

Mid-Lancashire

*Multi-Area Agreement
2010*

Submission Draft 1.5

• 12 March 2010

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1 Introduction

1.1 The Mid Lancashire MAA Proposition

1.1.1 Mid Lancashire has performed well in the past with strong growth in employment. It has a resilient economy and is well placed to weather the current downturn, as it has previously in times of economic difficulty. However, the area has not delivered to its full potential in the context of the past 10 years of broadly positive economic performance.

1.1.2 We are determined that this MAA will facilitate improved partnership working with Government, its Agencies and other key stakeholders, in order to assist us to both maximise the economic contribution of the area and tackle some of the important economic issues faced within Mid Lancashire.

1.2 The Area and its Geography

1.2.1 Mid-Lancashire as its name implies, is at the heart of the Lancashire sub region and is strategically located, bordering on Greater Manchester, Merseyside and Cumbria (see map over). Around 600,000 people live in Mid Lancashire of which 372,000 are of working age¹.

1.2.2 Comprised of the districts of Lancaster, Preston, Chorley, South Ribble and West Lancashire, within the County of Lancashire, Mid Lancashire covers a mosaic of communities of different sizes, wealth profiles, economic activity and character. It is neither a compact conurbation, nor an isolated rural area, though it contains elements of both. Whilst the area is not geographically contiguous, the M6 motorway and the West Coast Main Rail Line ensure that the area is physically joined together.

1.2.3 The overall Mid Lancashire area actually breaks down into three relatively distinct economic but thematically related sub areas, with extensive links to neighbouring towns and conurbations both within and outside the County:

Lancaster's economic footprint extends into parts of Cumbria, to the north of the Lancashire county boundary².

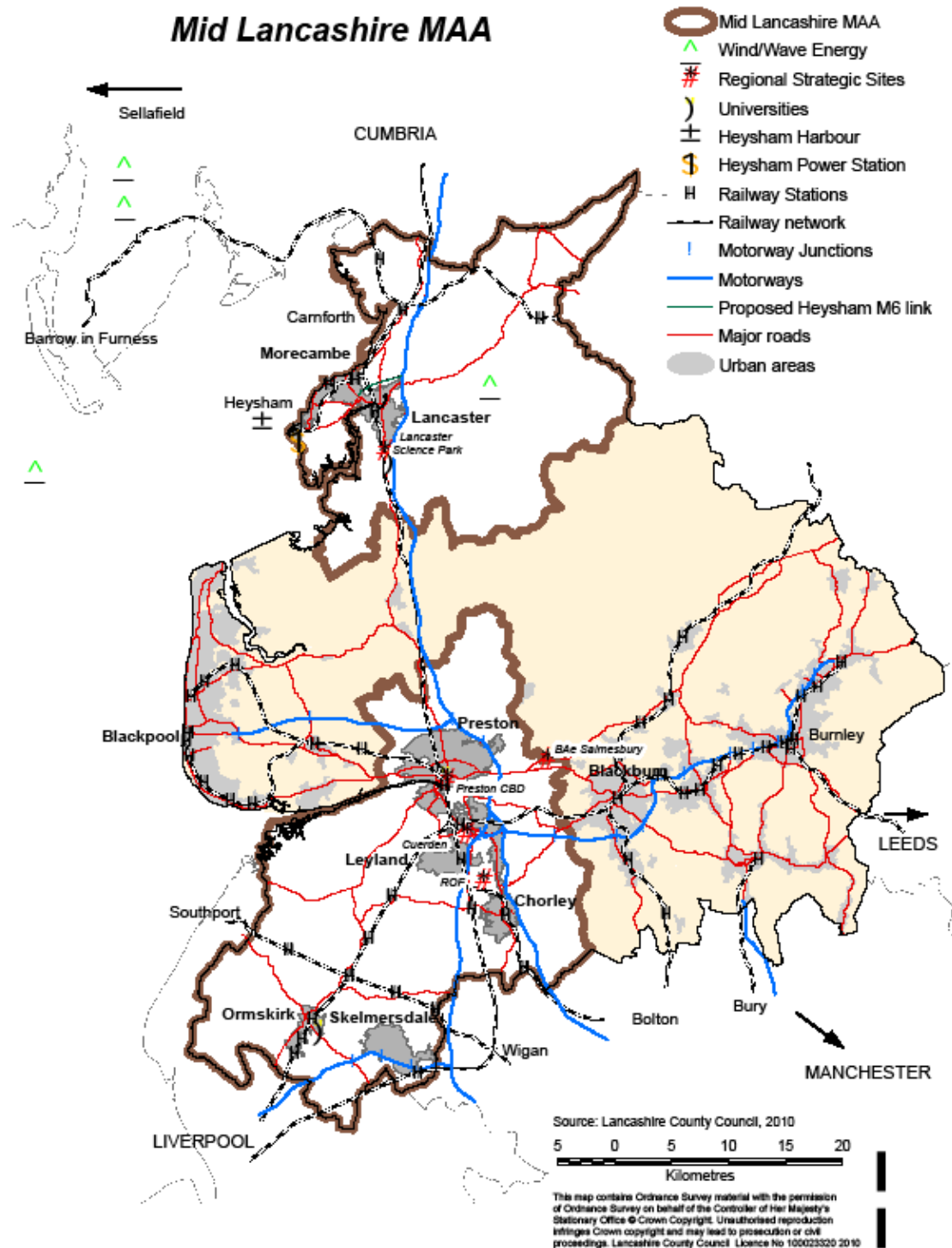
Chorley, Preston and South Ribble provide a pivot for the central part of the county, linking areas in the east (Pennine Lancashire) and west (Fylde Coast) to the main north/south transport axes. Over 13,000 people travel to/from Pennine Lancashire and Mid Lancashire, whilst over 22,000 people travel to/from the Fylde Coast and Mid Lancashire.

West Lancashire was relatively self contained in 2001 but has strong relationships with the rest of Lancashire, Liverpool and Manchester City Regions.

¹ ONS Mid Year Population Statistics

² Collaborative working between Cumbria and Lancaster will take place through the Morecambe Bay Partnership

Mid Lancashire also has strong labour market relationships with the Manchester and Liverpool City Regions, with over 28,000 and 25,000 highly skilled Mid Lancashire residents working in these two City Regions respectively.



1.2.4 Mid Lancashire has a multitude of attributes and assets, including:

Its important cities and towns - Preston, Chorley, Leyland, Skelmersdale, Ormskirk, Lancaster and Morecambe.

Its considerable rural hinterland which includes part of the Morecambe Bay coast, the Forest of Bowland area of outstanding natural beauty and the West Pennine Moors.

An excellent motorway network, being served by the M58, M6, M61, M65 and M55.

The West Coast Mainline Railway which runs directly through the area.

Four universities with regional, national and international reputations.

Its contribution to the developing Energy Coast.

1.3 Why Mid-Lancashire is pursuing this Multi-Area Agreement

1.3.1 Multi-Area Agreements (MAAs) were first proposed in the Local Government White Paper (October 2006) as a way of helping councils work with their neighbours to promote economic development at a city region and sub regional level. In Lancashire this process has resulted so far in two agreed MAAs, Pennine Lancashire and the Fylde Coast.

1.3.2 We recognise the importance of aligning MAAs with real spatial relationships and in that respect the district councils in Mid-Lancashire have worked in conjunction with the County Council to produce this proposal for an MAA. Local partners have chosen to pursue an MAA for a number of very important reasons:

Unlike other MAAs in Lancashire, the requirement for Mid-Lancashire is to both **build upon** recent economic success and address needs, in order to improve opportunities for residents and ensure that growth is sustainable in the long term, capitalising upon and enhancing existing assets to improve economic performance.

This MAA is viewed as important tool in helping to deliver sustained managed growth and improved access to the benefits of growth, while maintaining a good quality of life for the area's communities.

The MAA will support more structured long term dialogue between local partners, Government and its Agencies, starting off with Mid-Lancashire's role in leading the economy of the Lancashire sub region in economic recovery. We recognise that this is not just about investment but also better informed policy development/decision making.

The environmental quality of Mid-Lancashire is an asset but the economic importance of the rural area is often overlooked.

The MAA will be a tool for ensuring that what may be perceived externally as 'local' issues are discussed directly with Government. For example, 'local' transport

schemes that will have large Mid-Lancashire economic impacts, and thereby sub regional impacts, will be further prioritised through regional processes.

Some schemes will also deliver benefits to adjacent areas, both the more deprived areas of Lancashire to the east and west and the various conurbations to the north and south and the MAA proposal needs to be seen in this context. This would not circumvent current regional processes, or any future ones, but would ensure that schemes and policy interventions important to the economic health of Mid Lancashire and the region at large are 'aired' in the correct context, thereby laying the ground for future decision making processes.

An MAA for Mid-Lancashire will put the area's key assets and issues firmly in the mind of Government Departments and Agencies.

Mid Lancashire will also use the MAA to influence discussions on and the development of the Integrated Regional Strategy (IRS) and this will include the potential to provide cross boundary support to stem the outward migration of young people from South Cumbria, building on existing examples of cross boundary working including joint working with the Liverpool City Region.

Within Lancashire, the area completes the spatial 'jigsaw' as the link between Fylde Coast and Pennine Lancashire. As the major economic area within the Lancashire sub region, Mid Lancashire has a key role in providing employment and supporting growth in other parts of the sub region and beyond.

1.3.3 We realise that the Mid Lancashire MAA proposal does not fit with current MAA models. However, it is this very difference that provides the assets and opportunities that will support enhanced economic growth. The MAA will concentrate on adding value i.e. those things that are better done together and can't be achieved separately or in other forums, which are achievable in the short to medium term and are in addition to/cannot be achieved by the Lancashire LAA.

1.4 Capitalising on our opportunities and addressing our needs

1.4.1 Through the vehicle of this MAA we are determined to make significant progress towards the following strategic objectives for Mid Lancashire and the wider sub-region:

1. ***Maximising the potential of our key economic development and regeneration attributes by:***
 - enhancing and improving key strategic regional and other major employment sites to retain and attract successful businesses
 - ensuring that local enterprise support is targeted to support the accelerated GVA growth and job creation we seek
 - tackling unemployment and worklessness issues where they exist by providing the best employment opportunities and supporting the transition into work

- securing maximum benefit for the local economy from our energy sector assets; and
 - ensuring that we capitalise on the significant long term economic and employment contribution of the visitor economy.
2. ***Ensuring our infrastructure is capable of supporting our challenging economic growth ambitions by:***
- delivering a leading edge integrated transport network
 - taking full advantage of the opportunities provided by the digital age; and
 - ensuring our housing offer is capable of fulfilling the need of existing residents and attracting people to the area.
3. ***Capitalising on our unique educational attributes to support and sustain our commitment to a knowledge led economy by:***
- enhancing knowledge and innovation in Mid Lancashire; and
 - improving skills levels generally and specifically in Mid Lancashire's key growth sectors

1.5 Equality, Inclusion and Sustainability

1.5.1 We are committed to ensuring that economic development is an inclusive process, where individuals and communities are able to participate in economic growth and have a stake in the benefits regardless of race, gender, disability, sexual orientation, age, family or marital status, religion or belief, or any other ground which cannot be justified.

