider the Business and Operation Plan, and submit a draft to the LEP Board for approval. A separate detailed report is included on this LEP agenda.



Full agendas and minutes for the Performance Committee meetings can be accessed here:

<http://council.lancashire.gov.uk/ieListMeetings.aspx?CommitteeID=1216>

## **8. Business Support Management Board**

The Business Support Management Board, Chaired by Mike Blackburn, met on 25 October 2016.

The Board considered the following:

- A report on the position of ESIF Funding, and the need to prepare a Lancashire response to coming changes. The Board noted the new business support programmes that have commenced.
- An update on the Growth Hub and Boost, and presentations from marketing and gateway partners were noted.

Full agendas and minutes for the Business Support Management Board meetings can be accessed here:

<http://council.lancashire.gov.uk/ieListMeetings.aspx?CommitteeID=1220>



## Lancashire Enterprise Partnership Limited

**Private and Confidential: NO**

Tuesday, 8 November 2016

### Key Initiatives Report

**Report Author: Kathryn Molloy, Head of Service LEP Coordination,  
Lancashire County Council Tel: 01772 538790, kathryn.molloy@lancashire.gov.uk**

#### Executive Summary

At its meeting on the 2 September, the Performance Committee agreed to propose to the Chair of the LEP Board, at its next meeting on the 13 September, that future Board agendas contain a standing item on the LEP's key initiatives. The initiatives to be included at present are the City Deal Programme, Growth Deal Programme, Enterprise Zone Programme, Boost Business Growth Hub and Growing Places Investment Funding.

The recommendation was agreed by the Board at its September meeting and it was agreed that the change to Board agendas would take place with effect from the 8 November meeting.

This report captures activity and progress made in delivering the key initiatives identified above, specifically achievements, current challenges, future issues, financial and non-financial performance metrics, potential risks and any general observations.

#### Recommendation

The Board is asked to note and comment on the updates received from each of the LEP's key initiatives.

### Background and Advice

This report is intended to capture activity and progress made in delivering the LEP's key initiatives, specifically City Deal Programme, Growth Deal Programme, Enterprise Zone Programme, Boost Business Growth Hub and Growing Places Investment Funding.

To ensure consistent information is provided to the Board on each of the above initiatives, the following information has been captured for each:



- Achievements in the last three months;
- Current challenges;
- Future issues;
- Financial and non-financial KPIs including programme spend to date including other funding or resources leveraged, jobs created, commercial floorspace created and housing unit completions;
- Newly identified potential risks; and
- Other general observations.

Programme updates are provided below for the Board's information.

## **City Deal Programme**

### Current Challenges

Whilst progress on outputs has so far has been strong, targets for future years will increase, and therefore delivery progress on employment and housing sites must be maintained.

The following represent the major current challenges that are being monitored and dealt with, where possible, through a Risk Management programme;

#### *Infrastructure:*

- As schemes are progressing through the design stages more certainty is now being gained on costs and in some cases funding pressures are emerging. Mitigating action is being taken to value engineer and prioritise schemes within the business plan as well as identifying additional funding sources where necessary.

#### *Housing:*

- Some house-builders are building out at a slower rate than anticipated on some sites.
- Some developers and house-builders continue to monitor the impact of CIL payments on viability.

#### *Commercial:*

- Office (anchor tenant) demand and viability issues have led to a revision of some City Centre development timescales.
- Delivery of commercial floor-space connected to complex mixed-use sites is delaying some site development.

### Future Issues

At a national level, potential changes to New Homes Bonus, Business Rates and the Community Infrastructure Levy have the potential to significantly impact the deliverability of the programme.



The City Deal Executive & Stewardship Board has commissioned a Resources Review in order to understand and prepare for the potential impact and to inform future discussions with Government. The Chair of the Executive attended the LEP's Performance committee in September and a programme of work to provide assurance on; 1) keeping pace with the programme milestones, 2) value for money and 3) social value, is under way.

At a local level, in the medium to long-term, the following issues may require particular interventions to help mitigate/resolve:

*Housing:*

- There are a number of large sites that have complex site specific technical issues that require overcoming;
- Uncertainty over 'Starter Homes' prolonged by the Government in introducing secondary legislation may affect build out rates on some sites;
- Uncertainty brought about by Brexit may dampen developer activity/consumer demand; AND
- Labour and materials shortages may lead to developer competition for resources and slow build out rates.

*Commercial:*

- Uncertainty brought about by Brexit may dampen developer activity/consumer demand.
- Competing demand for residential uses in City Centre sites may squeeze out some commercial uses.

Key Performance Indicators Achieved in Quarters 1 & 2 2016/17

Progress continues to be maintained in respect of housing completions, ensuring that a pipeline of development sites are accelerated through the planning system, particularly in respect of large housing sites that drive the City Deal financial model.

Small scale commercial developments have proven attractive to the market, whilst large scale developments such as at Cuerden Strategic Employment Site have progressed towards a position whereby planning applications are being prepared for submission.

For the Quarter 1 & 2 reporting period (April-September 2016) outputs are:

- 366 housing units completed (against a target of 399).
- 1,012 housing units submitted for planning (on target).
- 360 housing units consented for planning (on target).
- 25,019 m<sup>2</sup> of commercial floorspace completed (against a target of 26,700 m<sup>2</sup>).
- 19,021 m<sup>2</sup> of commercial floorspace submitted for planning (on target).
- 1,500 m<sup>2</sup> of commercial floorspace consented for planning (on target).



## Cumulative Key Performance Indicators (Years 1 & 2, Year 3 first 6 months)

The following cumulative outputs have been produced over the first two and half years of the programme:

- 1,998 housing units completed (against a target of 1,617).
- 1,732 jobs created, including 869 associated with commercial floorspace and 863 associated with construction (against a target of 1,702).
- 35,824 m<sup>2</sup> of commercial floorspace created (against a target of 35,195 m<sup>2</sup>).
- £55.1m public sector infrastructure investment (against a target of £46.7m).
- £9.2m leveraged funds (against a target of £14.5m).

## Infrastructure Delivery

Progress continues to be made with the delivery of critical infrastructure in the Business Plan, including:

- Broughton Bypass is under construction and a revised completion date of August 2017 has been agreed.
- Preston Western Distributor - planning application submitted, to be determined in Quarter 4 2016/17 followed by submission of Outline Business Case in Quarter 4 2016/17.
- Penwortham Bypass - planning application to be submitted in Quarter 3 2016/17.
- A582 Dualling - planning application to be submitted in Quarter 4 2016/17.
- Preston Bus Station - Works have commenced on the Car Park repairs and the design for the improved concourse and bus station have been finalised with a planning application expected to be submitted in Quarter 3 2016/17.

## **Growth Deal Programme**

### Background

The £252m Lancashire Growth Deal funding allocated was provided by Government to kick-start nearly 40 major initiatives across the county linked to economic growth, infrastructure, jobs, skills and regeneration.

As a result, the Growth Deal would help to create 4,000 new jobs, 3,000 new homes and generate £140m of new public and private investment.

Within the Growth Deal Programme there are four key priorities:

### *1. Releasing Growth Potential*

Create the right conditions for business and investor growth, and unlock new development and employment opportunities across Lancashire by strengthening transport connectivity to create jobs and enable housing development.





## *2. Renewal of Blackpool*

Focus on addressing Blackpool's unique characteristics which require a specific focus, to create economic opportunities for its local communities.

## *3. Growing the local Skills and Business base*

Realise the full potential of Lancashire's competitive economic strengths and business base and refocussing Lancashire's approach to skills provision, ensuring it is responsive to business needs and demands.

## *4. Innovation and Manufacturing Excellence*

Maximise the economic value of Lancashire's centres of research and innovation excellence and globally competitive business clusters.

### Achievements in the last 3 months

There are 39 projects within Lancashire's Growth Deal programme across the four priorities. Of the 39 projects:

- 31 projects have received LEP approval;
- 29 projects have Grant Funding Agreements in place;
- 2 projects are currently progressing their Grant Funding Agreement; and
- 8 projects will be presented to future Growth Deal Management and Lancashire Enterprise Partnership Boards within relevant timescales

The 2 projects detailed above are expected to complete contracting in early November 2016, which will result in 31 'live' projects out of the 39 within programme.

A Government announcement on Growth Deal 3 is expected as part of the Chancellor's Autumn Statement on 23 November.

### Current Challenges

Programme challenges: To ensure all 'live' projects within the programme continue to deliver in accordance with contracting / agreed profiles.

Project challenges: To continue working closely with the M55 to St Annes Link Road scheme sponsor and other partners to ensure delivery of this complex scheme which has a Growth Deal funding allocation of £2m. Additionally to secure ESIF resources for Lancaster University's Health Innovation Campus project.

### Future Issues and Risks

Programme Issues and Risks: To ensure the remaining 8 projects within the programme are brought forward in line with funding approval timescales identified by Project Sponsors.



**Project Issues and Risks:** To ensure projects fulfil their contractual requirements, in terms of both spend and output/outcome delivery, contributing to the overall performance of the programme.

**Performance Issues and Risks:** To ensure projects realise their full potential, collectively meeting or exceeding Lancashire Growth Deal outcomes.

### Finance

£252m Growth Deal funding was awarded to Lancashire. All funding has been allocated to projects, with the exception of £1.80m unallocated funding as part of the £30m Skills Capital funding, which is being set aside until 2018/19 pending the outcome of the Area Based Review.

#### *2015/16 Spend:*

- There were total payments to Growth Deal listed projects of £30.51m in 2015/16 out of a total funding received of £39.35m;
- There is a need for project slippage from 15/16 (£8.84m) to be recouped where possible in 2016/17 and future projects to keep on track with their spend profile;
- The 2015/16 payments were audited in August 2016 as part of DCLG's governance requirements, with the audit report concluding 'very positive' management of funds received.

#### *2016/17 Spend to date (as at the end of Quarter 1 2016/17):*

- This shows there are 31 projects with spend now due in 2016/17;
- The current anticipated profile at September 2016 is:

Qtr. 1 to June 16	£ 3.658m actual payments
Qtr. 2 to Sept 16	£ 10.378m forecast
Qtr. 3 to Dec 16	£ 17.633m forecast
Qtr. 4 to March 17	£ 21.731m forecast
Total	53.40m

### Outputs and Outcomes

The programme is in its infancy in relation to realising the outputs and outcomes identified for each scheme and overall. However, with 29 projects now delivering and significant reporting expected to commence in 2017/18, in line with capital spend profiles, the reporting of outputs and outcomes is expected to intensify.

Project monitoring visits and claim forms received to date demonstrate significant progress on live schemes, with all projects delivering in accordance with their contractual milestones.



Currently the programme is delivering in accordance with both the programme and individual project profiles in respect of funding, outputs and outcome targets. No queries have been raised in relation to the last claim submitted to Government in September 2016. The claim reported actuals, for both spend and outputs, as at 30<sup>th</sup> June 2016.

### Social Value

The GDMB committed to maximising the Social Value benefits of Growth Deal projects.

In order to help realise this aspiration a Social Value toolkit has been produced, which when combined with the GDMB Social Value reporting structure, enables both the projects and programme as a whole to realise Lancashire's Growth Deal Social Value impact.

The Social Value framework adopted by Lancashire Growth Deal is currently being considered by City Deal colleagues in order to adopt a consistent approach to the Social Value across both programmes.

The Lancashire Growth Deal is believed to be the only Growth Deal programme measuring Social Value and has been highlighted as an exemplar by Government colleagues.

### Evaluation

External consultants Warwick Economics and Development Ltd were appointed in January 2016 to commence a 3 year evaluation of the Growth Deal programme. The evaluation will include:

- A 'Project level' evaluation for each of the projects within the programme;
- An 'Exemplar Evaluation' for 6 selected projects within the programme; and
- An 'Annual evaluation' of the Growth Deal programme.

The contract is progressing on schedule, with an 'Early Progress Evaluation Report' due to be presented to the Growth Deal Management Board on 7<sup>th</sup> December 2016.

## **Lancashire Enterprise Zone Programme**

### Achievements

#### *Samlesbury Aerospace Enterprise Zone*

- Land Agreement in place between Lancashire County Council, BAE Systems' Pension Fund and BAE Systems' Operations.
- Two new access points completed into the site from A59 and A677.
- The £12.5m spine road was officially opened in September.
- The Wincanton high value defence logistics facility (135,000 ft<sup>2</sup>) was also opened in September 2016 and there was a 'soft' opening of the BAE



Systems' Academy for Skills and Knowledge (60,000 ft<sup>2</sup>) with apprentices receiving training at the facility, with the formal opening of the ASK facility scheduled to take place on 1 December.

- Work is underway to identify the infrastructure requirements, specifically electricity and power, to enable commercial development activity.
- Detailed discussions are underway between Sheffield University, Lancaster University, the LEP and LCC to deliver the proposed AMRC facility at Samlesbury.
- AMRC NW proposal was ranked as the number 1 priority 1 project in the LEP and Shadow Lancashire Combined Authority Growth Deal 3 submission.
- Appointment of Colliers International to market the site.

