**Lancashire Enterprise Partnership Limited**

**Annual Delivery Plan 2019-20**

**Introduction – David Taylor, Chairman**

The operational year 2019-20 will be transitional and transformational, and will result in the re-positioning and re-purposing the Lancashire Enterprise Partnership as it enters into its next phase of evolution. The year will primarily focus on the design and development of Lancashire's Local Industrial Strategy. The Lancashire LIS will be a long term plan detailing a clear vision and ambition which will seek to close the productivity and output gaps of the Lancashire economy through the increasing development of a granular and differentiated evidence base and the development of strategic propositions, which will unlock the constraints to productivity, create wealth and contribute to the LEP's commitment to inclusive growth. It will be explicit about the different market conditions that exist both within Lancashire and across the country so that a more tailored and devolved approach can be utilised to secure better outcomes for local people. This will call upon national government, other public, private and third sector partners to implement interventions at pace and with pride, to breathe new life into Lancashire as well as realise its huge and growing potential.

The LEP will also work closely with Lancashire's fifteen local authorities Leaders as they develop the Greater Lancashire Plan which will set out a long term strategic vision for the whole place system that is Lancashire.

The LEP will continue to build upon the solid foundations already laid through Lancashire's largest ever growth programmes and collaboration with local, regional and national growth partners which will be underpinned by the development of the Local Industrial Strategy. This Annual Delivery Plan for 2019-2020 provides a high level summary of the focus of the repurposed LEP over the coming 12 months. Whilst the priorities of the LEP will be framed by the development Lancashire Local Industrial Strategy and the implementation of the recommendations of the LEP Review, all current programmes and investment decisions undertaken by the LEP are underpinned by a robust evidence base which command local support and funding commitments and are within the framework of Lancashire's Strategic Economic Plan.

Transparency and robust governance frameworks will also form an inherent part of the LEP's next phase of evolution and during the coming year, we will be looking to build capacity and capability to improve the LEP's business model to ensure we secure a strong, diverse and stable leadership and governance for the future of the Lancashire economy.

**Summary and Strategic Objectives**

The LEP's Strategic Economic Plan was published in 2014 with the aim of closing Lancashire's economic performance gap with the rest of the country by half while also creating 50,000 higher value jobs. This is a transformational objective for Lancashire to achieve given decades of relative local economic decline combined with long-term public and private under-investment in the area and the wider North. The Lancashire Skills and Employment Strategic Framework was published in 2016, outlining the skills and employment priorities of the county with an associated evidence base.

Our SEP and robust partnership approach have enabled the LEP and its partners to secure a very ambitious Growth Deal, City Deal and Enterprise Zone programmes, among other initiatives. The SEP also provides the strategic context that enables the LEP and its partners to progress business growth, skills, innovation and connectivity policy and investment priorities.

Given the sound platform established in recent years, the LEP and its partners are now able to set out an even more ambitious and detailed long-term plan through the development of a Local Industrial Strategy for Lancashire. This will have a sharper focus on the area's industrial strengths informed by a deeper understanding on business productivity, innovation, skills, infrastructure and place-focused drivers. All existing programmes of growth will contribute to the five foundations of growth identified in the national Industrial Strategy.

Delivering an ambitious LIS, full compliance with new national LEP assurance requirements, strong leadership and robust governance arrangements and greater local (and pan-Northern) momentum in relation to our strategic marketing, trade and investment activities are our mutually dependent core priorities in 2019/20, as well as the continued delivery of strategic initiatives and programmes in the pipeline that are contributing to economic growth.

At a glance:

* Development of Lancashire's Local Industrial Strategy
* Implementation of the recommendations from the Government's Review of LEPs
* Implementation of the Strategy Improvement Plan as negotiated with Government
* Effective stakeholder engagement, including MPs
* Establishing a strong and effective leadership
* Increased collaboration and strategic marketing

Whilst directly:

* Creating 1,049 new jobs
* Creating 402 new homes
* Creating 30,000 m2 of commercial floorspace
* Leveraging in an additional £33m private / public investment
* Assisting 1,500 new learners to gain a qualification
* Creating 500m2 of improved learning facilities
* Helping 485 businesses to grow
* Creating 100 startup businesses
* Helping 190 entrepreneurs pre-startup
* Helping 25 companies to innovate

**Investing in Growth**

**Lancashire's Growth Deal**

**Summary**

The Lancashire's £320m Growth Deal public investment programme, one of the largest Growth Deal programmes to be secured outside the core city-regions, is on track to deliver 11,000 jobs, 3,900 new homes, 43,829m2 of commercial floor space and lever £140m of direct public / private sector investment by 2021.  The programme is also on target to deliver its agreed investment profile by March 2021.