1.5.2 We are also committed to addressing the economic challenges of climate change and taking advantage of the economic opportunities it presents. Economic growth cannot take place to the detriment of our environment, both locally and globally. We will seek to incorporate an environmental impact assessment in all key actions and track the area's progress against pre-defined sustainability measures over the course of the work programme. Understanding the spatial agenda will enable us to ensure that each part of Mid Lancashire develops in a manner which compliments the sustainable needs of its communities, rather than creates unwarranted competition.

1.6 Summary

1.6.1 This MAA articulates the potential contribution to be made not only to the Mid Lancashire area itself but also to the economic growth of the wider region. The success of the Mid Lancashire economies, alongside that of other parts of the Lancashire sub region, including Fylde and Pennine Lancashire, is key to the Lancashire sub region becoming "a globally competitive sub region offering a distinctive and diverse environment for prosperity". We strongly believe that our

proposals are fully aligned with those of the Government in “Going for Growth:Our Future Prosperity” – January 2010.

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2 Mid-Lancashire's Economy – Drivers of/barriers to Growth

2.1 Introduction

2.1.1 On the basis of the evidence available to us, we are convinced that Mid Lancashire has the potential and capacity to both drive forward, and support, economic growth and regeneration across Lancashire and the wider Northwest region.

2.1.2 Preston, Chorley, South Ribble and Lancaster, have for almost twenty years posted significant growth in employment. West Lancashire has provided a supporting role to growth in the Mid Lancashire area, as well as contributing to the growth of the Liverpool City Region. This area has the proven ability and uncanny knack to weather the ups and downs of economic cycles.

2.1.3 Total employment³ in Mid Lancashire is over 281,000 (July 2008 – June 2009 - 289,000 – Annual Population Survey Data⁴) making it by far the largest employment market in Lancashire with a 46% share of the county's total employment base. This market is substantially bigger than Liverpool (218,000) and only marginally less than Manchester (304,000). Since 2003 it has grown by 7.6% which is approaching 20,000 jobs in 4 years - and compares very favourably with its substantial neighbours in Manchester and Liverpool which posted growth rates of 1.77% (5,370) and 3.8% (c. 8,300) respectively. Regional growth during this period was 2.1%. Without doubt therefore this is a key sub-region of the North West economy and whatever happens here will have a major impact on the rest of the north western economy.

2.1.4 However, whilst in employment terms it is an area which is a match to any sub-area economy in the UK the area suffers from poor value contribution. A structural deficiency in performance within Lancashire mainly relating to the quality of the service sector, where it posts a productivity gap of £810m (or 14%) of national benchmarks. In terms of high value manufacturing however, it is a match for anywhere in the country.

2.2 Drivers of Growth

2.2.1 The key drivers of growth include:

- **Business density and entrepreneurialism** - the Mid Lancashire area is home to 43% of the Lancashire sub-region's businesses and 95% of those businesses employ 10 or less people (often in rural areas)
- **A diverse and broad spread of economic sectors**, which are unique to the place and not easily replicated elsewhere. For example energy assets and technologies including two nuclear power stations, nuclear fuel manufacture. Its diversity of economy, places and people provide an

³ Employees in employment therefore excludes self employed in 2007 (ABI 2009)

⁴ Labour Market Statistics – February 2010 ONS

optimal mix for surviving the recession in the short term and thriving in the long term.

- **High skill organisations** demanding specialist services – advanced manufacturing being particularly notable but with strong knowledge businesses also in the health and higher education sectors and emerging knowledge businesses in architectural and engineering, legal activities, insurance, finance, advertising and ICT activities. By most definitions, Mid Lancashire is an emergent power in higher value knowledge activities.
- **National leading Higher Education and Further Education establishments** driving growth in the area and providing further knowledge relationships across the globe.
- **The emerging Energy Coast initiative** – providing major sustainable energy sources and the linked environmental technology support.
- **Loyalty** - A very resilient, honest and industrious business base which is committed to the area, because this is largely where they started.
- **Diverse cultural and leisure attractions** from Grade 1 listed architecture and heritage, to attractive Victorian seaside resorts, to a green context that provides a unique setting that is irreplaceable and not found within the core cities of Liverpool and Manchester
- **Excellent communications infrastructure**, nationally and internationally, opening up a catchment population that is ready and able to invest in the area.

2.3 Barriers/challenges to our growth

2.3.1 Mid Lancashire is an area that appears to weather the ups and downs of economic cycles very well indeed but it is also an area which fails to fully capitalise on its attributes.

- **The area suffers from poor value contribution** – Our growth rate lags that achieved elsewhere – 51% GVA growth in Mid Lancashire versus 59% nationally (1997 – 2008). A significant reason for this is a structural deficiency in performance mainly relating to the quality of the service sector. The GVA gap (2005) - Services⁵ was £810m (14%). The area has the potential to be doing much better and delivering a higher value contribution. The risks of non-delivery against this objective will not only be an issue for this part of Lancashire but will undermine the regeneration of the wider Lancashire area.

⁵ Commercial services only – net of public sector

- **The knowledge led economy is not growing fast enough** – Only 899 knowledge based jobs have been added since 1998.
- **Pockets of deprivation of varying size and intensity exist** – There are 18 lower super output areas in the 5% most deprived and 37 in the 20% most deprived.
- **A lack of sustainable and appropriate development sites** in the right places with the right facilities, both for employment and housing. This 'negative asset' is a primary reason, linked to limited private sector investment, why growth in the area 'plateaued' in the mid 00s.
- **Capacity constraints on the trunk road network** - current Government policy has moved away from major new road build
- **Poor Connectivity and Accessibility** – the current level of growth has brought with it issues of congestion or overcrowding on existing infrastructure thereby constraining natural growth, e.g. underinvestment in integrated public transport and rural areas with lower grade broadband access and in general a lack of preparedness for Next Generation Access.
- **Ingrained worklessness and poor access to appropriate job opportunities** remains an issue in particular areas, which may worsen as the economy becomes more skilled, and thereby detract from the economic potential of the area
- **A lack of coordinated and effective business support for the area's future growth sectors**, particularly knowledge-led start-ups. There is also evidence that the sub-region's companies are generally less likely to invest in both research in new products and training for staff.
- **Underperforming town centres**, reducing the attractiveness of the area to both residents with above average incomes and businesses through poor quality of place, accommodation and retail offers.
- **Failure to fully leverage extensive local HE/FE provision** to deliver the highly skilled and productive workforce necessary for increasing output and value added.
- **Pockets of low skills and an unbalanced skills 'mix'** – people and areas are being 'left behind' and businesses are unable to exploit to develop new business opportunities.
- Mixed messages delivered to key central and regional agencies around local priorities and key blockers
- **Historically uncoordinated joint working between tiers of local government** to address current inconsistencies in policy and delivery, and the lack of a clear spatial vision that goes beyond administrative (District and Mid Lancashire) boundaries.

2.4 The Impact of the Recession

2.4.1 The effects of the recession have been felt in the Mid Lancashire area as they have across the North West and the UK. However, the statistics currently

available to us suggest that the impact of the recession on Mid Lancashire in overall terms has not been as significant as elsewhere, for example:

- The rate of increase of the claimant count for Mid Lancashire has remained below national and regional averages at 1.4% as compared to a regional increase of 1.9% and a national increase of 1.8%.
- The claimant count figures for younger people (aged 18-24) are again below the national and regional averages with a Mid Lancashire figure of 5.9% as compared to North West and UK figures of 8.9% and 7.8% respectively.
- Overall the claimant count in Mid Lancashire stands at 3.4% as compared to 3.8% for the North West and 4% for the UK.

2.4.2 As indicated above, Mid Lancashire is an area with an economic make up that in overall terms has made it resilient to the current set of economic challenges. This is reinforced by the recent Centre for Cities report which highlighted Preston⁶ as a UK city that would not be highly vulnerable to the impact of the recession and as having characteristics that would support a return to growth as the economy picks up.

2.4.3 However, one of the main reasons for this resilience is the concentration of public sector organisations. Of the 32 UK cities ranked, Preston came in the bottom quartile for its percentage of private sector employment in 2008 (on par with Blackpool and below Burnley). This may itself lead to problems in the future as public sector expenditure, and therefore related employment, is constrained.

2.4.4 A further reason for resilience has been the fact that the area is not as reliant on the financial/professional service sector as some harder hit areas. However, the high incidence of the construction industry⁷ in Preston (within the top ten concentrations in the UK) again demonstrates that the area has been affected by the economic downturn. Later in this document specific reference is made to a need to ensure that Mid Lancashire companies are able to benefit from the developments in the nuclear industry including civil engineering and construction – something which Mid Lancashire as a whole is well placed to capitalise upon.

TO FOLLOW - Business Link Data/Redundancies notified to JCP/RS2010 Forecasting

2.5 Summary

2.4.5 As a result of the factors listed above, investment in the area by both the public sector and businesses has been limited and where it has occurred, much of

⁶ Preston, South Ribble and Chorley

⁷ The construction industry has been identified as being significantly vulnerable to the impacts of an economic downturn

it has been low GVA. To date, Mid-Lancashire has proved relatively 'resilient' to the current financial sector-led downturn. However, this 'resilience' may in turn hinder future growth and act as barrier to Mid Lancashire fulfilling its economic potential.

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3 Our Proposed Mid-Lancashire MAA Strategic Objectives

3.1 Introduction

3.1.1 We are clear that the Mid-Lancashire area is a key economic driver for the Lancashire sub-region as a whole and further afield within the North West. This MAA is one of the key ways in which we, in partnership with Government and its Agencies, intend to capitalise on the key attributes of the functional economic areas to drive further economic growth. We describe below our proposed Mid-Lancashire MAA themes which incorporate specific actions for all partners. We are confident that these actions when taken together, will allow us to maximise economic growth, sustainability and to deliver the ambitious outcomes which we describe.

3.1.2 We have adopted the following approach to articulating each **Strategic Objective**:

- An initial contextual introduction
- A summary of relevant barriers and challenges faced
- A summary of our vision
- The scale of the opportunity if we collectively choose to act
- The specific actions we are proposing need to be taken in partnership
- Our relevant key performance indicators and targets

3.1.3 This agreement incorporates three **Strategic Objectives** that we wish to focus on:

- Maximising the potential of our key economic development and regeneration attributes – Section 4
- Ensuring our infrastructure is capable of supporting our challenging economic growth ambitions – Section 5
- Capitalising on our unique educational attributes to support and sustain our commitment to a knowledge led economy – Section 6

3.1.4 All three **Strategic Objectives** have been identified as critical to maximising the potential of Mid-Lancashire to act as the catalyst for accelerated growth across the sub-region and to become a key contributor to leading the UK economy out of recession.

4 Maximising the potential our key economic development and regeneration attributes

4.1 Contextual Introduction

4.1.1 Mid Lancashire has considerable assets and attributes which given the right environment and support will ensure that the area's economic potential is maximised. The key economic development and regeneration attributes include:

- The 445 hectares (0.3%) of available employment land (sites allocated for employment purposes which have yet to be developed)
- The predominance of energy sector assets/attributes, for example, Springfield, Toshiba (Westinghouse) UK HQ, Heysham power stations and natural assets suitable for wind, wave and tidal energy, with long term potential for major further development
- A wealth of "quality of life" amenities for instance easy access to the open countryside , excellent schools and housing

4.2 Capitalising on our Opportunities

Energy Sector

4.2.1 Mid Lancashire, working in partnership with Government, has the potential to deliver the critical elements of the national energy strategy that meets the imperatives of both combating climate change and securing the nation's energy supply. Gas power and wind farms are a significant opportunity for the area. We will also be able to support, and act as a gateway to, the development of new nuclear facilities in the Cumbrian Coast.