#### *Warton Aviation Enterprise Zone*

- Two new occupiers located to the site in 2015; Accenture and Trescal creating circa 30 new jobs.
- Completion of site masterplan by BAE Systems.
- Work is underway between BAE Systems, the LEP and the County Council to understand infrastructure requirements both on and off site.

#### *Blackpool Airport Enterprise Zone*

- There are 15 new jobs confirmed since commencement of the EZ on 1<sup>st</sup> April 2016 and an estimated 350 jobs have been safeguarded.
- Lancashire Energy HQ currently under construction.
- First Programme Board meeting held in September 2016.

#### *Hillhouse Technology Enterprise Zone*

- LEP's Growth Deal 3 submission contained a proposal to deliver A585 Junction Improvements to support accelerated delivery of the EZ.
- Discussions underway with private sector landowner NPL Estates.

#### Current Challenges

- Delivery capacity.
- Securing end-occupiers to stimulate infrastructure provision and development across the sites.
- Delivering a coherent approach to marketing the Lancashire EZ sites and the handling of enquiries to ensure a collaborative approach to securing inward investment opportunities/end-occupiers.

#### Future Issues and Risks

- Modelling of Business Rates Growth income across the Lancashire Enterprise Zone Programme.
- Establishment and oversight of individual Programme Boards to ensure delivery of each site with reporting to the Enterprise Zone Governance Committee to ensure strategic oversight.



- Delivery of the new branding strategy for Lancashire's Enterprise Zone Programme.
- Management of enquiry handling.
- Securing end-occupiers.

## **Boost Business Growth Hub**

### Achievements in the last three months

The Boost Programme continues to build on strong performance since it secured further ERDF monies in June 2016. The programme is establishing the robust leadership and compliance procedures needed to effectively manage ERDF resources and is working to establish productive relationships with both public and private providers of business support in Lancashire.

### Current challenges

Whilst Growth Support and Mentoring Programmes are performing strongly, these programmes need to increase the volume of businesses they are working with as the programmes become established. There is also a focus on how best the Gateway Service can deliver its three hour advice and signposting activity to promote the full range of commercial and publicly funded business support in Lancashire.

### Future issues

On the 22<sup>nd</sup> November, Boost will use a Growth Summit business event to launch a refreshed Boost brand and website.

Opportunities effectively assimilate new ERDF business funded projects will also be explored.

### Key Performance Indicators Achieved

The consolidated results for the Boost Programme to the end of September 2016 show that 130 businesses have already received at least 12 hours of consultancy, training and mentoring from the Growth Deal Programme and that 50 new jobs have been created as a result of this input.

### Newly identified potential risks

Given the uncertainty as to when existing ESIF arrangements might be replaced through a post-Brexit funding settlement, the Growth Hub has been identified as an activity which may need a further round of funding to sustain the offer to 2020.

## **Growing Places Investment Funding**



### Achievements

The LEP has fully recycled its original circa £20m Growing Places Funding on a commercial basis generating circa £700,000 of interest.

The fund has invested in 8 schemes to date:

- Blackpool Pleasure Beach
- Burnley Bridge Business Park
- Teanlowe Centre, Poulton le Fylde
- Luneside East, Lancaster
- Blackburn Cathedral Quarter
- On The Banks, Burnley
- Innovation Drive, Burnley
- Chatsworth Gardens, Morecambe

As of the end of October 2016, £14.8m has been repaid to the fund.

This amount does not include the proposed repayment of £2.7m from Luneside East Ltd which is anticipated in 2017.

When the revolving funds available to Barnfield Construction to support the delivery of 'On the Banks' and Innovation Drive have been accounted for, £10.9m is available for investment.

It should also be noted that £2.1m has been allocated towards Guild Hall Street, Preston but this scheme has not concluded legal or financial due diligence.

Should Guild Hall Street proceed, £8.8m is available for investment.

### Key Performance Indicators Achieved

Through its commercial investment, the Growing Places Investment Fund has created:

- Almost 3,000 new jobs;
- 200 housing units;
- Nearly 500,000 ft<sup>2</sup> of commercial floorspace; and
- Leveraged £100m of private and public investment.

### Current Challenges

- Ensuring a healthy strategic development pipeline.
- Ensuring investments repay.
- Establishing a 'Fund of Funds' approach in light of ESIF issues following the EU Referendum.



## Lancashire Enterprise Partnership Limited

**Private and Confidential: No**

Tuesday, 8 November 2016

### **LEP Achievements and Business Plan Documents (Appendices 'A' and 'B' refer)**

**Report Author: Kathryn Molloy, Head of Service – LEP Coordination, Lancashire County Council, Tel: 01772 535629, kathryn.molloy@lancashire.gov.uk**

#### **Executive Summary**

The LEP's Performance Committee has initiated a process to develop a Business Plan and detailed Operating Statement for the LEP moving forward.

In working to pull together these documents, it became clear that there was already a wealth of information relating to the impact of the LEP since it was formed in 2011, which provided useful context for the business planning exercise.

This track record of achievements, coupled with a wider dashboard of economic indicators, has been presented as a separate document (Appendix 'A'). This will serve as an introduction to the LEP and also as a positioning statement of its current achievements and future vision which can be used for a variety of audiences.

Both the Achievements Document and the Business Plan (Appendix 'B') begin to pull together LEP activity into some clear activity headings, driven by the purpose and client group served by the activity as opposed to the funding stream from which it has been resourced.

#### **Recommendation**

LEP Board members are asked to:-

1. Note and comment on the contents of the LEP Achievements document.
2. Endorse the priorities in the 2017/18 Business Plan, accepting the need to align this work with the work programme of the Combined Authority.
3. Note that a detailed Operational Plan considering LEP capacity and resourcing will be developed by the Performance Committee and presented to the LEP Board in the New Year.



## 1. Background and Advice

- 1.1 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.
- 1.2 The LEP's ambition and approach is set out in its Strategic Economic Plan (SEP), which was published in 2014. The SEP is to be refreshed in early 2017.
- 1.3 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.
- 1.4 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.
- 1.5 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.
- 1.6 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.
- 1.7 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.
- 1.8 It is proposed that the LEP's Business Plan will be complemented by the production of an Achievements Document detailing performance against operational objectives as well a 'dashboard' report of the LEP's progress in delivering its key outputs and outcomes.
- 1.9 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.





- 1.10 In terms of developing the proposed Business and Operational Plan, the meeting of the Performance Committee to be held on 22<sup>nd</sup> November 2016 will be set aside for discussion time to reflect on the progress the LEP has made in recent years, especially in light of available capacity and will include an assessment of current priorities and future opportunities.
- 1.11 The LEP's thinking and approach to achieving growth, with its strong focus on linking opportunity and need, 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.





Lancashire  
Enterprise Partnership

# Our Achievements

Lancashire: The Place for Growth

**NORTHERN  
POWERHOUSE** HM Government

[www.lancashirelep.co.uk](http://www.lancashirelep.co.uk)

# We are Lancashire



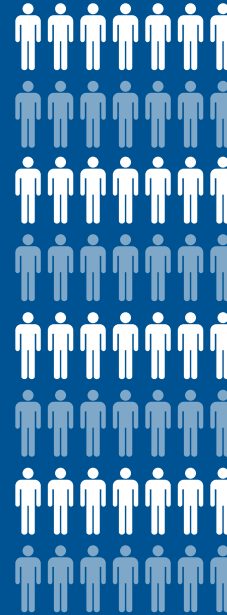
One of the largest economies in the Northern Powerhouse with nearly

# 50,000

businesses generating

# £27.7

Billion per year



# 17M

Blackpool is the UK's most visited seaside destination attracting 17M visitors each year



A global leader in the development and assembly of Small Modular Nuclear Reactors

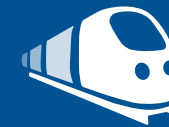
Employs 85,000 working in the manufacturing and engineering sector with UK's largest concentration of aerospace employment



Home to the world's 4th largest global aerospace cluster with 500 aerospace supply chain companies



# 1.6M



Preston is the third busiest railway station in the North West with over 1.6M customers per year



Linked by 5 major motorways



30 minutes from Manchester airport

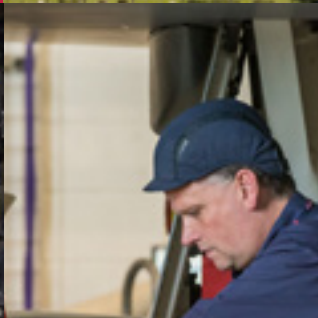
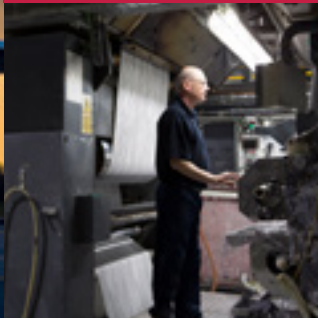
Lancaster University is recognised as one of the world's top 50 universities and ranked 8 in the UK

UCLAN is one of the country's 10 largest universities and first modern university in the UK to be recognised by the QS World Rankings

Edge Hill University is currently recognised as the UK's university of the year and a national leader in graduate employment outcomes

Lancashire's Universities and Colleges combine to produce the UK's largest source of STEM graduates





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Lancashire  
Enterprise Partnership

# Foreword

**Lancashire is of significant importance to the Northern Powerhouse with 50,000 businesses generating almost £28 Billion per year. We are the only area that borders the North's two biggest city regions, Manchester and Leeds, and we also count the Liverpool City region, Cumbria and North Yorkshire as our immediate neighbours.**

Our economy continues to grow building on the sustained growth we have seen over the last decade, with readily identifiable economic 'hotspots' and globally competitive industrial clusters.

We as the Lancashire Enterprise Partnership (LEP) are focussing on improving the capability and capacity of our economy. We are seizing new market opportunities and overcoming barriers constraining growth to re-establish Lancashire as a national economic leader in advanced manufacturing, maximising the area's clear competitive strengths and assets in the aerospace, automotive, energy and health science sectors.

Indeed, the challenge we have set ourselves is to halve Lancashire's GVA performance gap to the rest of the country whilst increasing the number of high value jobs.

Our business base is diverse and successful giving us an excellent platform on which to build. And whilst SMEs dominate, Lancashire is home to a range of major international and fast growing indigenous businesses. World class companies operate across the business spectrum but it is our key industrial clusters that have the potential to drive productivity, innovation, employment, skills development and profitability, providing us with a unique national and international asset base.

We are number 1 in the UK for aerospace production with 500 companies in the aerospace supply chain. Together they employ 13,000 people, representing the UK's largest concentration of aerospace employment. Our advanced engineering sector also supports 85,000 employees.

New business 'churn' rates tell us that Lancashire remains an attractive location to start up and grow a business.

However, with many of our businesses operating in highly competitive international markets, our ability to understand those issues which enable and drive competition and growth is vital.

Since the LEP's inception in 2011, we have established and maintained a strong strategic focus. This has enabled us to secure a £1 Billion growth plan and bring forward over 50 major growth initiatives. Whilst all parts of Lancashire have benefitted from these ambitious growth programmes and investment plans, half of these initiatives are within our five most deprived areas reflecting the LEP's ambition to drive inclusive economic growth.

We have also established a strong reputation and track record of delivery, which is recognised by Government and our public and private sector partners.

We have achieved this through the delivery of innovative initiatives of scale including;

- the £450M Preston, South Ribble and Lancashire City Deal which is recognised as one of the country's leading City Deals and which is on its way to creating 20,000 new jobs and nearly 20,000 new homes;
- our £252M Growth Deal, the largest secured outside the core city regions, and which is on track to deliver up to 8,000 new jobs, 3,000 new homes and £280M in new private sector investment by 2021;
- Boost, Lancashire's high performing business growth hub, which has worked with over 3,000 local SMEs and created over 1,300 new jobs in less than three years;



- our Lancashire Enterprise Zone cluster programme, based on three Zones (across four sites), is creating an investor offer of Northern Powerhouse significance capable of supporting 10,000 new jobs in the advanced engineering and manufacturing, energy and chemical sectors;
- a major innovation programme anchored by our three leading universities – Lancaster, UCLan and Edge Hill – delivering new centres of excellence to exploit new growth opportunities and lift supply chain productivity levels in priority sectors;
- in collaboration with Sheffield City Region we have achieved Science and Innovation Audit (SIA) status with Government focussed on the Northern Powerhouse Advanced Manufacturing Growth Corridor;

- our Employment and Skills Board is one of only a few to have almost fully invested the LEP's £30M Growth Deal Skills Capital Fund;
- we have fully recycled our £20M Growing Places Investment Fund in 8 commercial investments across Lancashire, including in some of our most deprived areas, helping to create almost 3,000 new jobs, 150 new housing units and almost 500,000 square feet of commercial floorspace, whilst generating £700,000 in interest for the LEP to reinvest;
- a major programme of renewal focussed on Blackpool is helping to establish a stronger economic base whilst tackling the town's most acute social problems;
- the establishment of Transport for Lancashire has been fundamental to the development of a strategic transport programme to address major

infrastructure constraints limiting economic and housing growth and also in supporting the strategic and economic ambitions of Transport for the North;

- and finally, the LEP has seized the initiative to address Lancashire's inability to raise its profile as a destination of choice for new businesses and investors through the development of a new Lancashire narrative which captures our new sense of economic purpose and ambition.