The Growth Deal programme is also delivering in accordance with Lancashire's agreed Growth Deal milestones and Government's reporting requirements.

Current performance includes:

* 95% of Growth Deal funds have been allocated to 43 capital projects within the Growth Deal Programme, of which:
* 40 projects (93%) have received a funding approval from the Lancashire Enterprise Partnership;
* 37 projects (86%) have completed contracting; and
* 20 projects (46%) have completed their capital works

By September 2018 £256.36m of the £273.86m Growth Deal funding had been allocated to named projects.  Total payments to Growth Deal listed projects of £30.51m were made in 2015/16 out of a total fund received of £39.35m; £25.68m were made in 2016/17 out of £53.40m received and £32.59m were made in 2017/18 out of £42.17m.  By the end of 2018/19 it is currently forecast that £169.240m will have been paid to Growth Deal projects. This represents 61.8% of the total programme funds having been paid by year 4 of the 6 year Growth Deal programme.

**Planned activity for 2019/20**

2019/20 will result in a number of Growth Deal projects complete their capital works or where site work will commence whereby investment through the programme will make a significant contribution to Lancashire's innovation assets.  In particular:

Complete on site 2019/10:

* Blackburn Town Centre Improvements £0.2m of Growth Deal investment to deliver orbital completion and public realm improvements in the town centre. Work is currently underway with practical completion due May 2019.
* Blackpool Tramway Extension – £16.4m Growth Deal Investment to deliver the extension of the tram system to integrate the tram and rail networks at Blackpool North. Work is currently underway with practical completion due May 2019.
* East Lancashire Strategic Cycle Network – £2.5m Growth Deal Investment to provide 118km of safe cycling network. Works is currently underway with completion of work due March 2020.
* Lancaster Health Innovation Campus - £17.0m of Growth Deal investment in a multi-phased campus providing R & D space and facilities for the development of new services and technologies for health-related care.  Total value of the project is £41m.  Work is currently underway with practical completion due November 2019.
* UCLan's Engineering Innovation Centre - £10.5m Growth Deal investment in the construction of an internationally competitive centre to provide a local supply of graduate engineers for advanced manufacturing businesses, supporting industry engagement.  Total value for the project is £31.65m.  Work is currently underway with practical completion due April 2019.

Commence on site during 2019/20:

* Advanced Manufacturing Research Centre (AMRC) North West - £20m of Growth Deal investment in the delivery of a new regional hub on the national AMRC at the Samlesbury Enterprise Zone.  The project is key to lifting productivity and growth in a priority growth sector of both local and national significance and will enable Lancashire's businesses to compete and trade internationally.  The proposal builds on Lancashire and Sheffield's successful science and Innovation Audit (SIA) submission to Government – the Northern powerhouse Advanced Manufacturing Corridor.  The proposal also complements existing Growth Deal investment in UCLan's Engineering and Innovation Centre.  Work is due to commence on site in Summer 2019.

There are also 2 further schemes, which have been approved by the LEP Board, but are subject to completion of contracting, which will also commence works on site during 2019/20 these include:

* AMuseum - £1.5m Growth Deal investment to deliver a new visitor attraction in Blackpool.
* Merger of Accrington and Rossendale with Nelson and Colne College - £0.5m Growth Deal investment which will enable the merger of the colleges to provide accessible provision to learners.

Growth Deal projects seeking LEP funding approval in this period (2019/20) include:

* Preston Western Distributor - £58m of Growth Deal investment in a major new road linking Preston and southern Fylde to the M55 to support new housing development and improve links between Lancashire's Enterprise Zones.  Conditional funding approval for the scheme was received in 2018, with the full business case presented to Transport for Lancashire Committee and the Lancashire Enterprise Partnership Board in June 2019, with construction due to commence in November 2019.
* Pennine Gateway – South East Blackburn - £6.26m of Growth Deal investment in key transport infrastructure improvement programme at 3 main gateways into Blackburn from the M65 at junctions 4, 5 and 6 to unlock new housing and employment growth in one of the country's most deprived areas.  The programme comprises three separate projects – work is currently underway on Furthergate project; work is due to commence in 2019 on North Blackburn project; and funding approval will be sought from for the remaining project, South East Blackburn, from the Transport for Lancashire Committee and the Lancashire Enterprise Partnership Board in January 2020, with construction due to commence in February 2020.
* M55 St Anne's Link Road – £1.98m of Growth Deal investment to accelerate the construction of a link road from J4 M55 to help unlock large residential sites at St Anne's and support development at the Whitehills employment site. Funding approval will be sought from the Transport for Lancashire Committee and the Lancashire Enterprise Partnership Board in June 2019, with construction due to commence October 2019.