4.2.2 Mid Lancashire's major contribution to the nuclear agenda also provides for a major concentration of research, skills and facilities in nuclear and related technologies, with strong and growing potential for commercialisation into new markets. Mid Lancashire's approach to the delivery of major strategic employment sites strongly aligns with this agenda.

4.2.3 Heysham 1 will also be subject to decommissioning in the medium term and it has been established that the UK's £80bn decommissioning programme will require new skills and techniques, providing major opportunities to existing and new firms. The global decommissioning market is worth some £300bn, with many techniques and services in areas such as environmental remediation being readily transferable into much wider markets.

4.2.4 The area also has within it access to the National Grid and this is an area that needs intervention from Government as part of this MAA.

Visitor Economy

- 4.2.5 The visitor economy has a key role to play in supporting economic growth; early estimates for 2009 demonstrate the sector's resilience as a growth sector with hotels, restaurants and retail sectors contributing to a 0.1% growth in UK Gross Domestic Product (GDP), the first signs of economic recovery and growth since the start of the recent recession. Growth potential within the sector is also supported by the findings of the UK Tourism Survey which shows that for 2009 (year to September) visitor numbers were up overall by 17% to 19.9 million with visitor spend up £1 billion at £10.45 billion. This is a result of increasing day visits and more people choosing to holiday at home, now commonly referred to as the 'staycation' effect.
- 4.2.6 The visitor economy across Mid-Lancashire is worth an estimated £892 million (Source: STEAM 2008) with visitor numbers standing at 21.4 million and jobs supported equal to 14,099 FTE. The sector offers a low entry barrier to employment and has a high record of supporting successful business start ups. Accommodation and food services is the third largest business sector in Lancashire and Blackpool. Total employment in the sector is forecast to gain by almost 10% by 2017.
- 4.2.7 Mid-Lancashire has the potential to capitalise upon a strong asset base within the visitor economy, focusing on spatial and thematic priorities identified with the Lancashire and Blackpool Visitor Economy Strategy 2006-2016. The area has a rich cultural heritage with Lancaster providing a prime example, a strong business tourism sector in Preston which will be enhanced by the Guild celebrations in 2012 and the potential to capitalise upon a large captive audience of students in higher education through their visiting friends and relatives. Natural assets are particularly strong within the area extending from the Forest of Bowland Area of Outstanding Natural Beauty (ANOB), RSPB Leighton Moss and Morecambe Bay Regional Park in the north through to areas of the Ribble Coast and Wetlands Regional Park, Brockholes, and WWT Martin Mere, Burscough in the south-west contributing to a unique green infrastructure and natural tourism officer.
- 4.2.8 To create a truly successful and sustainable visitor economy, a myriad of different elements need to be supported and managed in an integrated way with a clear focus on the needs of both tourists and residents. This extends to everything that attracts people to a place – the shops, the townscape, the landmark buildings, the heritage, the culture, the scenery, the natural environment, the leisure facilities, the events and so on with quality and sustainability at the heart of these facets. In other words all the things that make a place special, distinctive and worth experiencing, thereby contributing to those aspirations for improving the quality of life for local residents and visitors. The development of a Visitor Economy Pilot in Lancaster provides an opportunity to embrace these principles in defining and delivering a cultural heritage strategy for the city and creating a 'great destination'.
- 4.2.9 This co-ordinated approach needs to extend to branding and marketing activity, aligned to the work of the Lancashire and Blackpool Tourist Board in adopting thematic approaches for defined target markets with an emphasis on high spending visitors – business, heritage, outdoor recreation and VFR

market segments. The adoption of this thematic approach to marketing activity for mid-Lancashire will ensure it embraces the brand values used across the wider sub-regional visitor economy 'Visit Lancashire – where life feels good'.

4.2.10 Supporting clusters and networks offers a prime mechanism for driving partnership working and engaging the private sector. Bay Tourism and the newly formed Heart of Lancashire Tourism Association provide key opportunities to engage tourism businesses in this place making agenda and to promote quality and business excellence which will in turn drive productivity and profitability.

4.2.11 Improve the quality of life for residents and visitors through defined actions to develop both natural and man-made assets, including infrastructure and public realm as part of the wider place making agenda for Mid-Lancashire.

Summary

4.2.12 As evidenced earlier in this document, the Mid-Lancashire area is the key economic driver of the Lancashire sub-region as a whole and offers important contributions beyond its geographical boundaries. However, the area will only be able to continue this vital role, if it has the support of Government and its Agencies to both capitalise on the opportunities described above and address the barriers and challenges below.

4.3 Barriers and Challenges faced

4.3.1 Despite all of the positive attributes and features described above a number of significant barriers and challenges remain.

Employment Sites

4.3.2 There is a lack of available sites for new business development and scaling up operations.

4.3.3 Competition from neighbouring city regions is attracting investment and jobs at the expense of Mid Lancashire.

4.3.4 The area is not able to market both nationally and internationally, a sequenced portfolio of future employment sites and this is acting as a barrier to progress. Examples of barriers to progress include:

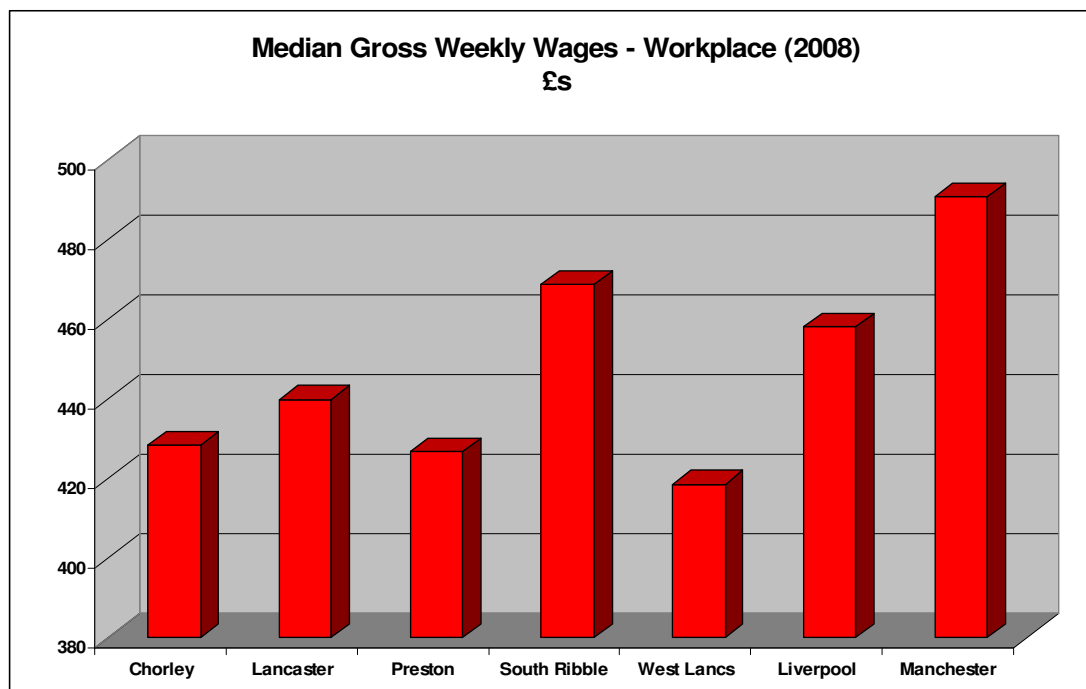
- Cuerden and Lancaster Science Park – There is no infrastructure serving the sites
- West Lancashire is significantly constrained by the Merseyside green belt – Mid Lancashire is 37.8% green belt compared with 14.8% in Manchester and 4% in Liverpool

4.3.5 The major employment sites would have an impact broader than the MAA area and have the potential for significant regional impact. There is an increasing need for such sites to be tailored to the specific needs of different industries and sizes of company. Work is ongoing to identify these needs

and ensure the appropriate sites and infrastructure is in place. However, this work has historically been uncoordinated and led to uncertainty amongst authorities, the RDA and potential investors around the needs, purpose and suitability of the sites.

Enterprise Support

- 4.3.6 Business support and capacity building is inadequate. Business start-up and survival rates are behind national benchmarks. There was a 19% increase in business stock between 1994 and 2008 compared to a national average of 27.1% during the same period. In addition, the “Cities Outlook 2010” placed “Preston” 36th of 64 cities for business births and churn in 2008.
- 4.3.7 Local businesses spend on both workforce training and research and development is lower than national and regional averages.
- 4.3.8 The Government’s recent national policy initiatives to enhance enterprise support, accelerate the growth of businesses and improve the rate of new business start-ups and their survival are complementary to the area’s own aims. The current implementation of the Business Support Simplification Programme (BSSP) is equally supported. This MAA will respond to these national policy initiatives and seek to build upon and shape sub regional implementation in those areas where we are seeking to make the greatest impact locally.
- 4.3.9 There will also be a renewed focus on knowledge-led companies, including ICT, energy and environmental technologies, encouraging the local HEIs to further develop their ability to incubate research-focused start-ups and supporting entrepreneurs to scale up their activity through additional recruitment and use of larger premises.
- 4.3.10 The growing cultural and creative industries sector in Mid Lancashire will be encouraged by the provision of specialist business, exhibition and audience space and ongoing specialist business support with a focus on high growth activity.
- 4.3.11 One of the primary aims of these latter activities is to start to address the low median wage problem of the area. As the table below shows, with the exception of South Ribble, all parts of Mid Lancashire offer lower median gross weekly wages than both Liverpool and Manchester. This reinforces the Mid Lancashire’s need to attract and retain higher value added businesses.



Worklessness

4.3.12 While Mid-Lancashire remains the key jobs and growth driver of the county, there continue to be pockets of high deprivation, particularly in the urban centres. These areas consistently exhibit high levels of long-term unemployment, benefits claimants, ill health and low skills. Over the period July 2008 to June 2009, Mid Lancashire's had 21,000 (5.6%) unemployed and 75,000 (20%) economically inactive residents. 21% of the working age population of one area of Skelmersdale receive out of work benefits (7% above the regional average), with four area being closer to 30%. Mid Lancashire's Incapacity Benefit rates are higher than other parts of the sub region (49% of Incapacity Benefit claimants in the Lancashire sub region reside in Mid Lancashire).

4.3.13 However, they are also frequently adjacent to areas of high employment and educational opportunities. The diverse nature of these areas has historically meant that the area has not received significant funding and policy support aimed at addressing these issues. There is a clear need for greater joint working and sharing of successful strategies to address these issues and ensure no one is left behind as the area's economy grows and becomes more highly skilled. The focus will be on integrating and scaling-up existing local services, including NHS commissioned condition management, care, clinical and GP services, with JCP and local authority employability and business engagement programmes, to create a streamlined and efficient service offer that is clearly focused on the needs of customers. Partners will also only commission new or decommission existing services (non DWP provision) as part of a shared and agreed commissioning framework on

workless priorities. This proposal is fully consistent with the forthcoming Marmot Review (NHS) and Government's employability priorities, and is the scaled-up extension of LAA programmes and approaches.