The establishment of a Combined Authority in Lancashire represents one of the most significant local political developments to have taken place in the LEP's lifetime. The LEP and the Combined Authority, of which the LEP is a constituent member, are working together to refresh the LEP's Strategic Economic Plan (SEP) in the context of a strong strategic planning and housing framework, with the aim of re-establishing Lancashire as a major

growth centre unlocking our sectoral strengths and capabilities whilst also tackling our most acute growth, productivity and regeneration challenges.

As the Combined Authority moves forward, the LEP will maintain responsibility for delivering Lancashire's growth and prosperity.

Lancashire is a fantastic place in which to live, work, invest, visit and study and together we can make it even better.



**Edwin Booth**  
Chairman  
Lancashire Enterprise  
Partnership

# The Lancashire Enterprise Partnership Purpose

## Dream



To be universally recognised as the engine of transformation for Lancashire's economy

## Spirit



Driving a more prosperous Lancashire

## Character



Creative



Agile



Courageous



Optimistic



Demanding



Resilient



Trustworthy



Transformers

## Beliefs

- Helping create and nurture a sustainable and enduring future for Lancashire
- Being proud of our history and building a legacy to be proud of
- Sharing and celebrating the successes of Lancashire, and what it has to offer
- Making Lancashire the preferred place to invest, driven by our agility and competitiveness
- Creating a long term growth environment that is attractive and compelling to new international investors
- Playing a leading role in creating an environment for improving lives through accelerating economic growth
- Driving and enabling the continual development of local talent, matched to economic opportunities

## Greatest Imaginable Challenge



To halve Lancashire's GVA performance gap to the rest of the country whilst increasing the number of high value jobs

## Focus



Getting to the future first



Lancashire Enterprise Partnership



# Lighting up Lancashire...

Lancashire is a dynamic economic region within the North West and the wider North of England. It has a unique offer to make and role to play in the Northern Powerhouse. Lancashire's leading international and national position in relation to aerospace, advanced engineering and manufacturing, energy, higher education institution excellence and visitor economy make it a pivotal part of the long term economic growth of the North.

The LEP has made significant progress in recent years in establishing Lancashire's most comprehensive growth strategy, investment framework and delivery programme. A key priority of the LEP has been to address the area's long term under performance in positioning and marketing of the Lancashire offer to potential new investors, occupiers and businesses, whilst supporting the effective marketing of Lancashire as one of the UK's leading visitor destinations.

The LEP wants Lancashire "the place" to not only be more prosperous but better understood regionally, nationally and internationally.

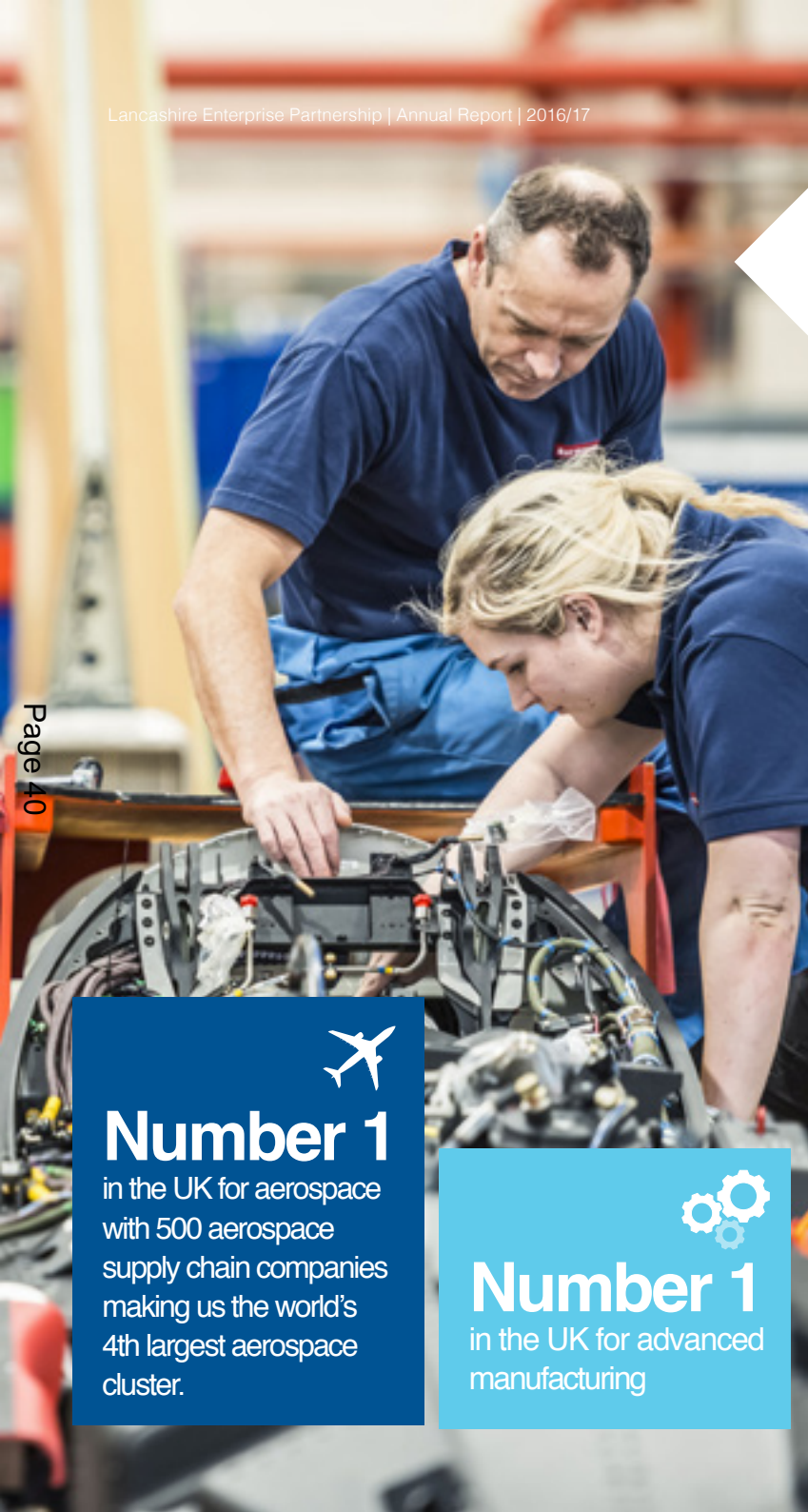
Lancashire's economic base is one of the largest and most important in the north of England, though its profile and capabilities have often failed to be fully recognised.

The LEP has focused on addressing this with Lancashire's role and contribution more accurately portrayed in new growth initiatives such as the Northern Powerhouse. A new Lancashire "narrative" has been developed that articulates Lancashire's strengths and assets, its attractiveness in which to live, visit and do business; a story that defines where the area has come from and where it is going in the future.

The LEP is also enhancing its understanding the role and impact it has had amongst existing businesses and communities within the Lancashire. The LEP has engaged with hundreds of private sector businesses, listening to their ambitions for the place and how those businesses can play an active role in articulating the Lancashire story to attract inward investment, retain the best talent and unlock the area's potential.

Many Lancashire businesses and institutions are recognised as leaders and innovators in their respective areas of expertise. These partners will promote Lancashire's successes to leverage key assets and opportunities.

Lancashire has a global track record of innovation and industrial excellence. With a new unified and coherent message, alongside a strong identity and a clear sense of economic purpose, the LEP is determined in its ambition to drive sustainable economic growth.



# We are creating and making

**Creativity in all its forms is part of our DNA. From hard working beginnings in the Industrial revolution to today's high-tech businesses, pushing Lancashire to the forefront of a range of industries.**

Whatever the form or function of our creations, we can be rightly proud of an amazing pedigree for invention, ingenuity and innovation.

Lancashire not only excels at having bright ideas, but also knows how to convert those ideas into burgeoning enterprises.

### Number 1 in the UK for advanced manufacturing.

We employ over 85,000 specialists in the manufacturing and engineering sector with 3,500 of those employed in the automotive industry.

### Number 1 in the UK for aerospace with over 500 aerospace supply companies making us the world's 4th largest aerospace cluster.

Today, major players like BAE Systems, Rolls Royce and Safran Nacelles employ more than 13,000 people in the area, giving us the greatest concentration of aerospace production in the UK. And we have room for more. The future is well on the way, in the shape of new Unmanned Aerial Vehicles, including the world's most advanced, Taranis, being

built right here. And with the Samlesbury Aerospace and Warton Aviation Enterprise Zones based at BAE Systems' sites in Lancashire, there are thousands more jobs, countless apprenticeship and cutting edge logistics opportunities to come.

Lancashire makes a significant contribution to the whole aerospace supply chain with world-class firms like Senior Aerospace Weston, Magellan Aerospace, Rolls-Royce and Safran Nacelles to name but a few, operating in areas such as metal machining of aircraft structural and engine components, the process and treatment industry and engine sub-systems.

However manufacturing in Lancashire runs broader and deeper than simply the aerospace sector. The area is home to a diverse spectrum of makers and technologists including Oscar winners AMS Neve, top 100 'Cool Brand' recipients Graham & Brown and companies such as Panaz (Smart Fabrics), The Surface Print Company (wallcoverings) and Senator (one of Europe's largest office furniture suppliers).

  
**Number 1**  
 in the UK for aerospace with 500 aerospace supply chain companies making us the world's 4th largest aerospace cluster.

  
**Number 1**  
 in the UK for advanced manufacturing

### The UK's largest source of STEM graduates

With a local student population of 62,000 and the University of Central Lancashire (UCLAN) and Lancaster University's strong focus on engineering, this provides a source of new talent that is nationally in short supply.

### Global leader in the development and assembly of Small Modular Nuclear Reactors

Over 37,000 people are employed in the power generation sector, with the sector receiving strong support from Lancaster University and UCLan, both of whom have internationally recognised centres of excellence in energy and environmental studies. Green technologies and alternative sources of oil and gas are also recognised as being of importance to Lancashire.

Over 12,000 people are employed in civil engineering, a key area in energy infrastructure and provision; particularly in nuclear, renewables and water. It also represents a skills base which is nationally in short supply.

### The Lancashire Advanced Manufacturing and Energy Cluster

Four key development sites have been combined into one dynamic, world-class and overarching investment destination - the Lancashire Advanced Manufacturing and Energy Cluster.

The cluster includes Samlesbury, Warton, Blackpool Airport and Hillhouse Enterprise Zone sites, which together combine to provide a world class offer to investors and occupiers in the advanced manufacturing, energy and engineering sectors. The cluster has the potential to generate 10,000 new high value jobs and ensure Lancashire builds on its position as one of the UK's leading centres of excellence in advanced manufacturing and energy.

### We are a vibrant, growth-driven digital and creative sector

Lancashire creates, communicates and engages with a digital and creative sector that's quickly becoming a central pillar of our economy. With over 400 creative and digital companies in the area making an annual GVA contribution of £700m – plus many more on our doorstep at Media City – we can boast leading players in design, fashion, film, media and broadcasting.

In terms of emerging industries, our strengths lie in health innovation, including digital health, digital technologies including big data and business process outsourcing. Importantly, existing sector strengths in food manufacturing, the visitor economy and the financial and professional service sectors all remain critical to Lancashire's employment and productivity levels.

**Global leader**  
in the development  
of Small Modular Nuclear Reactors



The UK's largest source of  
**STEM graduates**



Lancashire  
Enterprise Partnership

## We are food & drink country

**We are world class food and drink from Michelin star dining to some of the UK's best award winning produce.**

Lancashire is more than 80% rural. This natural landscape gives strength to a whole array of produce direct from farmland. With 9 cheese producers and 23 microbreweries, Ashcroft's cauliflowers, Lancashire reared Goosnargh Chicken and Duck and Morecambe Bay Shrimp by Royal Warrant, to name just a few, Lancashire promotes a strong relationship between the land and food & drink. Lancashire produces 1 of only 12 British Protected Designation of Origin cheeses.

An abundance of award winning and well-reviewed restaurants, pubs and coffee shops support Lancashire's food and drink strengths through superb hospitality including the Michelin starred Northcote, the Inn at Whitewell which is

frequented regularly by the Queen as the Duchy of Lancaster and the Freemasons, which is the highest ranked and only pub to feature in the Good Food Guide for 3 years running.

Around 12,000 people are employed specifically in food & drink manufacturing activities in Lancashire, representing 2.0% of employees compared to the national average of 1.3% for Great Britain.

The whole food & drink industry supply chain is represented in Lancashire, from raw materials, meat processors, dairies and logistics.