Due to a scheme within the Growth Deal programme no longer deliverable within the permitted funding timescales, as at March 2019, there is £16.490m Growth Deal funding available for allocation to capital schemes across Lancashire. In line with the LEPs Allocation Process, existing Growth Deal 3 and pipeline projects were invited to submit proposals to access these funds.  The proposals will be independently appraised during April / May 2019, with recommendations made to the Growth Deal Management Board and LEP Board in June 2019. Subject to the decision of the respective Boards, project applicants will be invited to proceed to the next stage i.e. business case, assurance and contracting.

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| **Outputs** | | | |
| **Actual achieved to date** | **Forecast 2019-20** | **Current forecast 2020-21** | **Total forecast** |
| * 115 new homes * 1,247 new jobs * 3,510 m2 of commercial floorspace * 30,057 m2 of new or improved training facilities * £104m of direct public/ private sector investment. * 10,121 new learners assisted, leading to a qualification | * 402 new homes * 734 new jobs created * 30,000 m2 of commercial floorspace * £33m of direct public/private sector investment * 1,500 learners assisted * 500 m2 of new or improved learning facilities | * 3,427 new homes * 9,221 new jobs * 64,065 m2 of commercial floorspace * £33m of direct public/private sector investment * 1,500 learners assisted | * 3,944 new homes * 11,202 jobs * 97,575 m2 of commercial floorspace * £170m of direct public / private sector investment * 30,557 m2 of new or improved training facilities * 10,121 new learners assisted, leading to a qualification |

Progress of the Growth Deal Programme is monitored and overseen by the Growth Deal management Board.

**Boost – Lancashire's Business Growth Hub**

**Summary**

Boost is the business Growth Hub for Lancashire. Its role is to promote access to high quality business support to SMEs who have the desire and ambition for growth.  The Hub engages with and undertakes initial diagnostics within the SMEs and works with them on an ongoing basis to ensure that their growth needs can be advocated to the various strands of Boost support and to appropriate help provided by other business support agencies and private sector services at local, regional and national level.  The local service is backed up by the National Business Support Helpline and a team of highly skilled account managers together with a web based information service.

The Lancashire LEP places a high priority on securing a professional, proactive and valued business support infrastructure across the county. It recognises that many businesses can be assisted on their growth journeys through access to relevant and high quality support. As a result, the Growth Hub will feature strongly in future LEP strategic plans including the emerging local Industrial Strategy for Lancashire and the emerging Lancashire Plan, particularly in respect of business support interventions that will target and drive productivity.

The key focus for Boost in 2019/20 is to work more effectively in marshalling the wider publicly funded business support ecosystem in Lancashire.  We need partners to be driven solely by the needs of the business they are working with and to use the hub to broker additional complementary support and retain an ongoing connection with the business through its growth journey.

TheLEP will continue to support work address the barriers to growth and productivity, promoting innovation, access to finance, clean growth (low carbon activity) and internationalisation.  The Innovation Plan, which is also targeted at addressing productivity issues within local businesses, was endorsed by the LEP and is now being rolled out by a team which includes a post jointly funded by three Lancashire universities.  The LEP is also an active partner in the NW Digital Adoption Pilot which has emerged from the Made Smarter Review on the pace and extent of industrial digitisation.

We will also continue to work with local sector lead bodies such as the Aerospace and AutomotiveAlliances to offer a highly effective way to understand, engage and stimulate growth in these priority sectors.  Work will range from in-company performance assessments and improvement programmes, linked to the emerging National Manufacturing Competitiveness Levels, to supporting companies to take on apprentices.

The Growth Hub has developed a Brexit landing page on the Boost website offering up to date information on the latest guidance and information to help businesses understand and prepare for the potential impacts of exit from the European Union.

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| **Outputs** | | | |
| **Actual achieved to date** | **Forecast 2019-20** | **Current forecast 2020-21** | **Total forecast** |
| * Over 5,000 businesses supported * Of which 3,000 benefited from intensive support * Generated an additional £75m of GVA * 2100 new jobs created * Launched over 500 new businesses | * Assist 485 businesses * Help create 100 new startup businesses * Create 315 new jobs * Help 190 entrepreneurs pre-startup * Help 25 companies innovate to develop new products or services * Help innovation within 25 companies to introduce new products or services to the market | * 565 businesses will be supported * 435 jobs created * 80 new business startups established | * 1050 businesses will be supported * 750 jobs created * 180 new business startups established |

Progress made by Boost – Lancashire's Business Growth Hub is overseen by the Business Support Management Board.