4.3.14 The Mid Lancashire MAA will seek to integrate strategies/programmes aimed at both those recently made unemployed and those who have been economically inactive for many years.

4.3.15 All of these factors reinforce the fact that the area's capacity to generate economic growth isn't being fully exploited, or used to create more cohesive communities.

4.4 Our vision

That Mid Lancashire will:

4.4.1 Be a highly productive and equal community which drives the economic growth of the county and contributes to economic recovery at a national level.

4.4.2 Be an attractive destination for investment, both internally and externally, that supports the growth of indigenous businesses, which will be attracted by a high quality range of locations available for operations, the skills of the local workforce, the accessibility of the area to both commuters and freight, the range of quality housing and the quality of the environmental, education and cultural offer.

4.4.3 Have employment levels above the national average and a diverse and buoyant local economy that provides more marginalised people with a route to work as well as attracting highly skilled graduates from both within the sub-region and elsewhere to work within existing businesses, and set up new businesses in this part of the region.

4.5 The opportunities if we collectively choose to act

4.5.1 Analysis of Mid-Lancashire's current economic position and relative performance has led to the identification of five primary areas for action. In each case, there is a documented need for a step change in the way the public sector enables and supports economic growth.

4.5.2 We engaged independent consultants to assess the potential economic impacts of our proposed interventions detailed below and they have concluded as follows:

Strategic Regional Sites

4.5.3 The sites and premises theme has the potential to deliver transformational change to Mid Lancashire, providing employment opportunities on a scale which is regionally significant in the longer term. Our estimates indicate that the implementation of the MAA asks will generate 7,014 gross jobs, of which 4,497 jobs will remain after taking account of gross to net adjustments.

4.5.4 The GVA uplift associated with these jobs is £355m, with an average GVA/employee figure of £50,613 (undiscounted). This theme provides, therefore, a major part of the MAA vision of developing a higher value, knowledge based economy.

Worklessness

4.5.5 The anticipated number of individuals achieving positive outcomes is 580 over a three years period. Were any of the proposals to be extended or enhanced then additional impacts would be generated. Over the medium term, the combined delivery of the MAA asks can make a significant contribution to the worklessness objectives - nominally, the impact of 580 persons accounts for 2.7% of the current stock of IB/ESA and JSA claimants. No direct impact on GVA has been modelled at this stage, albeit it is recognised that boosting the employment rate will contribute to the increasing the overall output of the Mid Lancashire economy.

Energy Sector

4.5.6 Forecast benefits are summarised as follows:

- Creation of 630 jobs per annum across the energy sector, including 105 additional posts as a result of MAA interventions;
- Associated GVA uplift of £11m per annum, including £1.8m additional as a result of MAA interventions;
- Mid Lancashire supports 1,400 jobs in Cumbria created through the Energy Coast Masterplan by 2027, through a mix of supply chain, local employment and housing initiatives.

Tourism

4.5.7 The following benefits are forecast:

| | Day visitors | Overnight visitors | Total |
|---------------------|--------------|--------------------|---------|
| Additional visitors | 767,093 | 43,565 | 810,658 |
| Additional spend | £22.3m | £2.1m | £24.4m |
| Jobs supported | 353 | 33 | 386 |

4.10 Specific Actions

NB – Those specific actions highlighted as follows are for Mid Lancashire Partners **only**



| Objective 1 | | |
|--|--|------------------------|
| Securing growth via strategic regional and other major employment sites | | |
| Specific Actions | Organisational Responsibility | Timescales /Milestones |
| Key government agencies (NWDA, Highways Agency, HCA) to work with Mid Lancashire partners and financial institutions to identify innovative ways to maximise the potential of land holdings . | NWDA, Highways Agency, HCA, Local Partners | By September 2010 |
| Work with regional agencies, to clarify the policy context and process by which they will consider whether proposed changes to Green Belt boundaries can be made through the LDF process and conduct study work on the relative importance of the Green Belts areas around the major settlements in West Lancashire [Link to input to RS 2010 Part 1 consultation and subsequent development of supporting policies] | NWDA/4NW/GONW/Local partners | By September 2010 |
| Local partners will work with Government and its Agencies to align priorities and negotiate and agree a Local Investment Plan to pump prime sites in order to ensure implementation of agreed and future commitments | HMT,DfT/CLG,NWDA,/HighwaysAgency/, HCA/Local Partners | By Dec 2010 |

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| Ensure appropriate prioritisation of investment in the four strategic regional sites in Mid Lancashire (Bailrigg Lancaster, Central Preston, Cuerden South Ribble, ROF Chorley) and Samlesbury – Partners are keen to ensure that maximum value is secured from future investment, by creating/enhancing those sites which offer the greatest potential for future growth via current and new knowledge based, high growth businesses. | Local partners | May 2010 |
| Draw upon the NWDA Regional Strategy 2010 'Places' work and the Lancashire Medium Sized Towns Study to reach consensus on the specific roles of Mid Lancashire's cities/town centres (particularly Skelmersdale/Ormskirk, Chorley, Leyland, Preston and Lancaster/Morecambe), to act as a guide for wider regeneration activity thereby complementing the expansion of existing businesses and to securing the interest of potential new businesses. | Local partners | May 2010 |
| Mid Lancashire partners to undertake a local brown-field/green-field study to potentially facilitate the release of land for strategic development purposes | Local partners | By September 2010 |
| <p style="text-align: center;">Objective 2</p> <p style="text-align: center;">Ensuring targeted local enterprise support</p> | | |
| In the context of BSSP, regional Business Link provision and NWDA/ERDF funded regional programmes, review and enhance business support services to high growth/knowledge based businesses in Mid Lancashire to provide the | NWDA/Local partners | By Winter 2010 |

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| most effective support possible | | |
| <p>Work with NWDA/Business Link at the most efficient and effective spatial level, to consider flexible business support for fledgling businesses (especially in the knowledge based sector) to improve the success rate of new businesses and their continued growth, i.e.</p> <ul style="list-style-type: none"> • development of an Innovation Fund for Mid Lancashire, • flexibility in the use of Innovation Vouchers. to focus on specific sector and operational issues | NWDA/Business Link/Local Partners | By Summer 2011 |
| Broker links between HEIs, FEIs, and Business Link, to encourage the development of a greater spatial focus and entrepreneurial culture within these organisations and linking better educational provision to jobs as part of the implementation of a Mid Lancashire Knowledge, Enterprise and Innovation Strategy | GONW/Local Partners/NWDA | By Summer 2010 |
| <p>Work with the area's HEIs, FEIs and the private sector to develop a Mid Lancashire Knowledge, Enterprise and Innovation Strategy to focus on promoting and supporting sectors which offer the greatest potential for high GVA growth and job creation with an additional focus on key employment and investment sites – sectors to include</p> <ul style="list-style-type: none"> • Nuclear Technology • Environmental and renewable technologies • Digital Technologies | Local Partners | By Summer 2010 |
| Local partners to do more to empower active third sector social | Local partners | Ongoing |

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| enterprises to build their capacity sustainably, working alongside those organisations where appropriate, to tackle mutual issues including engagement with HEIs (Business Support and Student Engagement) | | |
| Local partners to work with providers of business education into schools (eg Business in the Community and FE/HE to improve attitudes towards enterprise and enterprise culture. | LCC/NWDA/Local partners | To commence by academic year 2010/11 |
| <p>Linking to NW Vision and Media develop existing and identify new specific opportunities for collaborative working, relating to the digital and media sector, across the North West. supporting , amongst other issues, linkages to and between</p> <ul style="list-style-type: none"> • MediaCity in Salford, • Storey Creative Industries Centre, CityLab, InfoLab in Lancaster, • Media business incubators at Edge Hill University • Media Factory and Sandbox at UCLan and • 'Spin off' activity at Lancaster University and UCLan | Local & Regional Partners | By Winter 2010 |
| <p align="center">Objective 3</p> <p align="center">Securing quality employment opportunities to tackle unemployment and worklessness</p> | | |
| Work with Government Departments and Mid Lancashire Universities to pilot a challenge type approach (similar to Future Jobs Fund) specifically targeted at ensuring that new graduates are supported in entering the labour market at graduation rather becoming unemployed building upon the UNITE programme run by Lancaster University/UCLan. | DWP/Local Partners | By Winter 2010 |

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| Consider how Government procurement (in line with EU regulations) can give greater weight to ensuring spending is recycled into local benefits, i.e. ensuring the economic benefits of developments in Nuclear and Renewable Energy technology are felt across Mid Lancashire, through in the inclusion of local contractors and labour in tenders, in addition to knowledge based activity | OGC | By Autumn 2010 |
| Government to engage directly with local government partners to discuss options for retaining and supporting public sector employment. Significant relocations (over 100 jobs) to trigger an audit of the impact on the local economy and dialogue to discuss suitable alternatives. | OGC/HMT/Local Partners | Public sector relocations strategy agreed by Autumn 2010 |
| Work with Government Departments to identify pockets of deprivation across Mid Lancashire that have an impact upon economic performance and design local actions to address issues (similar to a Working Neighbourhoods Fund approach). | DWP/CLG/Local Partners | To complete the review by Winter 2010 |
| Address legislative and policy barriers, for example: <ul style="list-style-type: none"> • • With Job Centre Plus, to produce a tailored package of advice and support suited to the requirements of the local population to include a 'Workwise' scheme to overcome restricted journey horizons for unemployed people. • To allow scaling up effective local schemes, such as the Skelmersdale community transport pilot, to assist people in making the transition from benefits to employment | CLG/Local partners JC+/Local partners | New initiatives in place within 6 months |
| Support appropriate Flexible New Deal and Mid Lancashire footprint interventions, to mitigate the impact | DWP/Jobcentre Plus/Local partners | From Autumn |

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| <p>of the recession on inactive residents and their pathways to employment. Including:</p> <ul style="list-style-type: none"> • Involvement of Local partners in reviewing New Deal contractor performance • Supporting the scaling up of the Preston Employment Partnership Model across Mid Lancashire | | <p>2010</p> <p>Within 6 months</p> |
| <p>Broker a partnership with NHS Trusts to align priorities, consider commissioning issues and develop links to employment opportunities, in particular to bring forward integrated service offers to:</p> <ul style="list-style-type: none"> • Workless residents with the potential to return to employment, so long as they receive timely and intensive support • Workers at risk of becoming long-term out-of-work benefit claimants due to ill-health • SME businesses which account for over 95% of the Mid Lancashire business base but have limited workforce development and absence management capacity | <p>DoH/CLG/DWP/ NHS//Local partners (to include the University of Cumbria/Edge Hill where associated work is underway).</p> | <p>Ongoing</p> |
| <p>Objective 4</p> <p>Energy Sector</p> | | |
| <p>Continue to strengthen decommissioning support for business to ensure that the right sort of enterprise, procurements and business support assistance is provided within the parameters of the Business Support Simplification Programme.</p> | <p>NWDA/Local Partners</p> | <p>By Autumn 2010</p> |
| <p>Consider the need for enhanced support, to include targeting of high growth and knowledge base businesses in the Energy Sector and initiatives to improve enterprise</p> | <p>NWDA/Fylde Coast Partners/Local Partners</p> | <p>By Autumn 2010</p> |