## We are leisure & pleasure

**63 million people each year choose to visit Lancashire. Whether it's to sample our rich culture and heritage, to take to our coast and hills for fresh-air fun and some of the best outdoor activities around or, to learn why we're referred to as 'food & drink country' thanks to authentic local produce that's second to none. Many of our visitors return time and again and more and more are staying for longer breaks and holidays because a day just isn't long enough here in Lancashire.**

Jump on a Virgin train from London or Glasgow and be in the centre of Preston in just 2 hours, then it's a short hop to the bright lights and entertainment of Blackpool - the UK's favourite seaside resort - or to the wide open spaces of the Forest of Bowland, the geographic centre of the UK and the latest star-gazers paradise.

This county of contrasts has something for everyone from award winning music and food festivals, concerts in castles and stately homes, new trails for walkers and cyclists, the UK's largest walkabout theatre in England's newest historic city, Lancaster, or to the only bird's eye view of the Illuminations from the top of Blackpool Tower Eye. Lancashire has something for everyone.

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# We are nationally and globally connected

**Lancashire's central location and our strong road and rail infrastructure mean we are well connected locally, nationally and globally.**

We are two hours from London by train, with the West Coast Mainline running straight through the centre of Lancashire. In addition, Preston rail station serves over 1.6 million customers every year, making it the third busiest station in the north west.

### Road network

Lancashire is accessible via 5 major motorways (M55, M6, M61, M65, M66) and an ongoing infrastructure delivery plan as part of the Preston, South Ribble and Lancashire City Deal which is continuously improving road links across the County.

### International

We are easily accessible from our neighbouring cities of Liverpool, Leeds, Manchester and beyond and we are connected to the world's cargo routes by air, sea and rail. Just 35 minutes from Manchester airport, our global connections are endless.

**30 minutes**  
from Manchester airport



Linked by  
**5 major motorways**



London to Preston in  
**2 hours**



### Centres of educational excellence and global research

Our 4 Universities attract thousands of national and international students and research fellows every year.

Lancaster University is recognised as one of the world's top 50 universities and ranked 8th in the UK.

UCLAN is one of the country's 10 largest universities and first modern university in the UK to be recognised by the QS World Rankings.

Edge Hill University is currently recognised as the UK's university of the year and a national leader in graduate employment outcomes.

University of Cumbria – one of the UK's newest universities – with a site in Lancaster has strengths in education, healthcare and visual and performing arts.

Together Lancashire's Universities and Colleges combine to produce the UK's largest source of STEM graduates.



# Governance and Assurance

**Since its inception, the Lancashire Enterprise Partnership (LEP) has been established as a company limited by guarantee wholly owned by Lancashire County Council but with a clear majority of private sector directors. The LEP's Chairman and Vice Chairman are also drawn from the private sector.**

As a company in its own right, the LEP's governance arrangements provide robust legal structures to guide and oversee the delivery of agreed priorities and outcomes.

The LEP model has already demonstrated an ability to make key decisions which have tested the resilience of its governance structures as well as the maturity of local partners. For example, in deploying its £20M Growing Places Investment Fund to unlock stalled development schemes, the LEP has implemented a commercial (not grant based) investment strategy. The LEP is now on its second wave investment cycle, as capital and interest payments from original investments are received back into the fund.

The LEP's City Deal governance model has demonstrated that it has capacity to become a national exemplar in terms of establishing a company led/contractual model of

governance, whilst also delivering key flagship Government schemes including the completion of the £30M Highways England funded Junction 2 on the M55.

The £252M Lancashire Growth Deal has played a central role in enabling Lancashire to deliver its growth ambitions and in allowing the LEP to develop a national track record for delivery, as well as a reputation for strong and inclusive strategies and innovative and commercial operating models.

All Growth Deal schemes are required to submit a business case which conforms to Treasury Green Book standards and which is independently appraised on behalf of the LEP by external consultants, ensuring value for money thresholds are achieved in line with the LEP's Assurance Framework.

As part of the LEP's commitment to ensuring it remains fit for purpose and focussed on its strategic economic vision and objectives, the LEP has boosted Board representation from the SME community through the appointment of new Directors from high growth SMEs alongside established business representation through Lancashire's Chamber network.

Additionally, the LEP has an established Business Support Management Board which has responsibility for ensuring Boost, Lancashire's business growth hub, continues to maintain and improve its well-regarded offer whilst also continuing to streamline Lancashire's business support landscape.

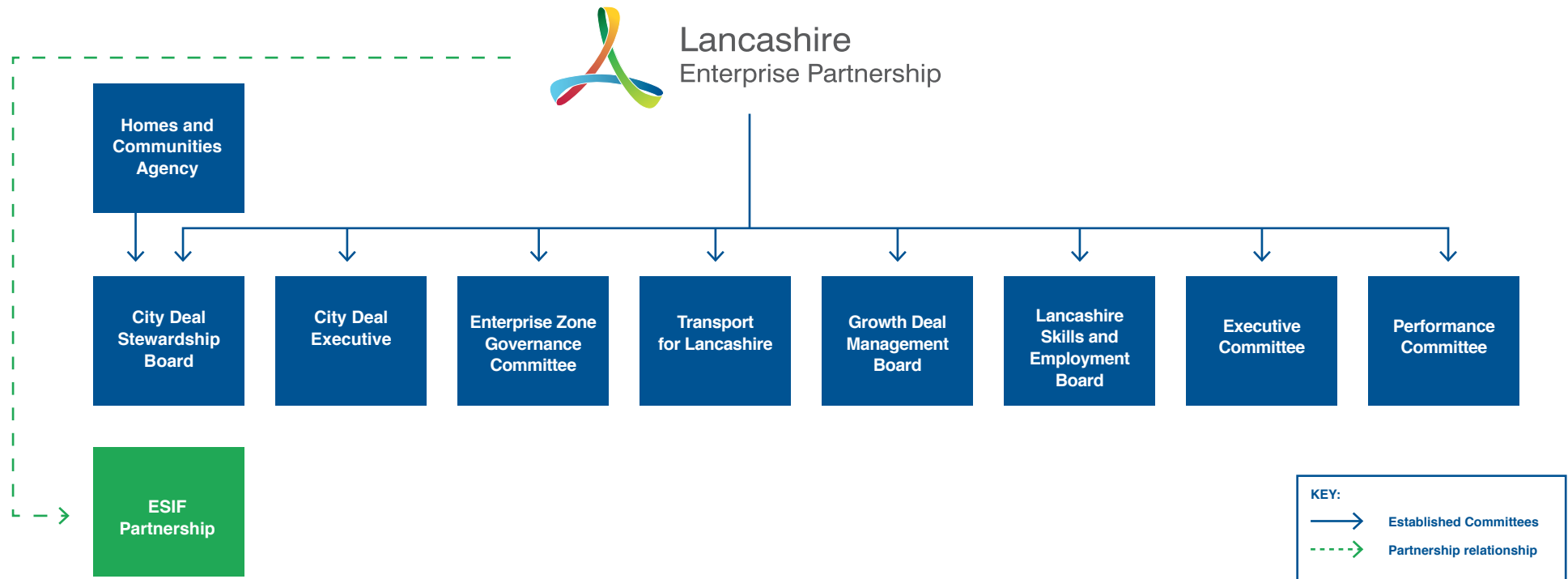
In April 2015, the LEP produced its first Assurance Framework to ensure accountability for the delivery of public resources, including Growth Deal funding,

through transparent decision making and achievement of value for money. The Assurance Framework is reviewed at least annually by the Board in June of each year and in relation to changes to wider governance in Lancashire relating to the Combined Authority.

The LEP has established a Performance Committee to oversee the performance of the LEP's key economic initiatives and identify risks associated with delivery and performance and has also established its Growth Deal Management Board, which has responsibility for overseeing the delivery of the LEP's £252M Growth Deal with Government. The establishment of these two functions have further strengthened the strategic management and oversight of the LEP.



**Lancashire Enterprise Partnership Assurance Framework**



In late 2015, the LEP was reviewed by Government’s Internal Audit department. The review concluded that the LEP’s Assurance Framework is fully compliant with Government requirements.

In December 2015, the Chair of the LEP and three fellow Directors attended the first ‘Annual Conversation’ with colleagues at the

former Department for Business, Innovation and Skills in the North West. The ‘Annual Conversation’ confirmed the LEP’s excellent progress in delivering key national economic initiatives and investment programmes through the use of robust and rigorous implementation procedures.

To ensure the LEP remains effective and compliant in its delivery of public resources and in the implementation of national economic initiatives, growth programmes and investment plans, the LEP will produce its first Business Plan which will span 2017 to 2020. The Business Plan will identify the LEP’s operational objectives over the next three years, whilst also focussing on

strengthening core operational and delivery capacity and the long-term sustainability of the LEP.

The LEP’s three-year Business Plan will be complemented by the publication of an Annual Review detailing the LEP’s performance achievements.

## Powering Success

Since the establishment of the Lancashire Enterprise Partnership (LEP) in 2011, the Lancashire economy has continued to move forward, supported by innovative initiatives of scale including City Deal and Growth Deal.

The indicators that follow provide a snapshot reflects our priorities in terms of economic growth, productivity and skills base. Whilst positive, they also highlight challenges around a shrinking working age population and the attainment levels of school leavers.

Through its Performance sub-committee, the LEP is working towards the establishment of a suite of Key Performance Indicators (KPIs) which will allow the LEP to judge the wider outcomes of its growth and investment plans, including the value of other local investments, as well as the outputs of its key investment programmes.

# Lancashire's Economic Dashboard

## Population

Source: NOMIS

	2011	2015
WORKING AGE 16-64	<b>922,220</b>	<b>914,200</b>

## GVA

Source: ONS

	2011	2014
TOTAL FOR REGION	<b>£24.9bn</b>	<b>£27.7bn</b>
GVA PER HEAD	<b>£17,078</b>	<b>£18,796</b>

## Wages

Source: NOMIS

MEDIAN WAGE



	2011	2015
MEDIAN WAGE	<b>£23,820</b>	<b>£24,445</b>

## Employment

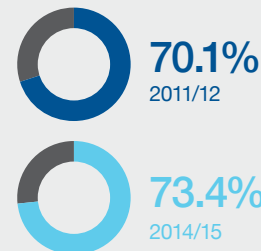


NO. PEOPLE IN EMPLOYMENT

January - December 2012	<b>659,900</b>
April 2015 - March 2016	<b>687,800</b>

Source: NOMIS Local Enterprise Partnership Profile

EMPLOYMENT RATE

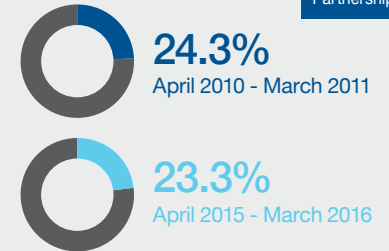


IN RECEIPT OF OUT OF WORK BENEFITS

January 2013	<b>34,060</b> (3.7%)
August 2016	<b>19,380</b> (2.1%)

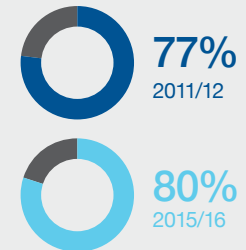
ECONOMIC INACTIVITY RATE

Source: NOMIS Local Enterprise Partnership Profile

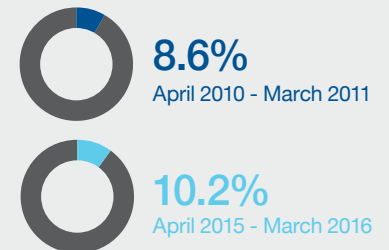


PRIVATE SECTOR EMPLOYMENT RATE

Source: Business Register and Employment Survey (BRES)



SELF EMPLOYMENT RATE



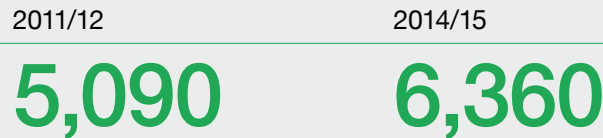
# Lancashire's Economic Dashboard

## Business

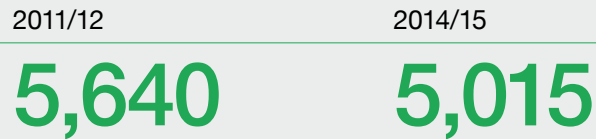
NO. OF ENTERPRISES



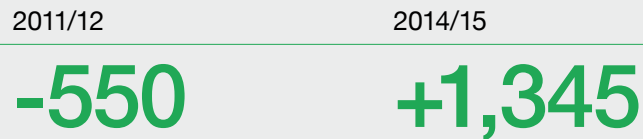
BIRTHS PER ANNUM



DEATHS PER ANNUM



NET CHANGE



Source: NONS BUSINESS DEMOGRAPHY 2011 - 2014

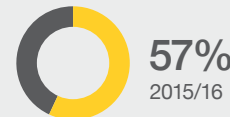
## Skills

Source: ONS

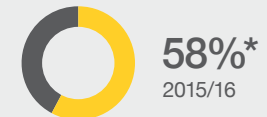
WORKING AGE POPULATION WITH LEVEL 4



% 5 GCSE'S A TO C (INC. ENGLISH & MATHS) ENGLAND



% 5 GCSE'S A TO C (INC. ENGLISH & MATHS) LANCASHIRE



Source: LCC  
\*15/16 figs may still be subject to correction / revision





## Progress and Delivery... the story so far

The Lancashire Enterprise Partnership (LEP) was established in 2011 as a private sector led public/private partnership for Lancashire, chaired by Edwin Booth.

