



LEP – Sub Committee

LEP - Business Support Management Board

Private and Confidential: No

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Developing a Local Industrial Strategy for Lancashire - the role of the Lancashire Enterprise Partnership's Business Support Management Board

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Executive Summary

This report provides the Business Support Management Board with an update on national guidance in respect of the production of a Local Industrial Strategy.

The Lancashire Enterprise Partnership is responsible for the production of Lancashire's Local Industrial Strategy, with the Business Support Management Board playing an important role in the development of this document through engagement with the business community, largely small and medium sized enterprises, via representatives of leading business organisations and networks therefore providing a mechanism to test emerging ideas and proposals.

Recommendation

The Business Support Management Board is asked to:-

- (i) Note this report.
- (ii) Consider the Business Support Management Board's potential role in supporting the development of Lancashire's Local Industrial Strategy.
- (iii) Report progress to the LEP Board.

Background and Advice

- 1.1 This report provides the Lancashire Enterprise Partnership's Business Support Management Board with an update on the development of Local Industrial Strategies and the work completed to date within the three trailblazer areas.
- 1.2 On Monday 3rd December, the Department for Business, Energy and Industrial Strategy announced that the entire country will be able to benefit



from developing a Local Industrial Strategy. Local Industrial Strategies are seen as long-term plans based on clear evidence and aligned to the national modern Industrial Strategy.

- 1.3 Local Industrial Strategies are to be developed through extensive local consultation with businesses, public partners and civil society, and will build on unique local strengths to ensure every community, and the country, reaches their economic potential and creates high quality good jobs.
- 1.4 Local Industrial Strategies will be led by Mayoral Combined Authorities or Local Enterprise Partnerships, and will promote the coordination of local economic policy and national funding streams establishing new ways of working between national and local government, and the public and private sectors.
- 1.5 The West Midlands and Greater Manchester were selected as areas to pilot the development of Local industrial Strategies along with the Oxford-Cambridge corridor, although the latter is felt to offer relatively little that would be transferrable in terms of Lancashire's own strategy development work.
- 1.6 All three areas are required to complete their Local Industrial Strategies by March 2019. Official progress reports are available by accessing the following links:-
 - [Greater Manchester LIS Progress Statement](#)
 - [West Midlands LIS Progress Statement](#)
- 1.7 It is interesting to contrast the approaches taken, with Greater Manchester focussing on activity responding to the "grand challenges" of Artificial Intelligence and Data, Ageing, Clean Growth and the Future of Mobility. The West Midlands have relied on a more traditional sectoral analysis approach. Both ultimately relate back to the wider Industrial Strategy "foundations" of People, Places, Ideas, Infrastructure and Business Environment.
2. As of yet, it is not known where the trail-blazers are making specific reference to concepts such as inclusive growth, although, in the case of Greater Manchester, they do embed ideas of working within communities in terms of their responses to the "grand challenge" issues such as Ageing and Clean Growth.

Guidance on the Production of a Local Industrial Strategy

- 2.1 To be successful, Local Industrial Strategies must be developed from the bottom up and led by those who best know the needs of local economies.
- 2.2 Local Industrial Strategies should set out a robust and open **evidence base**. This will draw out the relative strengths and weaknesses of the local economy, with an emphasis on increasing productivity. Places should harness the



expertise of universities, independent experts, the civil society sector and other stakeholders to develop a granular understanding of the local economy.

- 2.3 They should map out **specific opportunities and challenges**. This will build on specific distinctive local strengths and address any local weaknesses. This may involve an emphasis on skills, and supply, congestion or working with relevant local authorities in the delivery of housing where it is a barrier to growth.
- 2.4 It may involve harnessing distinctive strengths to meet the **Industrial Strategy's Grand Challenges**. For others, it may involve identifying **weaknesses in productivity** across their local areas or communities, such as in isolated rural or urban communities.
- 2.5 As well as articulating specific strengths, any strategy intending to drive productivity must address the fundamentals of local economies. In line with the Industrial Strategy, local strategies should identify priorities across **Ideas, Places, People, Infrastructure and Business Environment** which are viewed as the foundations of productivity. In addition to this, they should set out the inter-connectedness of these priorities in a place, and where local action would add value in providing greater policy integration.
- 2.6 The best Local Industrial Strategies will show how places have brought together partners to achieve shared ambitions within and across boundaries. This could include how partners collaborate across broader regional geographies such as the Northern Powerhouse and Midlands Engine. This will allow strategies to inform choices of how to improve productivity.
- 2.7 Using the evidence, the priorities of the Local Industrial Strategies should relate to specific challenges and future opportunities to enhance productivity. Local Industrial Strategies should not set out to be exhaustive, but instead identify a strategic course, supported by complementary policies and actions.
- 2.8 Evaluation should be proportionate and initiated from the start of the process. The best Local Industrial Strategies will specify what success looks like and build in a transparent mechanism for monitoring how it is being achieved. Places should continue to engage with independent expertise in this area. This could include drawing on the lessons of policy evaluation such as the What Works Centre for Local Economic Growth and their recent work around Local Industrial Strategies.

3 The Role of Business Support Management Board in developing the Local Industrial Strategies

- 3.1 The business support organisations and networks represented on the Business Support Management Board will have an important role in supporting the work of the Lancashire Enterprise Partnership Board in developing Lancashire's Local Industrial Strategy. This support will focus on providing a conduit to the business community, largely small and medium sized enterprises, reflecting issues which limit productivity of Lancashire's



business base. It will also provide an opportunity to test the evidence base which will underpin Lancashire's Local Industrial Strategy and act as a consultation channel as the Local Industrial Strategy is developed.

- 3.2 The Business Support Management Board will provide regular updates to the Lancashire Enterprise Partnership Board in respect of its role in supporting the development of Lancashire's Local Industrial Strategy.

List of Background Papers

Paper	Date	Contact/Tel
None		

Reason for inclusion in Part II, if appropriate

N/A