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| <p>culture and skills, linking such work to the Mid Lancashire strategic development sites and related supply chain , for example</p> <ul style="list-style-type: none"> • The expansion of the NDA Graduate Scheme based at Lancaster University to focus on lower tier Mid Lancashire, Lancashire and North West companies, • The promotion of the Nuclear Management Foundation Degree at UCLan, one of only two such degrees in England. • The utilisation of Mid Lancashire capacity, expertise and skills to physically implement Government proposals, e.g. Civil Engineering, Construction etc. | | |
| <p>Consider local inward investment opportunities (national/ international and public/private) to build on nuclear development and to seek diversification into other sectors, particularly energy-related, environmental technology and renewable, linking closely with the universities in the Mid Lancashire region. (NB. Link to Energy Coast discussions between Government/NWDA and the Fylde Coast to include Transport Infrastructure such as improvements to Carnforth Northern Hub ,).</p> | <p>BIS/DEC/UKTI/NWDA/Fylde Coast MAA Partners/Local Partners/ DfT, Public Transport operators, NWDA, GONW etc.</p> | <p>By Summer 2011</p> |
| <p>Local partners to develop a spatial framework for energy initiatives across Mid Lancashire, to inform LDF's where these are not already in place.</p> | <p>Local Partners</p> | <p>By Winter 2010</p> |
| <p>Support a strong business case for an upgrade to the National Grid's facility based at Heysham in support of the broader Energy Coast Initiative.</p> | <p>BIS/NWDA/National Grid/United Utilities/Local Partners</p> | <p>By Winter 2010</p> |

| Objective 5 | | |
|--|----------------|----------------|
| Visitor Economy | | |
| Develop further towns in Mid Lancashire which contribute to the regional agenda of tourism/heritage by developing further assets, public realm and infrastructure within them. | Local Partners | Ongoing |
| Ensure brand alignment of the Mid Lancashire visitor economy product with the LBTB Lancashire branding and product themes. | Local Partners | By Spring 2011 |

4.11 Targets

| Outcome | Baseline | April 2011 | April 2012 | April 2014 | April 2019 | PSA/DSO |
|---------------------------|-------------------------|------------|------------|------------|------------|---------|
| GVA | No figure available | | | | | PSA7 |
| VAT Stock | 18,095 | | | | | PSA7 |
| Job Creation | 5,559 | | | | | PSA7 |
| Unemployment Rates | Employment rate = 75.2% | | | | | PSA7 |
| Incapacity Benefit | 24,740 | | | | | PSA8 |
| FDI | No figure available | | | | | PSA7 |

5 Ensuring our infrastructure is capable of supporting our challenging economic growth ambitions

5.1 Contextual Introduction

5.1.1 A good transport network is essential if Mid Lancashire is to achieve its economic potential. The area is strategically located and already benefits from an excellent transport infrastructure which provides links both within the area and beyond and which can provide a basis on which to support the growth of the economy.

5.1.2 The key infrastructure and connections include:

- Road - The M6 motorway connects the Mid-Lancashire area and links into the M61, M65, M55 and M65 which converge just south of Preston. This infrastructure not only provides links within the Mid-Lancashire area but also makes it highly accessible further afield to Manchester, Liverpool and beyond.
- Rail – The area is also well connected by rail. The West coast Mainline runs through the area with Preston Station occupying a strategic point on the rail network providing links to Manchester, Liverpool Blackburn and Blackpool.
- Air – Mid-Lancashire has excellent links to three major airports with road and rail links to Manchester, Liverpool John Lennon and Blackpool Airports. Preston and Chorley both have regular direct rail connections to Manchester airport
- Sea – The area also provides valuable links via the Port of Heysham and the Isle of Man

5.2 Capitalising on our opportunities

5.2.1 The potential high connectivity of Mid-Lancashire, both within and outside the area itself, is a key strength. In an economy that is increasingly linked into complex supply chains and foreign markets, it is vital that the area maintains and enhances its competitive advantage by remaining highly accessible and easy to move around.

5.2.2 An additional element of the area's connectivity is its digital infrastructure. In some parts of the county, speeds are significantly behind national averages due to outdated facilities⁸. This is acting as a brake on the further development of technology-led businesses, particularly the small rural companies which are a key area of high-value growth.

5.3 Barriers and challenges faced

⁸ Mid Lancashire MAA, Audit of Evidence, GVA Grimley 2009

- 5.3.1 Currently the potential high connectivity of the area is not being maximised and is constrained by a number of barriers, specifically in relation to congestion and poor suburban railway links. For example, in Central Lancashire whilst Preston, Chorley and, to a lesser extent, Leyland train stations are well used by commuters other neighbourhood stations in the area are all relatively lightly used and passenger numbers are in decline. Bamber Bridge station attracted fewer than 70,000 passengers, while Euxton Balshaw Land and Lostock Hall stations attracted just 42,000 and 33,000 passengers respectively in 2006/07. Skelmersdale suffers from being the second largest town in the north west with no rail station at all.
- 5.3.2 Compare these numbers to the local stations on the Merseyrail network, most of which enjoy 15 minute frequency direct services in to Liverpool and the limitations of Chorley/Preston/South Ribble's local rail network is clear. Hoylake station on the Wirral is used by almost 300,000 passengers in 2006/07, Bebington by more than 430,000.
- 5.3.3 Congestion in urban areas along with key bottlenecks (such as that between Lancaster and Morecambe, the A6 to Lancaster through Galgate, the A570 in Ormskirk the M6 around Junction 31A and the centre of Preston generally), low public transport use caused by poor infrastructure and various other barriers to easy access are all impacting on the region's economic growth.
- 5.3.4 There are many ways in which congestion and poor public transport options impact negatively upon economic growth and development in general:
- Impact on productivity** - leading on from the above, the very high reliance on road travel for business trips means that working time is spent driving. The fact of congestion and the need to allow contingency time as journeys become less predictable inevitably results in increases in the amount of time used for travel rather than being productive. The lack of public transport options means that the productivity of business trips is reduced, which is a particular challenge for knowledge-intensive businesses for which good rail links are important.
- Attracting workers** - Lancashire has a particular challenge in competing for the skilled workers needed to support future economic needs, and the quality of the environment will be a key factor in attracting people to live in the area. Each place is different, with its own challenges in relation to accessibility, traffic severance, noise and air quality. Effective maintenance of the road network is also an important factor in influencing people's perceptions about the place in which they live.
- 5.3.5 It is necessary to consider the problems faced on a case-by-case basis, and develop solutions that are appropriate to the needs of each community, especially those in the vast rural areas for whom the urban idyll of a public transport solution is not realistic. The evidence shows that congestion will increase in the urban areas, which is likely to constrain the delivery of new housing. Effective spatial planning will be crucial in ensuring the 'hard-wiring' of a wide range of travel choices into new communities and breaking

the dependence on the car for travelling to work, shopping and accessing services. This will be crucial in the provision of new housing that is designed to attract the people with higher skills needed to help drive forward Lancashire's economy. Tailored solutions to enable rural employees to access alternative transport links into the heart of urban areas will deliver dividends.

Developing new sites for business - Lancashire has an ambitious programme for the delivery of new employment floorspace to cater for the needs of its future growth sectors. The evidence suggests that congestion is also a significant constraint to the delivery of this floorspace: without action being taken to unlock transport capacity or manage demand for travel at these sites, there is a danger that the sites will not be delivered, which will directly affect the ability to attract new jobs and higher value-added activity in the sub-region.

Connectivity - as rail becomes an increasingly important element of the travel mix, particularly between the growing City Regions of the North, there is a serious danger that parts of Lancashire will be excluded from future economic growth. At present, businesses in Lancashire do not rely on the rail network to address their travel needs. In future, the poor rail service provision in much of the sub-regions could become a major constraint to the economic potential of Lancashire. The enhancement of Preston Station as a passenger hub and the increased reliability and speed of links to it from connecting locations is a key to success.

Equality of opportunity – research by the Social Exclusion Unit earlier this decade demonstrated the implications of poor connections to services and employment on the most vulnerable in society. The policy response – planning for accessibility for vulnerable groups – is now well embedded in transport policy, although work is still needed to develop the evidence on how improved access to opportunities has impacted on people's life chances.

Climate change – the lack of reference to the challenge of climate change in the current Local Transport Plans is notable. Whilst there is reference to the need for the development of a 'sustainable' transport system, 'travel behaviour change' and 'minimising the need to travel', it is evident that some new thinking is needed to adequately address this goal. The current work in Lancashire in developing the evidence base on carbon emissions (and the challenge in reducing these emissions) will play a key role in developing this thinking.

Localised travel options - as bus networks are generally focused on urban centres they do not provide adequate access to much of the employment base in Lancashire. Whilst employers located in the town and city centres (including a large proportion of the public sector, as well as business services) are able to draw upon large labour catchments through urban bus networks, the needs of businesses located in peripheral urban and rural areas are not well addressed. This is the case for many of the

more recently developed business parks and industrial estates, where public transport access is particularly poor. This necessitates high levels of commuting by car and acts as a barrier to employment for people without access to their own vehicle.

Costs to business - business travel represents a cost to the business, and therefore there are strong financial incentives to make journeys as quickly as possible. The poor accessibility, lack of frequency and generally lack of door-to-door travel offered by public transport means that business travel is dominated by use of the car, with very little use made of bus and limited use made of local rail services. Public transport is only a realistic and attractive option for organisations located in the centres of Preston, Lancaster and Chorley – and only where this involves travel to other places served by the rail network. The ability to work while travelling is a critical selling point for the public transport network, but this is only viable on trains with adequate space and is not, in general, possible on the bus network.

- 5.3.6 Commuters find the region unattractive to enter and move around. Freight is slowed and made unreliable. Consumers are inconvenienced and put off spending in the area's shops.

ICT Infrastructure

- 5.3.7 The provision and take up of ICT infrastructure places some parts of Mid-Lancashire at a disadvantage. There are marked differences in the speed of broadband network access in different parts of the area, resulting in marked variations in the percentage of population and households taking up broadband⁹. Broadband take up is low in areas where the resident skills base is highest. This is acting as a potential barrier to economic growth, presenting a disadvantage for large parts of Lancashire who would, with the provision of Broadband, be attractive to businesses in potential growth sectors.

- 5.3.8 As mainly larger urban conurbations are offered increasing speeds of access to the internet, parts of Lancashire will very quickly become digitally remote. LCC is exploring partnership options which could be used to develop innovative ways of delivering ICT and Broadband provision across the County.

⁹ Mid Lancashire MAA, Audit of Evidence, GVA Grimley 2009

5.4 A summary of our vision

- 5.4.1 Smart, coordinated transport planning is critical to the vision of outstanding economic growth that lies at the heart of this MAA.

The Mid-Lancashire of the future will be easy to move around on public transport, with cheap, attractive options available close to housing, retail, employment and cultural/tourism offer.

Roads will be freer-flowing and attractive to car and freight users that remain.

Links further afield will be timetabled to minimise journey times and maximise convenience.

Carbon emissions caused by all transport usage in the area will fall and the overall cost to the area of energy pricing and ill-health will be reduced significantly.