Since that time, the LEP has developed a growth plan valued at nearly £1 Billion – a level of performance only bettered by a few larger Core City LEPs with much greater capacity.

Over 50 major initiatives are either planned or underway across all parts of Lancashire with the majority of key programmes delivering ahead of schedule and exceeding delivery targets. Half of these initiatives are in Lancashire's five most deprived areas.

This activity is underpinned by a robust Strategic Economic Plan (SEP) and a business case approach informing key decision making. The LEP has enabled local partners to bring forward new initiatives of scale underpinned by innovative investment frameworks, particularly the LEP's £252M Growth Deal.

Government has a positive view of the LEP's overall performance with the recent Annual Conversation and review of the LEP's Assurance Framework reporting strong progress and robust accountability systems.

# Track Record of Delivery

Developing great places to live and work



CITY DEAL  
Preston, South Ribble & Lancashire

In two years the City Deal has helped to achieve:

**£9.161M**   
of private sector investment

**753 jobs created**   
through commercial developments and infrastructure construction

**1,599 homes built**   
Planning permission has been achieved for **8,675** homes

**4 planned roads** 

- **Broughton Bypass** being built
- **Preston Western Distributor** and line roads planning application submitted
- **A582** junction improvement and widening underway
- **Penwortham Bypass** planning application due to be submitted September 2016

**9,665sq m**   
of commercial floorspace created



# Track Record of Delivery

## Supporting Business Growth



### Lancashire's Business Growth Hub

## Key Achievements

- Boost; Lancashire's Business Growth Hub – first phase completed in September 2015, with 3,000 SMEs engaged, 1,000 businesses improved and 1,200 new jobs created across Lancashire.

Lancashire County Council has agreed to invest £3M in a new £8M 3-year Boost business growth programme, with a further £1M secured in revenue funding from Government. This investment will help to secure Lancashire's core business support infrastructure.

- Lancashire's Chambers of Commerce, with LEP support, have secured £8M from Regional Growth Fund (RGF) 6. This business growth fund can be accessed via Boost, with capital grant support available for projects generating new jobs and additional private investment.

- The LEP has commissioned Growth Lancashire to undertake an audit of local publicly-funded business support in Lancashire, at the request of Government.
- £400M Northern Powerhouse Investment Fund established, covering 10 LEP areas, with Lancashire investing £12.5M from its ESIF programme.
- The LEP has also recently secured Science and Innovation Audit status with Government – one of only 5 places in the UK to do so out of more than 30 competing areas. This is a joint initiative with the Sheffield City Region which positions the LEP's flagship Advanced Manufacturing Research Centre (AMRC) North West project at the Samlesbury Aerospace Enterprise Zone.



# Track Record of Delivery

## Investing in Growth

## Growing Places Investment Fund

### Key Achievements

- The LEP's £20M Growing Places Investment Fund has made 8 commercial investments across Lancashire. The fund is now planning its 9th investment, supporting a high quality residential offer in Preston City Centre.
- The Growing Places Investment Fund has fully revolved its original allocation and leveraged over £100M in public/private investment, supporting the creation of nearly 3,500 jobs and 200 new homes as well as creating almost 500,000 sq ft of commercial floorspace
- Growing Places continues to welcome commercially-focused investment proposals from public and private sector partners.





# Track Record of Delivery

## Championing Key Sectors



## Key Achievements

- Development of a new £15M national training facility for BAE Systems and a new £10M high value industrial logistics centre on the Samlesbury Aerospace Enterprise Zone.
- Delivery of two new site access points from the A59 and the A677 and a main spine road at the Samlesbury Aerospace Enterprise Zone funded by way of a loan finance facility provided by Lancashire County Council.
- Opportunity to establish a north west facility of the Advanced Manufacturing Research Centre (AMRC) at the Samlesbury Aerospace Enterprise Zone.
- The first new business occupiers have located to the Warton Aviation Enterprise Zone, focused on growth in the Advanced Engineering and Manufacturing sector.
- Blackpool Airport Enterprise Zone business case was approved by Government, with a formal announcement made in the 2015 Autumn Statement. The Zone will come into full force in April 2017 and has the potential to support 140 new businesses and 3,000 new jobs. It will also be home to the National Energy College.
- Hillhouse Technology Enterprise Zone was also announced in the 2015 Autumn Statement. The Zone was launched on 1 April with a focus on the chemicals and energy sector with the potential to create 1,500 new jobs.
- Overall the LEP's Enterprise Zone programme has the potential to create c.10,000 new jobs with an investor offer of Northern Powerhouse significance.
- Funding secured for UCLan's Engineering Innovation Centre (EIC) as part of the university's new £200M campus redevelopment.



# Track Record of Delivery

## Developing Lancashire's Skills Base



**LANCASHIRE SKILLS & EMPLOYMENT HUB**

## Key Achievements

- Establishment of the Lancashire Skills and Employment Hub which has strong links to Boost; Lancashire's Business Growth Hub.
- Publication of the Lancashire Skills and Employment Strategic Framework in February 2016 following extensive consultation. The Framework is underpinned by a robust evidence base including 7 sector skills studies.
- Delivery of the LEP's £30M Growth Deal Skills Capital Programme, with £26M allocated to date in 16 skills facilities across Lancashire which are aligned to priority sectors.
- £44M of European Social Fund (ESF) activity procured to date with DWP and other co-finance organisations supporting active inclusion, access to employment and skills for growth (including apprenticeships).
- Launch and establishment of the Lancashire Enterprise Adviser Network in Blackburn with Darwen and Burnley.



Lancashire  
Enterprise Partnership

# Track Record of Delivery

**Telling Lancashire's Story in a more ambitious and confident way**



## Key Achievements

- The LEP has commissioned the development of a place marketing and communications strategy, with Marketing Lancashire managing this work programme.
- The commission, which is not about the LEP, but about Lancashire the place, will greatly improve communications with local stakeholders helping to promote Lancashire collectively.
- The new marketing strategy, launched in Autumn 2016, builds on improved communication activities already in place with key stakeholders, including the weekly Lancashire Business Brief and a much greater LEP presence in social, regional and national media.
- Increased event activity nationally and internationally is key including Lancashire's first ever presence at the UK's largest property event MIPIM UK .



# Track Record of Delivery

## Better Connectivity

## Transport for Lancashire

### Key Achievements

- The establishment of Transport for Lancashire has been fundamental to the development of a strategic transport programme addressing major infrastructure constraints, limiting economic and housing growth across Lancashire.
- Local Strategic Transport and Highway Masterplans have underpinned the development of the LEP's key infrastructure priorities.
- Production of Lancashire's first Strategic Transport Prospectus which promotes the importance of Lancashire's connectivity priorities within the Northern Powerhouse framework. Priority schemes identified have the potential to create 15,000 new jobs and generate over £600M per year in GVA uplift.
- Transport for Lancashire is working with Transport for the North to support the delivery of its strategic and economic ambitions.
- In line with the LEP's Assurance Framework, Transport for Lancashire tests the value for money of scheme business cases and makes funding recommendations to the LEP Board.
- Transport for Lancashire is directing a transport programme currently supported by £135M of Growth Deal investment, focussed on key initiatives including the Burnley-Pendle Growth Corridor, Preston Western Distributor and Blackburn-Bolton Rail Corridor.



# Investing across Lancashire

## Next Steps

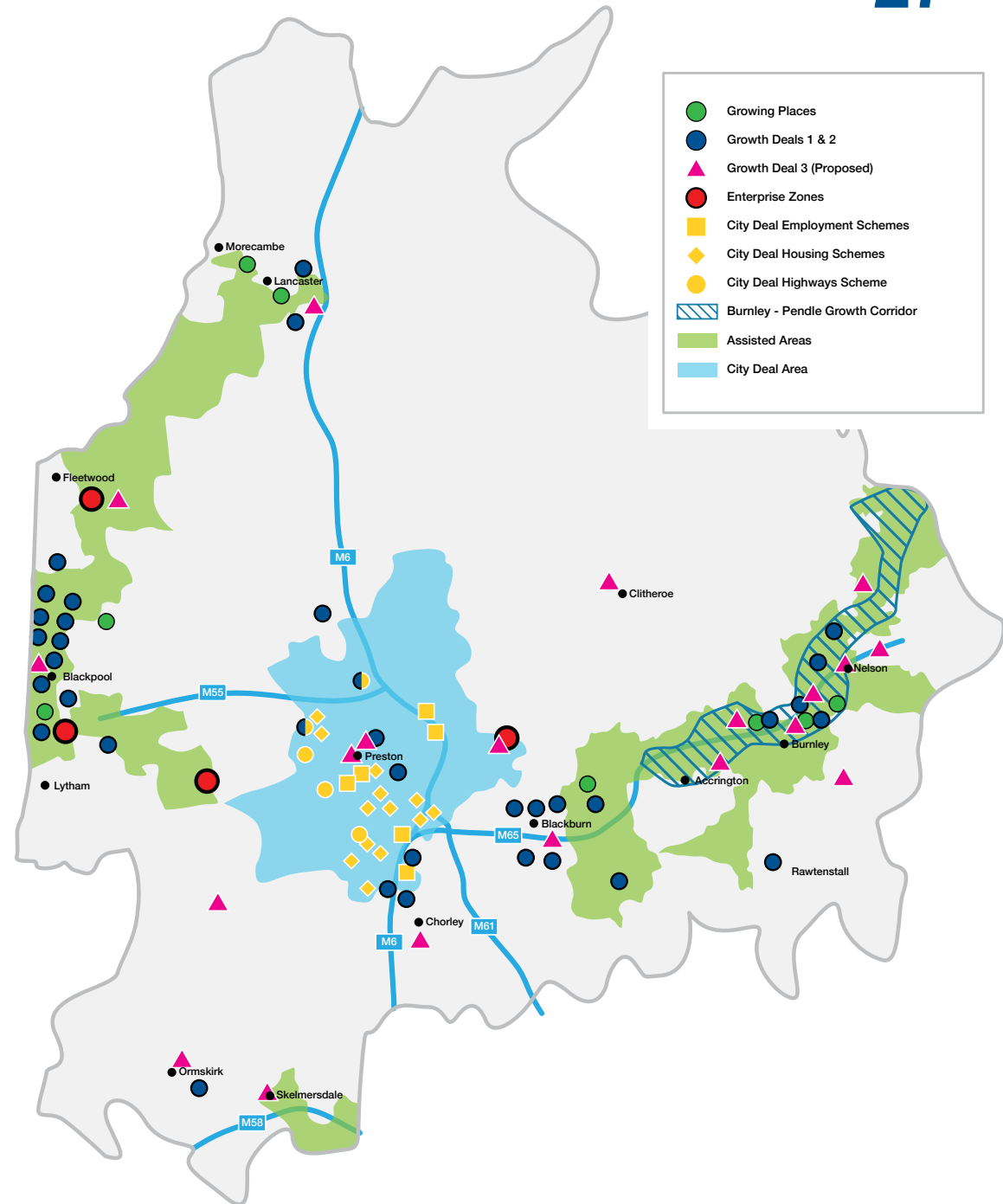
The aim of this document has been to share the progress made under the stewardship of the LEP since its establishment 2011.

Moving forward, the LEP is developing a three-year business plan which will describe how we will take forward key work programmes and also set out the broader opportunities and challenges facing our economy.

The business plan will also identify how we will deploy future funding resources and how we will work with new governance structures including the Lancashire Combined Authority.

This document is available via the LEP website.

[www.lancashirelep.co.uk](http://www.lancashirelep.co.uk)





Lancashire  
Enterprise Partnership



[www.lancashirelep.co.uk](http://www.lancashirelep.co.uk)





Lancashire  
Enterprise Partnership

# Business Plan

2017/2020

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Lancashire: The Place for Growth

**NORTHERN  
POWERHOUSE** HM Government

[www.lancashirelep.co.uk](http://www.lancashirelep.co.uk)

# Introduction

This document begins to set out the priorities for the LEP's programme of work over the next three years. It highlights key blocks of activity where the LEP will either lead or support the programmes of Lancashire's Combined Authority.

This work programme captures activities from key strategic thinking to the development of a refreshed Strategic Economic Plan for Lancashire, continued support for key sectors and existing businesses and the emerging work programme which will tell Lancashire's story in a more ambitious and confident way.