**Lancashire Enterprise Zones – Lancashire Advanced Manufacturing and Energy Cluster (LAMEC)**

The Lancashire Advanced Manufacturing and Energy Cluster was launched in Spring 2018, with websites and marketing collateral for the individual sites and the overarching cluster developed and agreed with local and national stakeholders in both the private and public sector and have been promoted at events such as MIPIM UK and MIPIM Cannes. In January as part of the Place North West event the Samlesbury Aerospace Enterprise Zone was promoted as part of a broader suite of place shaping and growth sites. Over recent years the LAMEC has been promoted at the Farnborough and Paris airshow with the latter being targeted and attended by officers in 2019.

***Samlesbury Aerospace Enterprise Zone***

The Samlesbury Aerospace Enterprise Zone has recently seen significant investment in order to develop the site as a world-class advanced manufacturing location. This has included the delivery of an £11m package of Phase 1 Infrastructure Works  which includes two new access points into the site from the A59 and A677, a spine road through the site which is now a public highway, additional off-site highways, site segregation works, limited temporary utility infrastructure, lighting and the first phase surface water drainage systems. In respect of on-site ecological mitigation, works started in February 2019 and completed in April 2019. Off- site ground nesting bird, ecological mitigation was completed in August 2018.  The public highway through the site, Sir Frederick Page Way, was officially opened in August 2018.

***Warton Aviation Enterprise Zone***

A masterplan and a ten year Local Development Order are in place for the site.

Two companies, Accenture and Trescal, have located to the site since 2015. Over the summer and autumn of 2018, LEP officers met with BAE Systems' officers to discuss opportunities to develop high value economic initiatives linked to National Sector Deals and other national funding initiatives. These initiatives would complement and build upon existing high value activity at Samlesbury and Warton and support the development of Lancashire's LIS.

Strategic discussions are continuing between officers and BAE Systems' officers to discuss opportunities at Warton to complement and build upon existing high value activity at Samlesbury and Warton and support the development of Lancashire's Local Industrial Strategy.

***Blackpool Enterprise Zone***

The Blackpool Airport EZ Delivery Plan and Marketing Strategy have been submitted to MHCLG for approval along with the Masterplan and Delivery Plan for the site.

The site is also home to the national Energy centre which received £6.14m of Growth Deal money.

Blackpool Council, as the Accountable Body for the EZ, has approved funding of £28.8m over the following three years to support delivery of the Zone. This includes strategic land acquisition, provision of enabling infrastructure; principally the Eastern Gateway access road and relocation of the existing Common Edge Sports facilities to a new greenbelt location on the periphery of the EZ, delivery team, consultancy and marketing cost. An outline planning application has been submitted for the phase one development which encompasses the sports village, 57 homes, the Eastern access gateway road from Queensway and 100,000 of b1/b2 b8 floor space. New site signage has been installed at four locations around the EZ boundary, promoting the LEP's LAMEC Enterprise Zone Cluster websites.

***Hillhouse Technology Enterprise Zone***

The Hillhouse Technology Enterprise Zone Masterplan and Baseline Report have been completed. Following a period of public consultation which ended on the 1 November 2018, a number of proposed modifications have been made to the Masterplan. The Implementation Plan is now being finalised with a detailed phasing and costing meeting with the landowners planned for early May.

A draft Marketing Strategy for Hillhouse Enterprise Zone has been prepared in-house and will complement the Delivery Plan and Masterplan.  The Strategy will also complement the LEP's overarching LAMEC branding and marketing approach adopted for the four Lancashire EZs. An EZ workshop is planned for May 14th where the draft Marketing Strategy and draft Risk Assessment will be agreed

New site signage will be installed at three locations around the EZ boundary, with ground surveys having been undertaken and installation to commence once advertisement consent has been granted.