- 5.4.2 The transport vision for Mid-Lancashire will also allow populations on the Fylde Coast and in Pennine Lancashire better access to the opportunities provided by the area as a high growth powerhouse for the sub-regions. Access east and west will be improved, increasing the attractiveness of the area as a destination for work and shopping. This will also improve access to both areas and ensure synergies with the actions identified in the two MAAs already drafted.
- 5.4.3 At the southern and western borders of the area, linkages will be improved to the city regions of Liverpool and Greater Manchester, allowing commuters to move in both directions more easily and encouraging companies to develop supply chains which span the North West region. Similarly, Lancaster and Morecambe will link more effectively with South Cumbria and beyond to better exploit its coastal ports as freight connections between northern Britain and the rest of the world in addition to facilitating access to and from the Energy Coast.

5.5 The opportunities if we collectively choose to act

- 5.5.1 Our proposals for additional investment in delivering an integrated transport strategy will provide a mechanism to tackle congestion and improve connectivity between the communities of Mid Lancashire and the employment hot-spots, particularly the regional centres of Preston and Lancaster.
- 5.5.2 Capital investment by public agencies and private providers in new transport and digital infrastructure will increase connectivity both within and outside the area, opening up the economy to greater investment and trading opportunities, as well as a more highly skilled workforce.
- 5.5.3 We engaged independent consultants to assess the potential economic impacts of our proposed interventions detailed below and they have concluded as follows:

Transport

5.5.4 Based on information available at present the following outputs and outcomes are forecast:

- Reduced journey times on public transport equate to 1,066 equivalent employment value of time savings;
- Modal switch with assumed time savings equate to 612 equivalent employment value of time savings;
- Reduced road congestion equates to 1,162 equivalent employment value of time savings;
- High Speed Rail generates agglomeration benefits of £7.8m per annum for the Mid Lancashire economy once fully operational. It is recognised that the final route and phasing of the network is dependent on the outcome of the consultation process on the HSR White Paper.

Digital Infrastructure

5.5.5 The estimated economic uplift is focused on the business sector. It is also recognised that learning and other benefits will potentially accrue from the digital theme but these have not been modelled at this stage. The forecast impact is 203 gross jobs created, with an associated increase in GVA of £12.8m per annum.

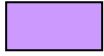
Housing

5.5.6 Implementation of the proposed actions alongside the broader objectives of the Mid Lancashire Housing Strategy will ensure that housing choice is enhanced. This will help to attract and retain working households in the area with subsequent benefits for local spend levels. Interventions in the housing market should be aligned with economic priorities where possible to allow resulting benefits to be maximised.

5.5.7 Identified actions focus on strategy development and increased discussion of issues and opportunities across housing market areas. As a result there are limited opportunities to map economic benefits at this stage. As programmes are finalised further information regarding direct benefits may become available although the rationale for housing interventions is closely associated with the ability to deliver to broader objectives set out through the MAA.

Specific Actions

NB – Those specific actions highlighted as follows are for Mid Lancashire Partners only



| Objective 1 | | |
|---|--|------------------------|
| Delivering a leading edge integrated transport network | | |
| Specific Actions | Organisational Responsibility | Timescales /Milestones |
| Subject to the announcement to be made by the Secretary of State at the end of March 2010, DfT will engage with Mid Lancashire MAA partners on the possible development of High Speed Rail as it affects the Lancashire and the north West. | DfT/Mid Lancashire MAA Partners | To be agreed |
| In advance of the formal consultation process for replacement franchises, DfT will engage with Mid Lancashire MAA along with the Fylde Coast MAA to determine the evidence that will need to be gathered in considering an improved rail service on the: <ul style="list-style-type: none"> Manchester – Bolton – Preston - Blackpool North line following electrification, and The Preston – Wigan – Liverpool route | DfT/Mid Lancashire MAA Partners | To be agreed |
| DfT will engage with Mid Lancashire MAA through the Community Rail Partnership to develop ways of improving the rail service between Ormskirk and Preston. | DfT/Mid Lancashire MAA Partners | To be agreed |
| To work jointly with Government and its Agencies to consider joint investment proposals (including via local partners pooling | DfT/Highways Agency NWDA/Network Rail | Link to above |

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| <p>resources) and agree an investment plan to deliver current and future schemes. This plan will consider the following key issues:</p> <p>The need of a revised junction layout at J33 of the M6 to enable access to an area of growth in technology linking with Higher Education establishments.</p> <p>The need for improved sustainable connectivity between Lancaster and Morecambe.</p> <p>Connectivity between West Lancashire and Liverpool</p> <p>The limitation on growth caused by the difficulty of East –West movements through Ormskirk.</p> <p>Severe congestion focusing on the area of Junction 32 of the M6 and Junction 1 of the M55 and how this may limit growth in North and Central Preston.</p> <p>The need to provide adequate transport infrastructure to serve the Cuerden Regional investment Site.</p> | | |
| DfT to work with Mid Lancashire MAA partners to identify options for improving rail access to Skelmersdale. | DfT/Mid Lancashire MAA Partners | To be agreed |
| Mid Lancashire authorities to meet with the DfT to facilitate discussions on implementation schedule for Central Lancashire & Blackpool Housing Growth Point infrastructure issues | DfT/HCA/CLG/GONW/NWDA/Blackpool BC | By Autumn 2010 |
| Work with partners on the proposals for improvements to Preston Station Rail Hub and the wider impacts. | DfT,NWDA/Network Rail/Local partners/LBTB | By Summer 2010 |
| Work with partners to maximise public transport usage and | DfT/NWDA | By Spring |

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| mitigate any further increase in congestion through the identification of key corridors and hubs and how they can interconnect with the wider network to enable future growth in Central Lancashire | | 2011 |
| Mid Lancashire MAA to engage with DfT and other partners on a study of how to link deprived inner wards with employment opportunities | | By Autumn 2010 |
| To encourage a consistent and joined up focus on delivering local transport, local partners commit to the alignment of Local Transport Planning across the 5 districts under LTP3. We would like to see our commitment encouraging more joined up transport planning across the North West. | Local Partners | By April 2011 |
| To secure support from Government to ensuring that the recently announced comprehensive high speed rail link proposal connects with Mid Lancashire. and associated infrastructure improvements support growth in the East and West of the sub region. | DfT, Network Rail | Ongoing |
| To pilot further development of intelligent transport and integration systems such as smartcard, common ticketing, variable message signing, better passenger and driver information provision linked to lessons from the CIVITAS programme. | Local partners | By April 2010 |
| Building upon the national exemplar of the CIVITAS programme local partners to commit to high-profile joint social marketing to reduce high car use | Local partners | Date TBA |

| | | |
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| by 10% and associated emissions, making local populations aware of public transport alternatives through personalised travel planning, with a focus on short, leisure and education related journeys. Will require the creation of a pooled development fund. | | |
| Local partners to consider the best way to provide sustainable transport options in both rural and urban areas, for those individuals making the transition to employment and training from long term incapacity benefit. | Local partners | Review options by Jan 2010 Start pilot April 2010 |
| <p style="text-align: center;">Objective 2</p> <p style="text-align: center;">To take full advantage of the opportunities provided in a digital age</p> | | |
| <p>The digital divide in Lancashire, particularly the quality and in certain areas lack of broadband provision is limiting the development of key sectors and businesses in Mid Lancashire. We would like joint discussions to take place between local authorities, chambers of commerce and BIS/NWDA to investigate and identify appropriate actions and investment from telecoms providers and partners to bring the area up to national standards viz</p> <ul style="list-style-type: none"> • Mid Lancashire be prioritised as a key area for discussions centrally concerning the next generation of Broadband through Digital Britain • Mid Lancashire strategic sites prioritised for the next generation fibre connection • provision for SDSL and Wi-Fi for the whole of Lancashire to ensure that the digital divide does not widen and all | BIS/NWDA/Local Partners/Private Sector | By Summer 2010? |

| | | |
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| <p>areas within Mid-Lancs have access to the basic connection identified in Digital Britain</p> <ul style="list-style-type: none"> • Prioritising both UCLAN and Lancaster University connectivity to Media:City <p>These discussions also to involve ensuring the benefits of Media:City are felt in Mid Lancashire, linking to SME growth.</p> <p>These discussion will be informed by</p> <ul style="list-style-type: none"> • NWDAs current work on Next Generation Access, and • The Northern Net Pilot and its linkages to Media:City | | |
| <p>To produce a Digital Strategy – outlining in more detail the specific future requirements of the key sectors for Mid-Lancashire and spatially identifying 'clusters' and key sites. To support conversations with private sector providers.</p> | Local partners | ? |
| <p>Mid Lancashire will apply to be a National Digital Testbed pilot as identified in the Digital Britain report. This is due to the knowledge capital potential in the area linked to the HE provision, entrepreneurial base and ICT capabilities. Investments in improvements to speed and capacity will be necessary to exploit the economic potential of the ICT base – partners will utilise existing expertise and networks, such as CLEO, shared services agreements and Lancashire County Ccouncil ISP facilities to</p> | Local Partners | In accordance with Government timetable |

| | | |
|--|---|--|
| improve local service delivery. | | |
| <p>Objective 3</p> <p>Ensuring our housing offer is capable of fulfilling the needs of existing residents and attracting people to the area</p> | | |
| | | |
| <p>Secure the support of Government and its Agencies to an appropriate range of housing interventions across Mid Lancashire:</p> <ul style="list-style-type: none"> • in Preston, Chorley and Leyland via the prioritisation of funding for the Central Lancashire and Blackpool Growth Point • via investment in public sector housing across the area including rural communities and in particular in Skelmersdale where HRA Rent Pooling Subsidy rules are a barrier | <p>CLG/HCA</p> <p>Local Partners</p> <p>Housing Associations</p> <p>Private Sector</p> | ? |
| Undertake a single conversation with the Homes and Communities Agency to reach agreement on the development of a housing investment package for Mid Lancashire | CLG/HCA | <p>Conversation by April 2009</p> <p>Plan by Summer 2010</p> |
| Discussions on housing market linkages between Lancaster and South Lakes/South Cumbria | HCA/CLG/Local partners | By April 2009 |
| Discussion of labour market and housing issues between West Lancs DC and Merseyside City Region | GONW, NWDA, Northern Way Secretariat, HCA, Merseyside CR and other appropriate partners | By April 2009 |
| Ensure that strategic housing issues for Mid Lancashire are developed through a Mid Lancashire Housing Strategy and integrated into the Mid Lancashire Spatial Guide | Local Partners | ? |

| | | |
|---|----------------|-------------------|
| Ensure issues around graduate attraction and retention are addressed within the Housing Strategies, providing affordable and attractive housing at key sites, particularly urban centres. | Local partners | By Christmas 2010 |
|---|----------------|-------------------|

5.6 Targets

| Outcome | Baseline | April 2010 | April 2011 | April 2014 | April 2019 | PSA/DSO |
|--------------------------------|---------------------|------------|------------|------------|------------|---------|
| Car use / volumes | PCC | | | | | PSA5 |
| Emissions | 6.3373 tonnes CO2 | | | | | PSA27 |
| Journey times | 4.2 mins | | | | | PSA5 |
| Public transport usage | No figure available | | | | | PSA5/27 |
| Average bandwidth speed | No figure Available | | | | | TBC |

6 Capitalising on our unique attributes to support and sustain our commitment to raise skills and develop a knowledge led economy

6.1 Contextual introduction

6.1.1 The further development of a knowledge led economy is a core element of future economic growth and the reinforcing of skills is a critical component. Mid Lancashire remains the main concentration of knowledge based employment across Lancashire. The Mid Lancashire authorities provide approximately 52,000 of Lancashire's 105,000 knowledge based jobs – knowledge based employment at 21% of total employee jobs in Preston and ~25% of employee jobs in Lancaster is well in excess of the Lancashire average and above the Northwest average.