Whilst in the medium term, we can plan with some certainty around existing major programmes, this Business Plan must also remain flexible to embrace and champion new funding, economic growth and market-driven opportunities.

The programme of activity set out within this Business Plan will make an important contribution to the success of the Northern Powerhouse and continue the process of rebalancing the local economy. It will also demonstrate how the LEP can support broad based growth that enables the widest range of people and places to both contribute to, and benefit from, economic success.




**Edwin Booth**  
Chairman  
Lancashire Enterprise  
Partnership

# Getting to the Future First

**The Lancashire Enterprise Partnership's (LEP) priorities over the next three years.**

Building on the LEP's strong track record for delivery, we are moving forward with a clear set of priorities for the next three years. Working with local partners and the Combined Authority, the LEP will continue to work to ensure the development of a strategic project pipeline to take advantage of local and national investment streams and policy initiatives.

The LEP remains aware of the need to continue to raise its profile and strengthen communications with local stakeholders. It will build on recent communication initiatives to raise the profile of Lancashire as an inward investment destination of choice.

The LEP is looking forward to working with the Combined Authority to secure a Devolution Deal for Lancashire.

The LEP also views the Northern Powerhouse as a positive framework that will enable Lancashire to position its economic strengths and forge stronger cross-boundary links across the north, and will respond positively to Government's renewed focus on a place-based industrial strategy.



# The LEP's priorities for 2017/2020

## 1. A Plan for Lancashire's Economy

**a A new Strategic Economic Plan for Lancashire:**  
 Since the LEP's first Strategic Economic Plan (SEP) was developed in 2014, the context in which it was developed has changed significantly. Driven by changes in the economy itself, a new national policy framework, the challenges and opportunities of Brexit and new governance structures in Lancashire, led by the Combined Authority, the time is right to review and update the LEP's central policy document. Work has already begun assembling the evidence base which will underpin the refreshed document.

for the LEP to be able to clearly demonstrate how its investments in infrastructure, housing, skills and business growth projects have directly driven productivity levels within the local business base.

Work is already underway to investigate the specific productivity issues within Lancashire economy, with the LEP having commissioned UCLan to support the development of this analysis.

The LEP will build on the evidence of the SIA to look more broadly at the innovation eco-system across Lancashire's key sectors and to develop more robust leadership and governance arrangements around the innovation agenda. Whilst the case for new assets and facilities will continue to be tested, there will also be a focus

on the co-ordination and impact of those facilities in which the LEP has already invested.

Internationalisation, meaning both the level of export activity across the Lancashire economy and the attractiveness of the location for inward investment, will figure more strongly in the next SEP. The Lancashire Chambers have already initiated a piece of work to specifically explore the opportunity to support more businesses to engage in export activity.

**Northern Powerhouse Independent Economic Review (NPIER) findings**

*The North's performance gap is persistent and entrenched, averaging about 25% against the rest of England, and almost 15% when London is removed.*

*Having been on a downward trend since the early 2000s, the gap has widened since the 2008/09 recession.*

*Productivity accounts for the largest proportion of the performance gap, and is also associated more closely with the widening of the gap in the post-recession period.*

**b A new focus on Productivity, Innovation and Internationalisation:**  
 Recent work on developing projects, including the Science and Innovation Audit (SIA), has highlighted the need

# The LEP's priorities for 2017/2020

## 2. Developing Great Places to Live and Work

### a City Deal:

With the strong progress made to date in delivering the City Deal and the increasing collaboration City Deal partners have demonstrated in delivering the City Deal infrastructure within the City Deal period, partners are exploring the potential to extend the City Deal period from 10 to 15 years to enable further housing and economic growth in central Lancashire.

The City Deal partners believe that full utilisation of HCA "Direct Delivery" and "Starter Homes" initiatives have the potential to accelerate the pace of housing delivery in the City Deal area.

The partners are mindful of the need to continue to review and monitor housing and development market conditions post Brexit, as the full economic impact of the UK's decision to leave the EU becomes known.

Programme leaders are focussed on central Lancashire, the place, and in addition to delivering strategic housing, employment, commercial and leisure sites, the City Deal Executive is also currently working with a range of strategic partners including the Lancashire Skills Hub, the Lancashire Growth Company, Boost; Lancashire Business Growth Hub, education providers, health agencies, the Environment Agency and Network Rail on a range of strategic plans and projects including:

- The transformation of Preston Railway Station;
- Garden Village proposals;
- Implementation of the City Deal Skills and Employment Action Plan;

- Development and implementation of the City Deal Community Infrastructure Plan; and
- Exploring opportunities to strengthen the role UCLAN can play in the local area; and
- A strengthened City Deal inward investment offer.

The City Deal Executive leadership is awaiting the outcome of Government changes to funding streams which could impact upon the City Deal and looks forward to a meaningful negotiation with Government in due course.

### b Wider place-making:

Wider place-making initiatives in areas including Lancaster, Burnley and Blackpool feature strongly in our current Growth Deal projects and in our strategic development pipeline. The LEP is committed to working with Lancashire's Combined Authority to fully realise the potential for accessing investment for housing, infrastructure and transport projects and ensuring that this investment drives inclusive growth.

### 3. Supporting Business Growth

- a **Boost; Lancashire's Business Growth Hub:**  
Over the next three years the main focus of Lancashire's Business Growth Hub will be to consolidate and deliver its new programme of activity and re-branded website. Over the Business Plan period Boost is targeted to provide detailed advice and brokerage to 750 eligible businesses, to work intensively with a further 720 businesses and to support businesses to create almost 400 jobs.
- In addition to its core programmes, the Business Growth Hub will also continue to explore options for its further development and long term sustainability.
- b **Manage emerging ERDF Projects:**  
The duty of the Business Growth Hub to produce and manage a simplified offer of publicly funded business support will constitute a significant element of the workload for 2017/2020. A further 7 ERDF funded programmes will be launched imminently, with the potential for a further 12 programmes to be launched in 2018. These programmes need to be properly co-ordinated so as not to displace commercial provision and also to work with the existing offer provided by local authorities and other partners. With the support of the LEP's Business Support Management Board, the Business Growth Hub will market and direct appropriate referrals to these new services and work with providers to ensure that programmes are complementary and fully respond to the strategic priorities of the LEP.
- c **Position Lancashire projects for post Brexit Funding Opportunities:**  
Business support staff will work with colleagues from Lancashire County Council's European Funding Team and the Combined Authority to manage the transition from European Structural and Investment Fund (ESIF) to any new regime of regional funding which might succeed the current arrangements.
- d **Work with Creative Lancashire to promote the Queen's Award:**  
Accessing the wealth of experience within Lancashire's business leaders, the LEP will seek to work with Creative Lancashire to promote, coach and mentor businesses through the process of seeking Queen's Award accreditation. This is viewed as an excellent promotional tool for both Lancashire and its business community.

# The LEP's priorities for 2017/2020

## 4. Investing in Growth

- a **Continued oversight of the delivery of Growth Deal Projects:**  
The LEP's Growth Deal Management Board will continue to oversee and monitor the delivery of the 39 projects which have received funding through successive Lancashire Growth Deals and will also manage the initiation of any new projects in Growth Deal 3.
- b **Management of the Growing Places Investment Fund:**  
The LEP will continue to use its Growing Places Investment Fund to unlock development opportunities and bring forward key development, business, infrastructure and housing projects. The LEP will also begin to consider how differing streams of available commercial funding can be co-ordinated to ensure maximum impact across Lancashire. This "fund of funds" approach will form the basis of a new investment strategy which will sit alongside the SEP.
- c **Northern Powerhouse Investment Fund:**  
Lancashire has committed £12.5m of ESIF resources to the emerging Northern Powerhouse Investment Fund and would look to recoup at least double this amount of investment in the five years of the operation of the programme. The fund will provide micro, loan and equity finance for businesses. However the LEP will ensure that the offer is well understood and that complementary services such as Access to Finance provision supports those businesses who require finance to support their growth.
- d **Evergreen:**  
A review of how the Evergreen (Jessica) fund operated in the last European Programme and the benefits it could have for Lancashire moving forward is underway. Should this work conclude that there is a need for this development finance programme, the LEP would look to ensure that the £10M allocated through its ESIF resources is properly used and drawn down to unlock development across Lancashire.

## 5. Championing Key Sectors

- a **The Continued Development and Promotion of the Lancashire Enterprise Zone Programme:**  
Lancashire's four enterprise zones (across three sites) are strongly aligned with the Lancashire's key sectors, with each site focussing on advanced manufacturing, energy and the advanced materials and chemicals sector. The LEP will seek to escalate the wider promotion of these sites and ensure they create assets which will act both as a catalyst for development and as a wider resource to support the development of sector supply chains across Lancashire.
- b **Working with key businesses and sector representative bodies:**  
The LEP will continue to work with industry partners to define opportunities and challenges to growth, developing innovative investment programmes
- c **Emerging key sectors**  
Over the course of the next three years, Lancashire will see a number of new sectors and technologies emerging where the combination of our business base and innovation assets could genuinely fuse to create new world-class clusters of activity. New, highly regulated approaches to energy production in the nuclear, renewables and gas sectors could all drive innovation, employment and growth.  
  
The LEP and partners have already begun to position sites and educational support at all levels for these new developments, seeking to capture a greater share of the potential value added and high quality jobs.
- d **Visitor Economy:**  
Last year, a new Visitor Economy Strategy was commissioned by the LEP to maximise future growth opportunities for the sector with the overall aim of increasing visitor numbers, through a focus on staying visitors, to help drive more visitor spend within the local economy. The strategy is accompanied by a Destination Management Plan which sets out a framework of actions over the next 3 years that will help deliver an additional 6.3 million visitors and £650 million in visitor spend as well as generating an additional 5,000 FTE jobs within the sector. Marketing Lancashire is the designated Destination Management Organisation for the county who will lead activity with tourism partners to implement this plan.

# The LEP's priorities for 2017/2020

## 6. Developing Lancashire's Skills Base

- a **Implementation of the Lancashire Skills and Employment Strategic Framework:**  
Working with the Shadow Combined Authority, the LEP's Skills and Employment Board will further develop and implement the strategic framework developed over the last year.
- b **Strategic oversight of European Social Fund activity and further allocation of funding:**  
Key investments to support individuals in work, those who are unemployed and young people not in education, employment or training have already been committed using European Social Fund (ESF) monies. These projects offer the opportunity to build capacity in the Lancashire Skills Hub and to provide activity which has the potential to support over 20,000 Lancashire residents. The LEP will ensure that partners contracted to deliver these programmes work effectively for Lancashire utilising the resource available. In addition, as with ERDF, the LEP will maintain oversight of further, locally matched ESF projects and advance local priorities for investment as and when the ESIF regime is replaced.
- c **Successful completion of the Area Based Review (ABR) of FE and Sixth Form Colleges and oversight of implementation plan:**  
Working with the Shadow Combined Authority, the LEP's Skills and Employment Board has already presented the local "challenge" to the team conducting the Area Based Review. Any conclusions, changes or different models of working which arise from the review will be monitored on behalf of the LEP by the Lancashire Skills Hub.
- d **Allocation of remaining Growth Deal Skills Capital funding to priority projects, following completion of the ABR:**  
Working alongside the Growth Deal Management Board, the Lancashire Skills Hub will explore if the retained Skills Capital budget from Lancashire's Growth Deal 2 can be used to facilitate positive changes recommended as part of the ABR.
- e **Implementation of the Apprenticeship Growth Plan for Lancashire:**  
Progress towards the Apprenticeship Levy for larger employers as well as emerging difficulties in recruiting young people for apprenticeship opportunities, both emphasise the importance of developing a co-ordinated approach to improving the number of apprenticeships in Lancashire over the next three years.

## 7. Telling Lancashire's Story in a more ambitious and confident way

### a Taking the Lancashire narrative to the market:

Led by Marketing Lancashire, the exercise conducted over the past year has brought together a large range of local partners to develop an agreed Lancashire narrative. This narrative will now inform a set of strong and consistent messages about Lancashire which the LEP will take to national and international markets over the next three years.

Key objectives will include:-

- Giving national policy-makers a better understanding of the economic potential and assets of Lancashire.
- Taking the market opportunities available within Lancashire's key sectors and sites to key national and international market places.

- Consistently highlighting the work of the LEP to national and local partners, to build an increased understanding of its role, achievements and track record.

### b Inward Investment:

The LEP will develop a consistent programme of inward investment activity over the next three years, working with local partners to market key site and sector opportunities and also the strengths of its industrial clusters and supply chains.

### c Internationalisation:

Trade and export underpins the competitiveness of many Lancashire businesses from traditional textile and furniture production companies, to digital animators working with the international video games producers. We believe that Lancashire has a strong hand to play as the UK potentially re-orientates its trade arrangements and we are also fortunate that in Lancashire's Chambers of Commerce, we also have some of the best equipped intermediaries to promote and encourage this change. Working with UKTI, we will seek to provide local business with the skills and opportunities to realise the growth potential of exploring relevant markets and exploiting the potential of newly competitive exchange rates for British goods and services.