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| **Outputs and key milestones** | | |
| **Actual achieved to date** | **Key milestones 2019-20** | **Total forecast outputs** |
| * 696 jobs have relocated * 160 new jobs created. * Circa 1250 jobs which have located on the sites since April 2016 | * Commence work on the Samlesbury site on the North West facility of the Advanced Manufacturing Research Centre (AMRC) summer 2019 Work to commence of the AMRC – Summer 2019 (see Growth Deal) * As part of the above, the site investigation works are considering the optimum location for the above in respect of ground conditions and visibility adjacent to the A677. * Work is also underway to determine the costs to provide the fully serviced and remediated site to the AMRC, including access road, utilities and a level plot. It is proposed that the outcome of the Site Investigation Works and site servicing costs, alongside a proposed funding model - finalised in the late spring of 2019. * The EZ project team to review the optimum delivery solution/model for the site to facilitate further site infrastructure provision. This is a key and essential piece of work to help inform the strategy to further unlock and accelerate the delivery of the enterprise zone in its entirety. * Coupled with the above the project team is discussing a range of confidential enquiries with partners such as BAE and other private sector interests. * Implementation of the Blackpool Marketing Plan 2019/20 * Further development of the LAMEC website * Application for Phase One development approved subject to Secretary of State greenbelt approval in the autumn 2019 * Contracts for the design and build of the Sports Village and Eastern Gateway issued – work to commence in Q4 * A detailed planning application will be submitted in June for a 40,000 sq ft B2 manufacturing facility for a medical technologies company, with construction set to commence in October 2019. * An estimated is 8 new businesses will locate at the site, with 50 new staff * Hillhouse Implementation Plan – finalised May 2019 * Hillhouse Marketing Strategy and Risk Assessment agreed – May 2019 * Hillhouse Marketing Strategy implemented – May 2019 onwards | * Between 4,000 to 6,000 high value jobs directly created * A further 5,000 to 7,000 jobs created in the supply chain |

Progress in developing Lancashire's Enterprise Zone is overseen by the Enterprise Zone Governance Committee.

**Growing Places Fund**

The £20M Growing Places investment fund is supporting infrastructure, commercial and housing development across Lancashire, including in areas which face specific economic challenges.

**Planned Activity for 2019 to 2020**

* The Fund is in advanced negotiations on loan and security documentation for an eleventh scheme which will deliver approximately 21 new houses.
* A further pipeline infrastructure project is currently being developed to open up land for housing and employment.
* A further £1.576m of interest is due on outstanding investments with circa £0.700m which is anticipated to be repaid by September 2019
* An evaluation of the LEP's Growing Places Investment Fund is to be commissioned by September 2019 to consider the original investment principles of the Fund and to evaluate its impact.
* Legal documentation for the eleventh scheme to be completed June 2019

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| **Outputs** |  |  |  |
| **Actual achieved to date** | **Forecast 2019-20** | **Current forecast 2020-21** | **Total forecast** |
| * 10 commercial investments made to date * Circa £0.750m of interest generated to support core staffing and resource to deliver LEP activity * Fund has leveraged over £100m in private and public investment * Created nearly 3,500 jobs * Created 200 new homes * Delivered 500,000 sq. ft. of commercial floors-pace | N/A  See planned activity above | * Creation of an additional 21 new homes * Circa £3m private and public investment   Future forecasts dependent upon repayment of outstanding investments and future investment opportunities | * 10 commercial investments made to date * Circa £0.750m of interest generated to support core staffing and resource to deliver LEP activity * Fund has leveraged over £103m in private and public investment * Created nearly 3,500 jobs * Created 221 new homes * Delivered 500,000 sq. ft. of commercial floors-pace |

Investments made through the Growing Places Fund are overseen by the LEP Board.

**Strategic Activity, Stakeholder Engagement and Governance**

**Strategic Activity – To date:**

During 2018, to support the preparations for the development of the Lancashire Local Industrial Strategy, the LEP commissioned a number of independent expert analyses and strategy inputs, including an analysis of the factors limiting business productivity and growth in Lancashire, the development of Innovation and Energy Plans, the development of a Technical Education Vision, the publication of the Lancashire Labour Market Intelligence Toolkit and strategic infrastructure planning.

While developing our evidence-base, we have continued to work with local, regional and national partners to develop the strategic pipeline of initiatives relevant to the delivery of our LIS ambitions.

With our regional partners, we have and will continue to play a key role with the Manchester Growth Company in ensuring the success of the NW Made Smarter Pilot as part of the wider, national sector deal for Industrial Digitisation.

The LEP has also actively helped to shape the work programme of the recently established N11 to ensure it adds real value to our collective strategic priorities.

Over the last year, we have taken the initiative with partners in North and West Yorkshire to strengthen our understanding of the economic opportunities that can be unlocked by improved East-West connectivity. Transport for the North published its draft Strategic Investment Plan in December 2018 which positions Lancashire's strategic transport priorities within a pan-Northern context. The LEP plays a full and active role in support of the work of Transport for the North Executive and Board.