6.1.2 Key skills, education and knowledge economy related attributes of the area include:

- 12% of all businesses were knowledge based in April 2008 (compared with 13.3% North West)
- 18.2% of all employment was in knowledge based businesses in April 2008 (compared with 21.8% North West)¹⁰
- The top knowledge based employment sectors are Hospital activities and Higher Education
- 27.5% of the working age population had NVQ4+ - Jan – Dec 2008 (compared with 25.6% North West). This is reinforced in "Cities Outlook 2010", which ranks "Preston" 21st best out of 64 "cities"¹¹
- 11.2% of the working age population had no qualifications – Jan – Dec 2008 (compared with 14.7% North West). Again reinforced in "Cities Outlook 2010" which ranks Preston 23rd best out of 64 cities
- contains four universities – UCLan (including campuses in Cumbria and Pennine Lancashire), Edge Hill, Lancaster, and Cumbria (Lancaster campus) – a total of around 58,000 students.

6.2 Capitalising on our opportunities

6.2.1 A key strength of Mid Lancashire is the presence of Lancashire's three Universities and a campus of the University of Cumbria. Together these four institutions make a significant contribution to the Mid-Lancashire economies, help to attract and retain talented undergraduates and post-graduates, provide a skilled labour force for Mid-Lancashire employers, and provide spin off benefits

¹⁰ These percentages exclude 4,000 workers at Samlesbury (in Ribbles Valley) and 6,000 employees at Warton (in Fylde) employed by BAe Systems

¹¹ "Preston includes Chorley, Preston and South Ribble

such as world class research, graduate start ups and enhanced awareness of Mid Lancashire in the rest of the UK and internationally. They present a clear opportunity for greater innovation and initiating and diffusing knowledge transfer. We are extremely keen to secure maximum competitive advantage from these assets for the Mid Lancashire economy.

6.2.2 For example, the outward facing academic areas at Lancaster/Uclan Universities such as, ICT, Media, Environmental Sciences and Engineering together with the overarching world class Management School¹² at Lancaster create numerous potential entrepreneurs but the lack of graduate level opportunities means that it does not take long for these people to move elsewhere.

¹² Lancaster University's Management School is ranked 4th in the UK and 24th in the World in the Financial Times Global MBA rankings

6.3 Barriers and challenges faced

6.3.1 Given the presence within Mid Lancashire of its many positive economic assets, the key ingredients for knowledge based growth, including its Higher Education institutions; the West Coast Mainline and M6 corridor; Lancashire's strongest retail centre (Preston); strategic employment sites (e.g. Cuerden, Buckshaw and Preston East) and its diverse and resilient business base this performance could be considered a concern for Mid Lancashire, and especially Preston / South Ribble. There is an apparent disconnect between the key ingredients of what makes places work – its inherent potential and Mid Lancashire's ability to capture higher value knowledge growth.

6.3.2 Mid Lancashire has only seen a modest increase in knowledge based employment since 1998, adding just 899 knowledge based jobs, consequently although Mid Lancashire has added a considerable number of employee jobs, the share of those jobs in knowledge based sectors has fallen. Currently there is an over reliance on the public sector to lead the knowledge economy.

6.3.3 Whilst the position has improved with the expansion of Edge Hill and UCLan, the area still has difficulties in attracting and retaining talent. There are a number of reasons for this, including employment opportunities and the quality of the life style offer in Mid Lancashire's towns. For example, at present 95% of UCLans' graduates are in employment or further study six months after graduation. Of this total, only a third stay to work in Lancashire. Unsurprisingly students originally from Lancashire are far more likely to stay and work in Lancashire (66%) than those from elsewhere in the North West (43%). Very few of UCLan's students from elsewhere in the UK (14%) stay to work in Lancashire. Graduates from Lancaster tend to leave the area as they are often unable to find graduate level employment.

6.3.4 Whilst our universities have well regarded courses, with national reputations in most of our top priority employment growth sectors (see below), we are currently forecasting a skills gap of 48,000 employees at Level 4 by 2015. We clearly need to start to act now to mitigate the adverse impact of future skills gaps:

- Advanced manufacturing/engineering including aerospace
- Energy especially nuclear and renewables
- Media/Creative industries
- The digital economy
- Environmental technologies
- The Visitor Economy
- Professional/business services
- Leadership and innovation
- Relocating central government departments and other public sector

6.3.5 An overall up-skilling of the working age population is required as, for example, by 2015 the Mid Lancashire area skills deficit at Level 2 could be 74,000. Even if 50% of people at Level 2 were upskilled to the next level the gap at Level 2 would still be 49,000. There are also areas within Mid Lancashire where high proportions of residents have no qualifications – in Skelmersdale, parts of

Morecambe and East Preston – these areas correlates with those areas of deprivation in Mid Lancashire. In December 2008 Preston and West Lancashire had 12.7 and 12.5% of their respective populations with no qualifications, around the national average of 12.3%.

6.3.6 Other key issues which we aim to address through raising skills levels and prioritising a knowledge led economy include:

- The need to build more balanced portfolio of high value sectors; and
- Reducing the reliance in our extensive rural areas on low salaried service and agriculture sector jobs.

6.4 A summary of our vision

- 6.4.1 The relatively inexpensive area of Mid-Lancashire will be at the centre of a knowledge-led economy, with economic activity heavily focused on high value-added activities driven by well established knowledge dissemination within both entrepreneurial local HEIs and a private sector that invests heavily in research and development.
- 6.4.2 High quality educational facilities, leading edge research departments and a highly skilled workforce will create a virtuous circle to attract high quality investment and further skilled workers from within the UK and abroad.
- 6.4.3 Sophisticated and productive joint working between commercial and academic fields will enable more employers and researchers to move fluidly around and into the area, regularly swapping between learning and production.

6.5 The scale of the opportunity if we collectively choose to act

- 6.5.1 The enterprise and innovation theme provides a core element of the MAA. As the target sectors are some of the key growth areas in the North West economy over the next 10 years, the MAA focuses on how to maximise the share of this growth in Mid Lancashire.
- 6.5.2 The estimated additional gross employment impact of this theme is 1,350 jobs:
- Maximising benefits from existing programmes - 458 jobs
 - New pilot initiatives - 34 jobs
 - Digital and creative sector - 279 jobs
 - Knowledge strategy - 579 jobs
- 6.5.3 A significant contribution is anticipated from this theme to higher levels skills objectives, and clearly linkages are evident to the strategic sites themes particularly with regard to developments such as Lancaster Science Park.

6.6 What we are proposing to do via this MAA

NB – Those specific actions highlighted as follows are for Mid Lancashire Partners only

| Objective 1 | | |
|--|-------------------------------|------------------------|
| To enhance knowledge and innovation in Mid Lancashire | | |
| Specific Actions | Organisational Responsibility | Timescales /Milestones |
| <p>To work in conjunction with and obtain the support/sponsorship of BIS/NWDA to establish a protocol between a range of partners on developing and aligning policy to</p> <ul style="list-style-type: none"> • support high GVA business growth • increase the supply of the identified skills and expertise to support high growth sectors • develop proposals for facilitated innovation networks, in key knowledge based sectors, | BIS/NWDA/Local partners | Sept 2010 |
| <p>To work with the NWDA and Government Departments to consider how we can better maximise the economic benefits of Mid Lancashire Universities leading role in the development of new technology, notable examples being:</p> <ul style="list-style-type: none"> • nuclear technology • environmental and renewable technologies • digital technologies • media/creative • rapid/sustainable/advanced manufacturing • leadership and innovation | NWDA/BIS/Local Partners | Ongoing |

| | | |
|--|---------------------|--------------------------------------|
| including the development of supply chains | | |
| <p>To consider how best to work with Colleges and Universities to improve the competitive advantage of Mid Lancashire by:</p> <ul style="list-style-type: none"> • supporting the supply mechanism for talent and high value graduate professionals, e.g. enhancing existing graduate internship programmes to increase support to higher value businesses • increasing support for high value enterprises and opportunities • accelerating the establishment of business accommodation, particularly at Lancaster Science Park and within Greater Preston to retain nascent knowledge based entrepreneurs and start ups in Lancashire • enhance the benefit to Mid-Lancashire of national and regionally funded programmes such as innovation vouchers, LEAD, HLSP, KTPs, etc. • improve managerial skills for microbusinesses | NWDA/Local Partners | By Autumn 2010 |
| Local partners to work with NWDA/BIS to maximise the benefits of economic and innovation “bridges” with international partners in China and India, for example “Environmental innovation for the Chinese Market” including the use of International Students to work within Mid Lancashire companies. | NWDA/BIS | Ongoing |
| Local partners to support HEIs in strategic developments and funding proposals which will bring benefit to Mid-Lancashire | Local Partners | Ongoing |
| Objective 2 | | |
| To improve skills levels generally and specifically in Mid Lancashire’s key growth sectors | | |
| Local partners, businesses and skills groups to provide more nuanced and detailed predictions of skills needs to support strategic planning of provision within training and education | Local partners | First predictions to be available in |

| | | |
|---|----------------|---|
| providers. | | 12 months |
| <p>Local partners to use the Lancashire wide Skills Strategy as the basis for the development and delivery of a Mid Lancashire Employment and Skills Strategy with a view to seeking section 4 powers in order to influence the LSC and SFA.</p> <p>Strategy to include:</p> <ul style="list-style-type: none"> • Support universities in increasing the scope and range of placement/internship programmes which encourage graduates to consider a wider range of career options (eg in SMEs), encourage companies to recognise the value of NVQ4 level skills to their business in order to enhance graduate retention and upskill those already in the commercial sector • ensuring appropriate infrastructure is in place to deliver, additional level 4 and 5 provision to meet the specific and predicted skills needs of the Mid Lancashire economy, complementing LAA targets. • development of a skills development programme and knowledge transfer strategy across the local economy. • commitment to address local sector skills shortages to identify a range of interventions that can be integrated into core curriculum provision for trade and professional qualifications and training, and delivered as part of integrated CPD programmes. • Working with Myerscough College to ensure appropriate educational support for the rural economy • Development of public/private partnership to link skills with businesses including apprenticeships schemes • Work with businesses, employer groupings, etc, to encourage the upskilling of the workforce | Local partners | Strategy to be developed by Summer 2010 |

| | | |
|--|----------------------|-------------------|
| Ensure local public sector employers act as exemplars of lifelong training for staff (for example Lancaster City Council's Work & Skills Plan), developing and training employees to improve individual productivity and build capacity, including development of a pan-Lancashire public sector (including the Civil Service) apprenticeship scheme | Local partners | ? |
| Work with local partners to develop pilot Apprenticeship Degrees to link Diplomas | HEFCE/Local Partners | By September 2011 |

6.7 Targets

- 6.7.1 The actions listed under this theme are specifically designed to complement and add to the work of the LSPs in the area on LAA targets. The focus is on higher-level skills as these are not as specifically addressed in the LAAs.

| Outcome | Baseline | April 2010 | April 2011 | April 2014 | April 2019 | PSA/DSO |
|--|--|------------|------------|------------|------------|---------|
| People achieving NVQ levels 2, 3, 4 | People qualified to at least Level 4 = 29.1% People qualified to at least Level 3 = 52.7% People qualified to at least Level 2 = 72.9% | | | | | PSA2 |
| Hours of on-the-job training | 21.3% | | | | | PSA 2 |
| Educational places in area | No figure available | | | | | PSA 2 |
| Graduate retention | 1,490 but this figure does not make | | | | | PSA 7 |

| | | | | | | |
|--|-------|--|--|--|--|--|
| | sense | | | | | |
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7 Capacity to Deliver and Governance

7.1 Capacity

Mid-Lancashire partners are determined to deliver on this MAA through improved communication, coordination and collaboration. Whilst Lancashire already has a strong track record of joint working, Mid Lancashire partners are committed to improvements in these areas via the implementation of specific actions designed to support the delivery of transformational projects and new ways of working together, both within the area and with external partners.