# The LEP's priorities for 2017/2020

## 8. Better Connectivity

- a **Delivery of existing Growth Deal Transport Projects:**  
Supported by the Growth Deal Management Board, the LEP will continue to ensure that transport and infrastructure projects funded through Growth Deal resources are delivered in such a way that they realise value for money thresholds and deliver economic and social value objectives.
- b **Working with new governance structures:**  
The LEP will work alongside the Shadow Combined Authority to ensure that Lancashire retains a strong and coherent transport strategy and is able to draw down national resources for infrastructure developments which support economic growth and housing opportunities.
- c **Strategic transport prospectus**  
To follow
- d **Transport for the north**  
To follow
- e **Digital Infrastructure and Connectivity:**  
By the end of 2018, building on the public investment made in the Superfast Lancashire project, commercial providers should have delivered superfast broadband access to 99% of premises in the LEP area. Working with local authority partners, the LEP will prioritise support for a strong digital sector within Lancashire, in ensuring that businesses fully utilise the potential of this level of connectivity to provide residents with the digital skills to fully participate in employment and society.



## 9. A LEP structure that's fit for purpose

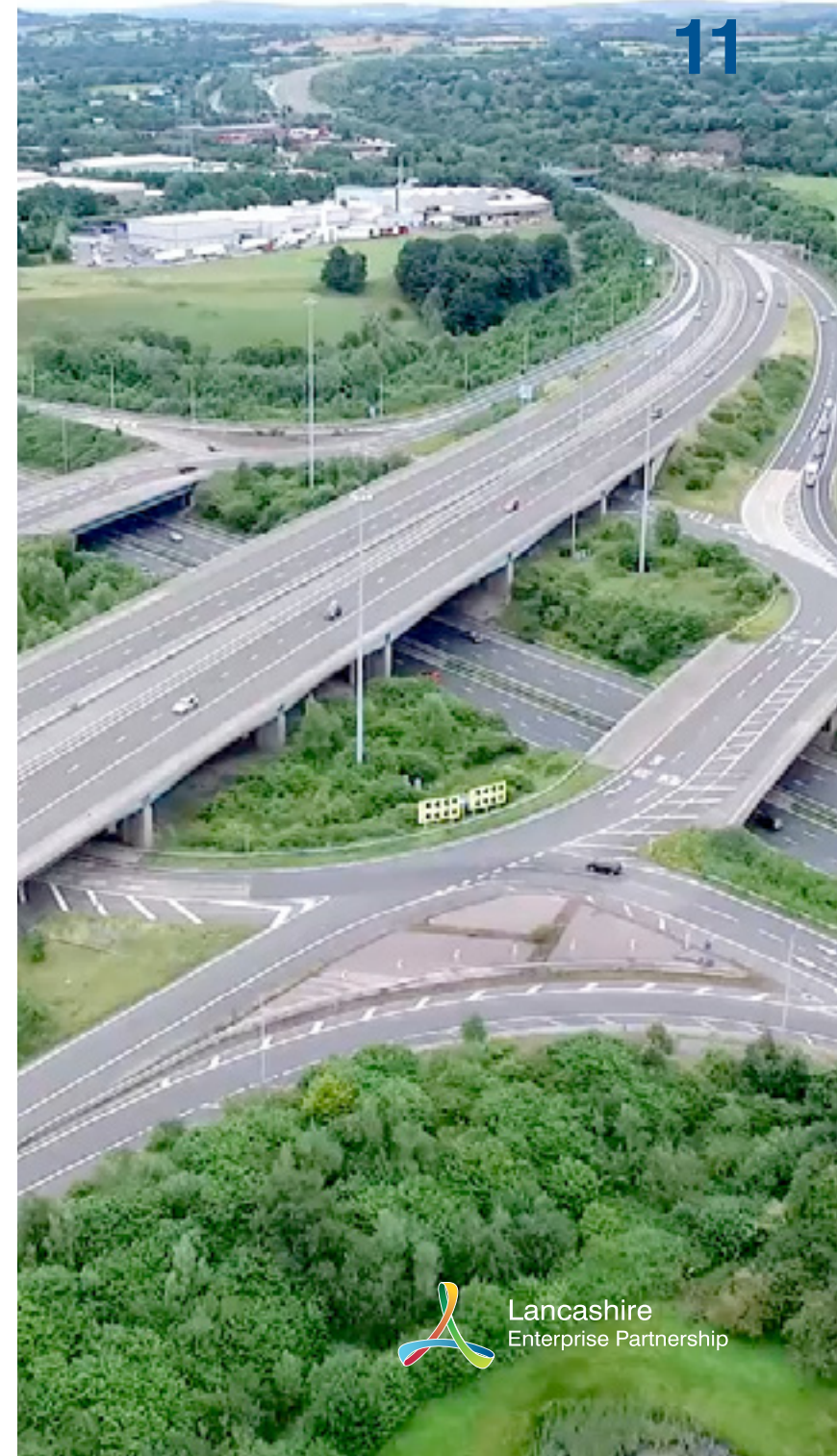
**a Working Effectively:**

The LEP will continue to explore ways in which it can provide a robust and accountable platform for the funds it manages, whilst remain agile and efficient in its stewardship of these funds.

**b LEP and Partner Capacity:**

The LEP recognises the need to support and further develop its own capacity and that of our partners to ensure the continued development of a robust strategic project pipeline. Over the coming years the LEP will seek to:-

- provide strategic support to partners in scheme and business case development.
- unlock and deliver key difficult schemes.
- sustain and refresh the project pipeline.
- bring coherence and co-ordination to the use of those assets where the LEP has already invested.



# Investing for Growth

## Local Capacity and Resources

We will invest to help facilitate the right conditions for growth.

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 and productivity challenges.

Through the ambition and approach set out in the SEP, which was published in 2014, the LEP and its local partners have established a growth plan valued at nearly £1 Billion with a reputation for bringing forward innovative initiatives of scale, including:

- THE £450M Preston, South Ribble and Lancashire City Deal, which is recognised as one of the country's leading City Deals, and is on its way to creating 20,000 new jobs and nearly 20,000 new homes;
- The £252M Growth Deal programme, which is seeking to maximise social value outcomes and which is on track to deliver up to 8,000 new jobs, 3,000 new homes and £140M in new private sector investment by 2021 – a growth programme only bettered by much larger city-regions;
- Boost, Lancashire's high performing Business Growth Hub, has worked with over 3,000 local SMEs and created over 1,300 new jobs in less than 3-years, with a further phase of business growth underway over the next two-years to double this level of performance;
- The Lancashire Enterprise Zone cluster programme is creating an investor offer of Northern Powerhouse significance capable of supporting 10,000 new jobs in the advanced manufacturing, energy and chemical sectors;
- The LEP, through its Skills and Employment Board, is one of only a few LEPs to have fully invested its Growth Deal Skills Capital Fund. Over £25M has been invested in 16 projects, including £6.2M in Blackpool and Fylde College's Lancashire Energy HQ which will be based on the Blackpool Airport Enterprise Zone, delivering the higher technical skills required by a growing energy sector. Our current Skills Capital programme will deliver over 7,300 learner outcomes, including apprenticeships, in our priority sectors;



- The £20M Growing Places investment fund, which has recently completed its 8th commercial investment is focused on unlocking development and business growth opportunities. The fund has successfully invested in commercial opportunities in some of Lancashire's most deprived areas helping to create almost 3,000 new jobs, 150 new housing units and almost 500,000 ft<sup>2</sup> of new industrial and commercial floor-space, whilst generating £700,000 in interest for the LEP to re-invest;
- A major programme of renewal focused on Blackpool to help enable the town, the country's most deprived, to establish a stronger economic-base whilst tackling its acute social problems especially in the local private rented housing market;
- Establishment of Transport for Lancashire, a fully functioning and dedicated committee of the LEP which in time will transfer to the Shadow Lancashire Combined Authority, and which has enjoyed significant success in establishing a local transport investment programme of national significance. For example, Lancashire was the first LEP area without a Combined Authority to secure a 10-year transport funding allocation in support of its Preston, South Ribble and Lancashire City Deal;
- Transport for Lancashire is also supporting the ambitions and aspirations of Transport for the North and developing strong cross-boundary economic relationships with neighbouring city-regions.



# Invest for Growth

## Improving productivity and targeting innovation

Our SEP which focuses on Lancashire's Arc of Prosperity which sweeps across the county, linking key economic assets, high value business clusters, centres of research, innovation and training excellence and new housing growth opportunities, has enabled the LEP and local partners to identify ambitious growth priorities.

The emphasis the LEP has placed on improving the capability and capacity of its local economy, seizing new market opportunities and overcoming barriers that constrain growth is also helping to re-establish Lancashire as a national economic leader. The recently published Northern Powerhouse Independent Economic Review identified four prime

capabilities – advanced manufacturing, energy, health innovation and digital developments – critical to the economic success of the North. These priority growth sectors are already identified in the SEP, with new and updated analyses to be used to refresh the strategy focussed on these assets.

## Strategic Pipeline Development

The LEP and Combined Authority have worked hard to develop a prioritised and independently assessed strategic pipeline of activity which directly supports national growth objectives, the delivery of our SEP and our emerging Devolution Deal priorities with Government.

The LEP will continue to work with both the Shadow Combined Authority and the private sector to develop a strategic pipeline through a transparent process, ensuring the LEP's national track record for delivery, as well as a reputation for strong and inclusive strategies and innovative and commercial operating models is maintained.

The LEP will also ensure its strategic pipeline is fully consistent with national growth objectives, including the Government's Industrial Strategy, delivery of Enterprise Zones and new housing growth initiatives.

The LEP will also demonstrate greater cross-boundary collaboration and further private sector leverage, whilst also maintaining a focus on our priority sectors, key growth assets areas of need and ensuring inclusive growth.





Lancashire  
Enterprise Partnership



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## Lancashire Enterprise Partnership Limited

**Private and Confidential: NO**

Tuesday, 8 November 2016

### Developing a Strategic Marketing Proposition for Lancashire

**Report Author:** Ruth Connor, Chief Executive, Marketing Lancashire

#### Executive Summary

This report updates the Board on the development of a marketing strategy for the Lancashire Enterprise Partnership (LEP).

#### Recommendation

The LEP Board is asked to:

- (i) Note and comment on the contents of this report;
- (ii) Approve the proposed approach to continuing to develop a strategic marketing proposition for Lancashire, as set out in this report; and
- (iii) Note that the Chief Executive of Marketing Lancashire, as the LEP's Media Communications and PR lead, continues to provide regular updates to the LEP Board on the strategic marketing outputs.

#### Background and Advice

##### 1. Context

The delivery of strategic marketing for the LEP continues with outputs from media and communications, branding, events planning and delivery and the development of the Lancashire narrative. This report outlines progress being made on each area.

##### 2. Activity update - Developing the Lancashire Economic Narrative

The Lancashire narrative launch was to be held at Burnley Football Club on 18<sup>th</sup> October but due to Andrew Percy MP, the Northern Powerhouse (NPH) Minister's visit to Lancashire on 9<sup>th</sup> November it was agreed that combining the event into the Minister's schedule would create more positive media coverage. The event will be hosted by Burnley born broadcaster, Tony Livesey.



The schedule for the event will be; brief launch of the Lancashire narrative showcasing sectoral strengths, overview of the LEP's achievements and vision, NPH Minister progress and plans and an interview with the Chair of the LEP and the Chair of Shadow Lancashire Combined Authority followed by a Question and Answer session. Prior to the event there will be a media opportunity for the Chair of the LEP and the NPH Minister to sign the LEP's agreement as an NPH partner. The Lancashire LEP will be the first LEP in the North to do so.

The Minister will then formally open the Innovation Drive site in Burnley, travel to Blackpool Airport for the signing of the Memorandum of Understanding (MOU) for both Blackpool Airport and Hillhouse Enterprise Zones. The Minister will also be involved in a "turf cutting" ceremony at the new Engineering and Innovation Centre at UCLan before travelling back to County Hall, Preston which is the host venue for the next NPH LEP Chairs Conference - an ad hoc series of meetings convened by the NPH Minister.

A "save the date" for the rescheduled 9<sup>th</sup> November launch date has already been sent to the LEP Board and all those who took part in the narrative consultation will receive an invitation to the launch with the aim to have approximately 200 local business leaders at the event.

### **3. Media and Communications**

#### **3.1 Activity Overview**

Following on from the high-profile exposure enjoyed by the Aerospace Lancashire initiative, which was launched at Farnborough International Airshow, the LEP's next major communications objective was to maximise its presence at MIPIM UK, the international property investment exhibition hosted in London in mid-October.

The LEP together with Marketing Lancashire, Lancashire County Council, 9 local authorities, Eric Wright and Carillion exhibited at MIPIM with a collective "We are Lancashire – the place for growth" proposition. Lancashire's debut at MIPIM was a first for the county, and the 'We Are Lancashire' partnership represented a major step forward in working collectively to promote a credible inward investment message.