LEP Board members and/or officers are actively involved in a range of cross-boundary working including: N11 Board, Transport for the North Board, Northern Powerhouse Investment Fund - Strategic Oversight Board, Northern Powerhouse Investment Fund - Regional Advisory Board, Northern Powerhouse Growth Hub Network - Vice Chair, Northern Powerhouse Innovation Group, Northern Powerhouse Trade and Investment Task and Finish Group, North West Energy Hub, Boards of the North West Aerospace Alliance and Northern Automotive Alliance, NW2 - work with North Wales, C&W and LCR on automotive, North West Nuclear LEPs - an informal group, focused on national Nuclear Sector Deal, North West Made Smarter Pilot and NW Regional Manufacturing Board. The LEP's Chair of the Growth Deal Management Board leads the Government sponsored Blackpool Opportunity Area Board and is now operating as the Chair of Chairs of the national Opportunity Area group.

The Lancashire LEP was one of six LEP/MCA areas invited by Government to participate in the modelling of Skills Advisory Panels (SAPs).  The LEP has participated in a number of focus groups with DfE and the other five areas in England and has shared Lancashire's evidence-base and Skills and Employment Strategic Framework.  At its meeting in March 2019 the LEP Board agreed the terms of reference and enhanced membership of Lancashire's Skills and Employment Advisory Panel, and the panel met in its new format for the first time in April 2019.

The LEP secured the first Local Digital Skills Partnership in the country, with the national launch in Lancashire in April 2018. The LEP is working in partnership with DCMS's National Digital Skills Partnership and the second pilot area, Heart of the South West to develop the LDSP model which will be rolled-out to other LEP areas, including Cheshire and Warrington, Cornwall and the Isles of Scilly and West Midlands.

In collaboration with businesses and educational providers, the Lancashire Skills Hub initiated the development of a *'Technical Education Vision for Lancashire'*.

The LEP launched the Lancashire Enterprise Adviser Network in February 2016 and the network has gone from strength to strength. . The network is made up of 131 secondary schools and colleges across Lancashire, including a number of Pupil Referral Units and Special Schools. The network has enabled a step change in the number of employer encounters experienced by young people – boosting aspiration and enabling young people to gain insight into jobs and sectors to make informed decisions about their future.

£76m of European Social Funds allocated to Lancashire has been invested in projects aligned with the Lancashire Skills and Employment Strategic Framework. To-date 950 business and 8500 employees have been skilled up, over 6,000 unemployed and inactive adults have been supported to improve their labour market mobility and over 2,500 young people at risk of or NEET have supported to re-engage with learning and work. £26M of previous Growth Deal invested in skills facilities, resulted in the launch in 2017/18 of state of the art centres across Lancashire, including the Food and Farming Innovation & Technology Centre at Myerscough College, the Energy HQ at Blackpool and The Fylde College and the Tech Hub at Edge Hill University. A Social Value Toolkit has been developed, which has embedded Social Value in the whole of the Growth Deal programme.

**Planned Activity for 2019/20**

The commentary above provides some indication of base-inputs in development and the work underway with a wide range of partners drawn from academia and business, with a sense of the strategy and delivery work in development with our NPH city-region neighbours and N11 partners.

In June 2019, we will be publishing an independent economic analysis of the place-based and connectivity benefits of HS2 to Preston and Lancashire

During 2019, the LEP will begin to integrate these inputs, develop key inter-dependencies, and refine key priorities with a focus on producing a LIS which will have benefited from extensive engagement with business and public sector leaders. The LEP will also deepen its thinking with expert analysis of the Lancashire offer (its capabilities and potential) with regard to the four Grand Challenges identified in the National Industrial Strategy. Our commissioned consultants – Steer – will be reviewing the Lancashire evidence base and consult widely with business, academia and political leaders to develop a SWOT analysis of the Lancashire economy with the aim of identifying a range of specific actions to fully realise new and existing opportunities leading to the development of a Local Industrial Strategy for Lancashire by March 2020. Our LIS will be fully aligned to the five Foundations and four Grand Challenges identified in the national Industrial Strategy.

To contribute to the wider place-making agendas, the LEP will also benefit from independent expert advice which is helping to shape Lancashire's first Cultural Strategy. This work will help to capture the value and potential of our creative and digital sectors, embed cultural opportunities within key commercial developments, and enable Lancashire and its partners to consider a bid to become the nation's "County of Culture". In developing this work, the LEP and its partners will have the opportunity to elevate current strategic marketing approaches, including our trade and investment activities, and refocus and rescale the capacity of both local and pan-Northern partners working to deliver new investors, businesses and trade partners for Lancashire.