This MAA will support more collaborative delivery of services to improve the quality and consistency of both operational and back office provision. The aim will be to improve the quality and cost of services overall while providing businesses, outside agencies and the public who consume the services with an integrated approach. This will support the exploration of the shared services agenda.

Improved coordination and communication between and by the Mid-Lancashire authorities provides an opportunity to positively influence the investment made in the area by both public agencies and private investors.

There is a need for a range of practical measures to harmonise messaging and the communication of needs and incentives to encourage investment in what is a fertile area for business growth including more developed governance arrangements based upon a Mid Lancashire Executive Board (Leaders and Chief Executives).

Lancashire has a relatively mature shared service landscape compared to many two tier areas and is delivering good results and excellent efficiencies. However, there is an opportunity through the Team Lancashire approach, and the funding available through the new Regional Improvement and Efficiency Partnership, to speed up shared service development and enable the development of high quality business cases to evidence new shared service opportunities.

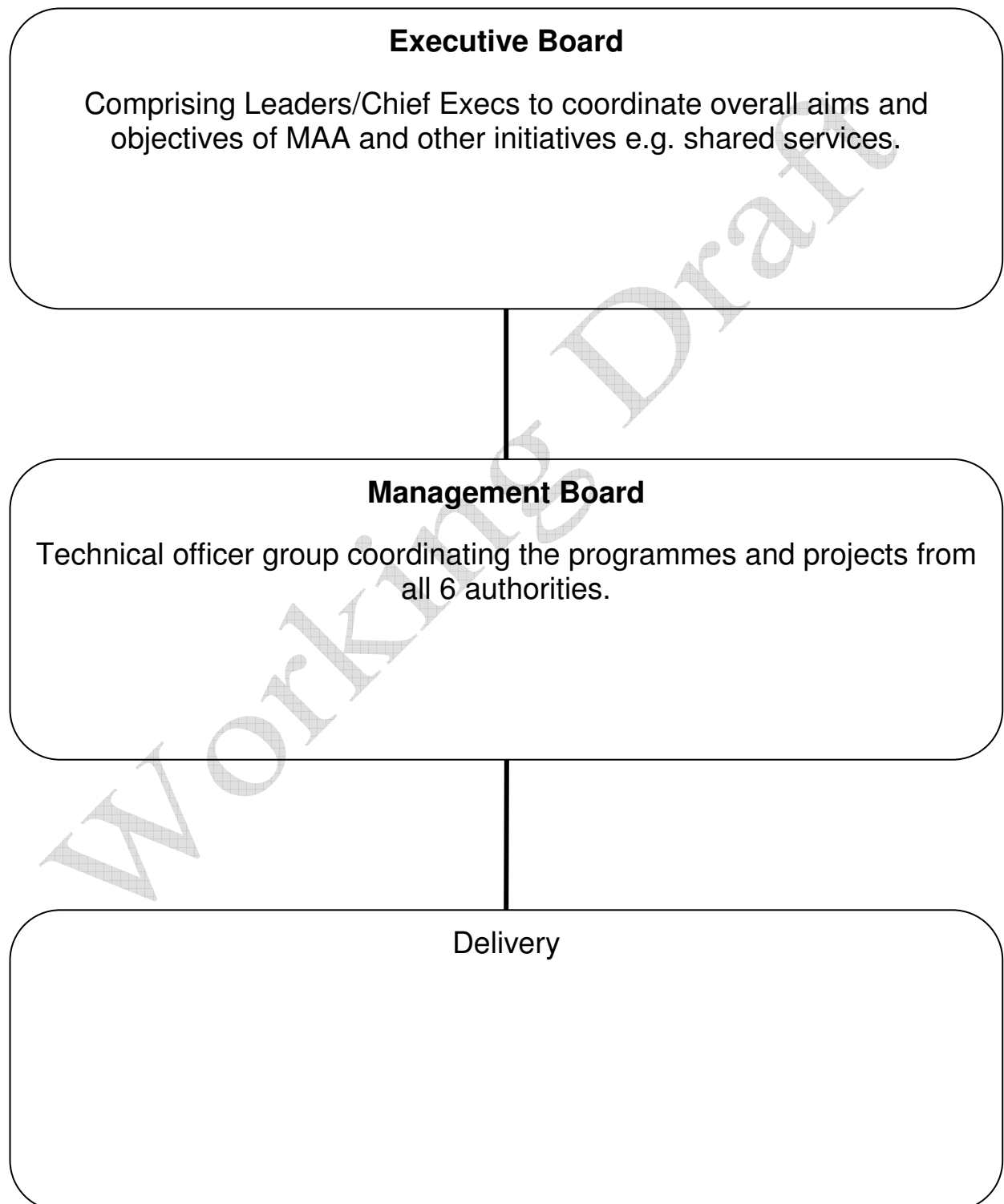
Based upon the agreed MAA Asks a series of actions will be undertaken by partners to enhance local capacity including the development of structured portfolio of strategic Employment and Investment sites and collaborative working on joint initiatives such as the Future Jobs Fund and the Mid Lancashire Housing Strategy.

CAPACITY ANALYSIS RESULTS

7.2 Governance

The Mid Lancashire MAA will be governed through an Executive Board made up of Mid Lancashire Local Authority Leaders and Chief Executives that will oversee, co ordinate and monitor the implementation of the MAA and any related initiatives. The group will give final approval on strategic issues affecting the Mid Lancashire footprint. The Executive Board will be supported by a technical Management Board representative of all authorities and will undertake detailed activity on behalf of the

Executive Board in order to support effective and efficient delivery at the relevant thematic or spatial level.



7.3 Relationship with the Lancashire Local Area Agreement

The Mid Lancashire MAA is innovative in that it covers a two tier area already covered by a single Local Area Agreement , albeit which also includes the majority of the Fylde Coast and Pennine Lancashire MAA areas. However, like the other two MAAs in the Lancashire sub region the Mid Lancashire MAA builds upon and provides added value to the Lancashire LAA. Specifically, the Mid Lancashire MAA focuses unlocking the **full** economic potential of Mid Lancashire as a high GVA/knowledge based economy. As a result the MAA targets, although not exclusively, the benefits of developing a knowledge based economy linked to higher level skills and recognised Employment and Investment sites in the Mid Lancashire area. Achieving this aspiration will of course support the aims of the Lancashire LAA.

The table below details the relationship between specific Lancashire LAA Economy and Environment Theme outcomes and the Mid Lancashire MAA
(To be inserted)

8 Measuring Success

8.1.1 The proposals set out in this MAA are designed to bring significant gains in terms of Mid Lancashire economic performance and thereby improve not only the quality of life of individuals but also contribute towards building safer, stronger and more prosperous communities. In addition, we expect there to be a ripple effect in terms of economic performance which will benefit the other parts of the Lancashire sub-region and beyond.

8.1.2 To measure this impact, this section sets out a series of key performance indicators (KPIs). There are several thematic areas where we have considered indicators and targets but the data is not sufficiently mature or accurate for measurement and target setting (for instance average bandwidth speed). We will continue to monitor these areas with the aim of developing robust measurements over the next 2-3 year period.

8.1.3 In addition, a series of more specific targets, predominantly relating to real outcomes/outputs that the MAA is focused on delivering, are summarised below and included in the specific MAA themes described earlier in this document.

8.1.4 There is some overlap between the MAA indicators and the 198 indicators of the Government's Performance Framework for local authorities and Local Authority Partnerships. However, the MAA is a distinct process, aimed at achieving change at the Mid Lancashire area level which cannot be better achieved in the context of an LAA.

8.1.5 The MAA indicators have been designed on the basis of three principles:

- The methodologies underpinning the data must be widely recognised as **sound**.
- The indicators must be sufficiently precise and robust to be useful and illustrative over the planning horizon.
- The data series must optimally show **developments over time across Mid Lancashire** as a single entity.

8.1.6 The indicators are not designed for comparison with other spatial areas, or to highlight differences between component parts of Mid Lancashire. The indicators are focused on elements that a successful MAA will specifically bring added value to, over and above what other levels of governance will be likely to achieve. Whilst it is not entirely possible (in particular with the KPIs) the intention is, as far as practicable, to screen out outputs where the determinant levers lie predominantly at the local, regional or national level.

8.1.7 Key Performance Indicators and Targets

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| Outcome | MAA Theme | Baseline | April 2011 | April 2012 | April 2014 | April 2020 | PSA/ DSO | Lancs LAA 10-11 Target | Lancs LAA 11-12 Target | Lancs LAA 12-13 Target |
|---|--------------------------------|------------------------------|------------|------------|------------|------------|-------------|------------------------------------|------------------------|------------------------|
| Increase in annual [real] GVA output | Economy/Infra structure/Skills | EKOS to assist | | | | | PSA 7 BIS | N/A (This is not an LAA indicator) | | |
| Increase in GVA per hour worked (£ per hour) | Economy/Infra structure/Skills | EKOS to assist | | | | | PSA 7 BIS | N/A (This is not an LAA indicator) | | |
| Increase in Stock of VAT and PAYE registered companies (NI 171) | Economy/Infra structure/Skills | 51.99 per 10,000 inhabitants | | | | | PSA 7 BIS | 55.6 | No target | No target |
| VAT and PAYE registered small businesses showing growth (NI 172) | Economy/Infra structure/Skills | 14.6% | | | | | PSA 7 BIS | N/A (This is not an LAA indicator) | | |
| Increase in employment rate (NI151) | Economy/Infra structure/Skills | 75.2% | | | | | PSA 8 DWP | N/A (This is not an LAA indicator) | | |
| Reduction in incapacity/severe disablement benefits in payment (NI 152) | Economy/Infra structure/Skills | 11.4% | | | | | PSA 8 DWP | 12.2% | No target | No target |
| Reduction in per capita CO2 emissions (NI186) | Infrastructure | 6.3 tonnes CO2 per capita | | | | | PSA 27 DECC | 12.5% | No target | No target |
| Increase in people achieving NVQ level 4 | Knowledge/Skills | 29.1% | | | | | PSA 2 BIS | 30.08% | No target | No target |
| Increase in %tage of hours of on the job training | Knowledge/Skills | 21.3% | | | | | PSA 2 BIS | N/A (this is not an LAA indicator) | | |
| Tourism revenue (STEAM 2008 figures) | Economy | £894.41 million | | | | | | N/A (this is not an LAA indicator) | | |
| Number of affordable homes delivered (gross) (NI 155) | Economy/Infrastructure | 152 | | | | | PSA 20 CLG | 512 | No target | No target |

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