Marketing Lancashire led on pulling together all the elements of MIPIM including communications, content, collateral and event activity. The external messaging and positioning had to be clear and it was agreed with SKV that Lancashire should initially focus on a set of three key messages to underpin the MIPIM trade mission by the LEP:

- 1) Lancashire's first ever MIPIM attendance, and first time that Lancashire had marketed itself as a collective investment destination.
- 2) The first reveal of the new 'Lancashire Advanced Manufacturing and Energy Cluster' brand.





- 3) A genuine private/public partnership with Carillion and Eric Wright as commercial sponsors and the lead partners on Lancashire County Council's Lancashire Regeneration Property Partnership initiative.

These messages were complemented by additionally reinforcing the capital investment programmes already underway (via City Deal and Growth Deal), and details of the Powerhouse Progress panel event on the opening day of MIPIM which was hosted by Frank McKenna with representatives from the LEP, County Council, Colliers International and the Eric Wright Group.

To re-enforce the LEPs presence a PR piece featuring high quality Computer Generated Images of the Lancashire stand were sourced. These highlighted the “We Are Lancashire – the place for growth” message and showcased participating partners.

The LEP hosted a dinner at the President's Dining Room at the Royal Institute of Chartered Surveyors on Wednesday 19<sup>th</sup> October. The dinner followed the first day of MIPIM and was attended by the Transport Minister, Andrew Jones MP, the Chair of the LEP, the Chair of the Shadow Combined Authority, LEP Board Directors David Taylor and Graham Cowley, the Chair and Chief Executive of Marketing Lancashire, the Director of Economic Development at the County Council and senior business leaders from Maple Grove Development/EWG, Carillion and Slater and Gordon.

Positive pre-MIPIM coverage was secured with Place North West, North West Insider, Lancashire Business View, Downtown In Business and The Blackpool Gazette. Due to the historic 'unified' Lancashire element to the story, SKV also pitched to the Lancashire Evening Post news desk with the piece as a news item, rather than a business story, resulting in a prominent print article in the news pages of the paper. SKV also pitched the piece to local papers which covered the areas served by the respective MIPIM local authority partners.

SKV had access to the media registration list for MIPIM UK and individually pitched to over 50 national and trade media about Lancashire's presence at MIPIM. This exercise provided a very useful 'watch this space' marker with a number of key national property, business and investment media including Estates Gazette who subsequently visited the Lancashire stand.

The Lancashire stand received visits from two Ministers: The Ministers for International Trade and Northern Powerhouse. SKV also facilitated journalist visits from Estates Gazette, Place North West and Move Commercial magazine, as well as liaising with LEP board members and local authority partners in attendance. SKV worked closely with Marketing Lancashire's PR executive to capture images of the Lancashire stand 'in action' and pictures of the Powerhouse Progress panel in session. These pictures were subsequently used to support post-event PR activity.

SKV also supported the Lancashire presence at MIPIM alongside Marketing Lancashire through social media engagement. This included tweeting images of Ministers visiting the Lancashire stand and other shots of the exhibition



space, tweets linking to MIPIM media coverage, and re-tweets of positive partner messages linked to the MIPIM event. The #MIPIMLancs had a reach of over 500,000 throughout the event with MIPIM organisers confirming that over 3,000 delegates attended the exhibition.

A 'MIPIM debut success' PR piece was drafted and issued by SKV at the end of the MIPIM event highlighting in particular the engagement with three Ministers (Greg Hands and Andrew Percy who visited the stand and Transport Minister Andrew Jones who attended the LEP Dinner). This story was accompanied by images of Ministers meeting Lancashire delegates, the Powerhouse Progress event and the Lancashire stand 'in action'.

However to temper the upbeat 'great success message' in the headlines, and to manage media and partner expectations regarding the return on investment generated as a result of the MIPIM mission, a quote from the Chair of the LEP was drafted which referred to the highly competitive inward investment environment in which Lancashire is operating, and that MIPIM UK was about kick-starting a process and building momentum about the Lancashire offer. The real hard work will be in converting awareness and interest into real investment opportunities.

Positive post-MIPIM UK coverage secured to date includes The Business Desk, North West Insider, Move Commercial, Commercial Property Monthly and The Blackpool Gazette. Further post-event MIPIM coverage is anticipated in the next issue of Lancashire Business View.

A meeting with all partners who attended MIPIM will take place mid/end November to assess contacts made, any leads/enquiries generated, what worked well and what lessons could be learned for 2017.

### **3.2 The LEP as the credible, expert voice for the Lancashire economy**

The LEP's increasingly authoritative role within the county as the voice of business, growth and investment is reflected in the growing number of requests for LEP comment on major Lancashire economic issues.

Recently approaches have been made by two different freelance business correspondents, both commissioned by Lancashire Business View, for separate expert comment on Lancashire's construction sector and residential property market respectively.

In both cases the quotes drafted by SKV continue to push the integration and alignment message, linking these issues to the wider skills, jobs and capital investment programmes already underway.

As a result of this, one journalist enthusiastically and gratefully commented "This is terrific stuff from Edwin!", while another extended his deadline by 24 hours (and left a 200-word space in his feature) specifically in order to accommodate a contribution from the LEP.



The LEP has also recently been asked to comment on the findings of a new report, published by HS2, on the impact of the HS2 programme in the regions.

### **3.3 Recent communications highlights**

#### **Business Engagement and Support**

An invite for the LEP Chair to speak at Insider's December Northern Powerhouse conference has been secured and a speaker slot for Dr Michele Lawty-Jones to speak at a Business Cloud magazine round table debate on the key technology issues facing Lancashire (coverage yet to appear).

Graham Cowley is due to speak at the Boost Business Conference in Preston on 22<sup>nd</sup> November on behalf of the LEP.

Discussions are currently underway with the organisers of the first Industry 4.0 Summit. This is an expo event about the future of manufacturing and the digital revolution referred to as 'Factories of the Future' which is taking place in Manchester next year.

The LEP is also negotiating with the organisers of next March's Northern Powerhouse Conference in Manchester to secure a high-profile presence linked to the Advanced Manufacturing agenda.

#### **Skills and Education**

Substantial media coverage was achieved in key local and regional media for the openings/launches of three major training facilities supported by the LEPs Growth Deal. The opening events provided the opportunity to position important strategic messages about the LEP's skills strategy, and its ongoing significant investment in new facilities to support skills and vocational pathways.

There were eight pieces of coverage for the opening of Edge Hill University's new Cave 3D virtual environment. This is the most advanced in the country. The coverage included features in the education press, regional business press (Prolific North, The Business Desk, Business Cloud, B Daily) plus regional and local press including the Lancashire Evening Post. A specially-recorded film featuring an interview with Graham Cowley was also played to guests at the launch event.

There was also excellent coverage for the opening of the new Advanced Manufacturing and Automation Centre in Blackburn, which received £1m of LEP Growth Deal Investment. The Chair of the LEP was guest of honour at the event and coverage was featured in six publications including the Lancashire Telegraph, Lancashire Business View, Business Quarter and Bdaily, all of which featured LEP quotes prominently.

A photo-shoot to mark the LEP Chair's visit to Runhew College's new Science Engineering and Innovation Centre (SEIC) which has funded in part by Growth Deal Investment also earned favourable coverage in the Lancashire Evening



Post, which included both a highly positive headline 'Stunning centre is new hope for the future', and two news stories in different editions. The opening was also covered in Lancashire Business View and other local press.

The launch and roll out of the Enterprise Advisers scheme, which is the subject of a more detailed presentation elsewhere on the Board's agenda, also secured positive coverage in the Lancashire Evening Post, Lancashire Business View, Burnley Express and Business Quarter.

### **3.4 Digital Communications**

Over the last eight editions of the Lancashire Business Brief (LBB), the number of subscribers has grown to 970, with around a third of subscribers opening the email. The LBB continues to be the county's best source of positive economic stories and business news on a weekly basis.

The LEP website has seen increases in sessions, users and page views of 55%, 66% and 10% respectively over the last two months compared to the same period last year.

The LEP twitter account's (@lancslep) number of impressions continue to rise, reaching almost 50,000. Our top tweet received over 5,000 impressions, substantially more than ever before. The LEP twitter account currently has 953 followers, having added over 80 followers in two months. Regular tweets promoting positive LEP news, links to key stories and retweeting partner news are taking place daily.

The [www.lancashirelep.co.uk](http://www.lancashirelep.co.uk) news pages have been kept up to date with strategically important stories delivering key messages on behalf of the LEP and partners. A 'bumper' post-MIPIM edition of the Lancashire Link newsletter is also being drafted with a view to incorporating the NPH Minister visit.

### **3.5 Other PR activity**

The LEP also continues to be included and/or cited positively in many partner press releases and articles.

Work has been undertaken with Pendle Council on media relations to mark the start of work on the Brierfield Mill/Northlight project, highlighting the LEP's Growth Deal Investment.

This story received an impressive range of coverage including That's Lancashire TV, Burnley Express, Lancashire Business View, Two Boroughs' Radio and local press. Graham Cowley was also interviewed by BBC Radio Lancashire on behalf of the LEP.

Additional stories featuring LEP messaging, quotes and/or positive references:

- Announcement of the construction partner for UCLan's Engineering Innovation Centre



- The completion of the first section of the M65 GrowthCorridor
- The start of work on the £3.35m Bamber Bridge 'super scheme'
- Progress of the development of Blackpool Winter Gardens
- End of roadworks on the A582 at the Tank Roundabout
- Boost support for Burnley firm Evolving Edge
- LEP-facilitated meeting between Minister for Employment Damian Hinds and local businesses
- AccRoss Risual Academy Launch, supported by LEP funding
- Social media support for the Export Hub visit to Lancashire

#### **4. City Deal**

- 4.1 The Chief Executive of Marketing Lancashire has been working with the City Deal Communications Programme Director to agree those elements of the marketing and communications strategy which promote the benefits, progress and scale of the project on a regional and national level.
- 4.2 The City Deal pages on the LEP's website are a key resource for many stakeholders including partners and media. There are now refreshed City Deal key messages and a new positioning piece uploaded to the City Deal pages within the LEP website. City Deal also played a key part of the messaging at MIPIM.
- 4.3 Marketing Lancashire is currently in talks with property and investment publisher Place North West about a City Deal focused event which has now been confirmed for 7<sup>th</sup> February 2017. This event will also incorporate the launch of new inward investment prospectus to cover the City Deal footprint.

#### **5. Forthcoming PR Opportunities and Milestones**

##### **2016**

- Northern Powerhouse Minister's visit and Lancashire narrative launch (Burnley/Preston/Blackpool) - 9<sup>th</sup> November
- New LEP business plan and achievements - w/c 14<sup>th</sup> November
- Boost Growth Summit Conference, Guild Hall Preston - 22<sup>nd</sup> November
- Chancellor's Autumn Statement – 23<sup>rd</sup> November
- Lancashire Day Food and Drink event London – 17<sup>th</sup> November

##### **2017**

- Place North West City Deal event (Preston) – 7<sup>th</sup> February 2017
- Northern Powerhouse Conference (Manchester) - 21<sup>st</sup> / 22<sup>nd</sup> February 2017
- MIPIM (Cannes) – 14<sup>th</sup> to the 17<sup>th</sup> March 2017
- Insider's Business of Lancashire Conference date to be advised



## **6. Positioning and Promotion of Lancashire's Enterprise Zone Programme**

- 6.1 At the special Enterprise Zone Governance Committee (EZGC) meeting in September 2016, proposed concepts and brand identities for the Lancashire EZs overarching name and individual site names were presented. It was agreed that Lancashire Advanced Manufacturing and Energy Cluster would be the "parent" name and the individual site names would be Samlesbury Aerospace Enterprise Zone, Warton Aviation Enterprise Zone, Hillhouse Technology Enterprise Zone and Blackpool Airport Enterprise Zone.
- 6.2 Brand guidelines will now be issued to all local authority, landowner, commercial agent partners and key stakeholders who took part in the consultation workshop and survey. Marketing Lancashire will act as brand guardians and all collateral will be signed off through Marketing Lancashire to ensure that the marketing and communications of the EZs is consistent. A separate 12 month marketing and communications plan will be developed to support the new EZ identity. It is anticipated that MIPIM Cannes will provide the opportunity to launch a more comprehensive offer to support Lancashire's new EZ Zone cluster approach.
- 6.3 A meeting has already taken place with Colliers International to discuss signage and collateral material for the Samlesbury site. This will incorporate the new branding and follow up meetings will take place to ensure all parties are informed of and engaged with the Colliers' work. Colliers also attended MIPIM to support the launch of the Lancashire Advanced Manufacturing and Energy Cluster.
- 6.4 A further meeting will take place with stakeholders to discuss and agree EZ marketing and promotional activity, enquiry generation and handling, regular communication to monitor progress and to feedback challenges and opportunities.

# Agenda Item 14

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# Agenda Item 15

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