Establishment of the Skills and Employment Advisory Panel and contribution to the development of the Local Industrial Strategy, with a focus on the People Foundation. As part of the approach the Skills & Employment Hub will refresh the Lancashire Labour Market Intelligence Toolkit – combining the strengths of the toolkit with the analytical framework developed by DfE, using the £75k allocated by Government to build capacity in relation to data analysis.

The Technical Education Vision which was launched in November 2018 will continue to be implemented, working in partnership with the Gatsby Foundation.

The Lancashire Skills Hub will continue to have strategic oversight of Lancashire's ESF programme, and ensure that projects add value and result in sustainable job outcomes – this includes the development of the referral tool 'Escalate' and the Lancashire Skills Escalator with partners. Work with the DWP Managing Authority to allocate remaining funds and draft specifications – calls are planned for May, August and December 2019 against three investment priorities.

In addition, monitoring will continue of the Social Value outcomes achieved from embedding Social Value across the Growth Deal programme, and drive up Social Value in other LEP programmes e.g. the City Deal, but also revenue programmes such as BOOST.

The LEP will also work closely with Lancashire's fifteen local authorities Leaders as they develop the Greater Lancashire Plan which will set out a long term strategic vision for the whole place system that is Lancashire.

**Key Milestones**

* Development of a Lancashire Local Industrial Strategy with the following stages:
  + Review of the evidence base and consultation with stakeholders on the SWOT analysis of the Lancashire economy – March to June 2019
  + Call for evidence on the LEP website – June to July 2019
  + Development of the strategic priorities and framework for the LIS – June to August 2019
  + Development of an Action Plan and the Lancashire propositions – August – December 2019
  + Final negotiations with Government December 2019 to March 2020
  + Lancashire's Local Industrial Strategy agreed and signed off by Government end of March 2020
* Publication of the economic benefits of HS2 study – June 2019
* Publication of the Lancashire Cultural Strategy - July 2019
* Refresh of the LMI Toolkit – January 2020
* Work with Lancashire's fifteen local authorities in the development of the Greater Lancashire Plan

**Stakeholder Engagement – To date:**

The LEP has made strong progress in engaging and working with key partners and stakeholders locally and nationally. However in the coning year the LEP will be aiming to further lift its approach, especially in relation to trade and investment, with both local and pan-Northern partners.

The LEP has attended and hosted numerous business events designed to engage local, national and international business leaders. The LEP has also established an extensive seminar and events programme that engages with local and regional business leaders on a range of issues with bespoke events to showcase developer/investor activity.

We have recently launched, with Marketing Lancashire, a new Lancashire Ambassadors programme with leading Lancastrians willing to promote the Lancashire business offer in their spheres of influence. Lancashire Ambassadors is a group of business leaders who are driven by growth, driven by Lancashire and driven by success. It is a movement that will shine a light on Lancashire’s world leading businesses and sectors, entrepreneurial spirit and unrivalled infrastructure providing a unified and confident economic voice.

To ensure all stakeholders, especially local businesses, are kept up to date, the LEP produces a weekly Lancashire Business Bulletin, Lancashire Business Brief, subscribed to by over 2,000 local stakeholders and which is supplemented by a dedicated Lancashire Business Growth Network on LinkedIn with over 1,400 members and nearly 7,000 Twitter followers. Boost & Co, our network of Business Growth Hub champions, has nearly 150 active business leaders from Lancashire's professional services sector acting as advocates for the work of the LEP.

**Planned activity for 2019/20**

The LEP is committed to improving its visibility and transparency by transforming its web presence. A new website will be launched which will make is easier for stakeholders and the public to find out more about the LEP's work, its decision-making and governance structures with agendas, key decisions and documents readily available and accessible. Details on budgets and progress with key programmes and projects will also be clearly signposted. This information is already publicly available but we will make it much easier to find and navigate. The website will also be a tool through which to consult with stakeholders on the development of Lancashire's LIS.

The LEP is committed to engaging as widely as possible with the public, business and other key stakeholders and whilst continuing to engage through the activity described above, will examine ways in which to enhance activity through the development of a Strategic Communication and Engagement Plan which will also identify opportunities for working collaboratively with partners to encourage cross-boundary working. The LEP will also hold its first Annual General Meeting in September 2019.

The LEP will also work with local council leaders in the development of a Greater Lancashire Plan which will form a long term vision for Lancashire 2050 and will set out the vision and ambition for Lancashire as a whole.

The LEP has produced an MP Communication and Engagement Strategy which will support the development of closer relationships between Lancashire's MPs and the LEP and promote the work and priorities of Government locally. This will be implemented during the course of 2019/20.

The Lancashire Skills Pledge will also be launched at the 'Business Insights into Technical Education' event at the end of May, enabling businesses to commit to inspiring the future workforce, developing their own employees and supporting inclusive growth.

**Key Milestones**

* Launch of new LEP website – May 2019
* Launch of the Lancashire Skills Pledge – May 2019
* AGM – September 2019
* Production of Strategic Communication and Engagement Plan – developed July 2019
* Implementation of MP Engagement Strategy – to begin during the course of the LIS engagement process

**Governance**

**To Date**

The LEP's current governance arrangements are robust and rigorous and have been recognised as such at Lancashire's three previous Annual Performance Review (APR), with the last APR in December 2018 determining the LEP's governance arrangements to be good. Nevertheless, the LEP will continue to make improvements to its Assurance Framework, particularly in respect of opening-up its structures and in the monitoring and reporting of progress in delivering its strategic growth programmes. Following the findings from the latest APR a Strategy Improvement Implementation Plan has been developed and will be implemented during the course of the year.

The LEP's Assurance Framework is consistent with both the Ney Review and the revised National Assurance Framework which will inform future iterations of the LEP's Assurance Framework and support the implementation of the LEP Review. The LEP has previously produced two Annual Reports (2016/17 and 2017/18) which have been published on the LEP's website. The Annual Report for 2018 /19, including Annual Accounts will be considered by the Board in September 2019 with the Annual Accounts to be filed with Companies House within the permitted 9 month period following year end reporting.

**Planned activity for 2019/20**

The LEP's Board membership has been stable since the LEP's inception in 2011 with turnover of Directors very low. Directors are of a high calibre and are the leaders of their organisations bringing a wealth of private sector expertise and experience to the Board. However, the Chair and Directors are committed to ensuring the Board is diverse in its representation and has a Board Succession Strategy in development which plans to ensure a greater diversity of Directors over time. The LEP's Assurance Framework has been modified to increase the current number of Directors to help accelerate change in line with the LEP Review. The recruitment process for a new Chair is currently underway and it is expected the new Chair will be in place by May 2019. In line with the recommendations of the LEP review, a job description and person specification for the role have been developed following consultation with the business community and key stakeholders. It is our intention to undertake a similar process for the role of Deputy/Vice Chair and within the coming 12 months develop private and public sector director job descriptions and person specifications to ensure the Board is equipped with the skills and experience required for future activity.

The Lancashire Enterprise Partnership acknowledges it needs to increase the number of female Directors on the LEP Board from both the private and public sector representatives. The current female representation on the Board is four, three of which are private sector Directors. Future Director appointments will be mindful of the requirements to address the gender imbalance and the Board Succession Strategy will identify ways in which female representation on the Board is increased to seven by the end of the financial year 2019/20.

In-line with Government guidance, published in December 2019 by the Department for Education (DfE), the LEP Board has reviewed the terms of reference of the Lancashire Skills and Employment Board and the committee has evolved to be the Lancashire Skills and Employment Advisory Panel (SAP). The panel will build on the work of the board, and will support the development of the People Foundation of the LIS.

Moving forward, the Board is also looking to make changes to its supporting committee structure. This includes the establishment of an Innovation Board with a work programme informed by the LEP's Innovation Plan as the Board repurposes the focus of the LEP. The Innovation Board will provide the opportunity to invite new business leaders, with different areas of expertise and from more diverse backgrounds, to work with the LEP. It is expected that a number of new business leaders may eventually join the main LEP Board as part of our succession planning. The establishment of this new Committee will ensure the LEP is also strongly placed to deliver a Local Industrial Strategy in the context of Government's national Industrial Strategy.

**Key milestones**

* First meeting of the Skills and Employment Advisory Panel – April 2019
* Appointment of new Chair – May 2019 – followed by the recruitment of a permanent Chief Executive
* Production of Annual Report and publication of Annual Accounts 2018/19 – September 2019
* Development of Board Succession Strategy – September 2019 (subject to appointment of new Chair and permanent Chief Executive)
* Three female Directors appointed to the Board – March 2020
* Terms of Reference and membership of the Innovation Board to be agreed by May 2019 with work programme in place by October 2019
* Implementation of the Strategy Improvement Plan – May 2019 onwards