

Report of	Meeting	Date
Director of Development and Regeneration (Introduced by the Executive Member for Economic Development and Regeneration).	Executive Cabinet	25 May 2006

REGIONAL AND SUB-REGIONAL STRATEGY UPDATE

PURPOSE OF REPORT

- To advise the Cabinet on current and emerging regional and sub-regional economic and spatial strategies and to recommend endorsement of a sub-regional strategy and vision for Core Central Lancashire.

CORPORATE PRIORITIES

- The production and implementation of these regional and sub-regional strategies forms the context in which the Council's own policy decisions are formulated and impinges upon the delivery of local objectives and projects. This report relates most directly to the Council's corporate priorities to put Chorley at the heart of regional economic development in the Central Lancashire Sub-Region, to reduce pockets of inequality and to develop the character and feel of Chorley as a good place to live.

RISK ISSUES

- The issues raised and recommendations made in this report involve risk considerations in the following categories:

Strategy	3	Information	3
Reputation	3	Regulatory/Legal	3
Financial	3	Operational	3
People	3	Other	

- The Council needs to be pro-active in leading and working with a range of partners to develop and deliver economic prosperity and environmental management through spatial and other strategies developed at a local level. This will have strategic, resource, reputation, information, operational, regulatory and community-related implications for the Council. A failure to take account of the strategies described in this report could result in inappropriate or unworkable corporate plan, policies or projects.

BACKGROUND

5. Regional and sub-regional strategy for the northwest has been evolving rapidly over the past year. The Regional Economic Strategy (RES) has been reviewed and published; the Regional Spatial Strategy (RSS) has been submitted to Government for approval; the Lancashire Partnership has prepared a Community Strategy 'Ambition Lancashire', along with the Central Lancashire City Region Development Programme and Sub-Regional Action plan; and is also preparing a Lancashire-wide Economic Strategy. In addition, the former Lancashire West Partnership Housing group completed a sub-regional Housing Strategy Framework in 2005.
6. In the midst of this activity, the Councils of Chorley, Preston and South Ribble agreed a joint working approach to address the role and potential of the sub-region. The three authorities commissioned consultants G V A Grimley to undertake a study in order to understand the dynamics of this Core Central Lancashire City area and to develop strategic solutions, to address key issues and realise potential for growth. The result is the Core Central Lancashire Sub Regional Strategy, which is complemented by the Central Lancashire City Vision. A presentation of the draft strategy was made to members at a Joint Cabinet in March 2006.
7. Each of these strategies will affect the Borough in different but inter-related ways. The documents are outlined below.

Regional Economic Strategy (RES)

8. The RES seeks to transform the economy of the Northwest into a competitive, high added value, knowledge based, inclusive economy, using three key drivers:
 - Improving productivity and growing the market
 - Growing the size and productivity of the workforce and
 - Creating and maintaining the conditions for sustainable growth & development.This 20 year rolling programme is supported by a range of transformational activities, all geared towards reducing the substantial gap (some £29 billion) in economic performance between the north west and London and the south east.
9. **Status:** The revised RES was formally launched by the Northwest Regional Development Agency (NWDA) on 31 March 2006. The Lancashire Economic Partnership, in its role as the NWDA's Sub Regional Partnership (SRP), will play an important part in delivering the RES throughout Lancashire.
10. **Implications for Chorley:** The RES is important to Chorley because, along with the emerging Regional Spatial Strategy, it provides the main strategic basis for planning for sustainable economic growth. The council has been involved in shaping the RES, through representations made throughout a consultation process on the draft strategy. The ROF site retains its status as one of 25 Strategic Regional Sites.
11. Importantly, the RES:
 - Recognises that the Central Lancashire City Region (including Chorley) is a key driver of regional economic growth
 - Confirms that there are significant differences in the growth rates between parts of East Lancashire and "the more dynamic area around Preston" (the "more dynamic area" includes South Ribble and Chorley).
 - Recognises the emerging importance of Preston, as a key driver of city regional growth (Chorley has a part to play in supporting Preston's emerging importance as a growth centre).

- Identifies Preston as a key location for knowledge-based employment, with fast growth in creative, ICT and new media occupations (Chorley has a range of employment sites and premises, including the ROF SRS, as well as high quality residential areas that can help to meet the needs of the knowledge-based economy).
12. One of the main challenges identified in the RES for the Central Lancashire City Region is improving intra and inter city region connectivity. If Chorley is to play an active part in the sustainable regional economic growth agenda, transport infrastructure and accessibility services within the borough, to adjoining areas (especially Preston and South Ribble), and beyond, to Manchester, Liverpool and East Lancashire need to be effectively addressed.
 13. **Resources:** The NWDA is looking to channel investment into projects through Sub-Regional Partnerships (SRP's). The SRP for Chorley is the Lancashire Economic Partnership (LEP), and the Council is actively engaged in shaping the LEP's emerging Lancashire Economic Strategy and Sub-Regional Action Plan. Chorley's approved Economic Regeneration Strategy is closely aligned with the RES and therefore places the Borough in a strong position in relation to accessing NWDA resources for the delivery of relevant projects at a local level.

Regional Spatial Strategy (RSS)

14. The draft RSS is covered in more detail in a separate report within the Cabinet agenda. Under the new planning system, the RSS will provide a framework for the physical development of the region over the next fifteen to twenty years. The RSS has to reflect the RES and itself be reflected in sub-regional and local strategies.
15. **Status:** The draft RSS was issued for formal consultation on 20 March 2006. The consultation period ends on 12 June 2006. The RSS was prepared by the North West Regional Assembly (NWRA) and Government Office for the North West (GONW) is now co-ordinating the formal consultation and Examination in Public (EiP) processes. The key stages in the process are:
 - 12 June 2006 Public consultation closes
 - November 2006 Examination in Public
 - Spring 2007 Publication of Panel Report
 - Autumn 2007 Publication of Proposed Changes by Secretary of State
 - Late 2007 Publish Final Revised RSS
16. Importantly, the RSS:
 - Will form part of the statutory development plan (Chorley's Local Development Framework (LDF) is required to be in general conformity with the provisions of RSS and the RSS will be a material consideration in the consideration of planning applications);
 - Will replace the Joint Lancashire Structure Plan, once approved
 - Will set targets for the provision of new housing development in the Borough
17. It is important, therefore, that the RSS satisfactorily recognises Chorley's position on a wide range of issues relating to planning for sustainable communities and economic growth. The suggested Council response to the RSS consultation is included as a separate agenda item.

Lancashire Economic Strategy and Sub-Regional Action Plan 2006 / 07(LEP)

18. The Lancashire Economic Partnership (LEP) is in the early stages of preparing a Lancashire-wide economic strategy. This will sit below the regional strategies and provide a context for more targeted sub-regional strategies. The Sub-Regional Action Plan 2006/07 sets out a series of projects across the county put forward by LEP's partners as priorities for regional funding.
19. **Status:** The Lancashire Economic Strategy is in its early stages of preparation and should be completed by the summer. LEP is undertaking widespread consultation in preparing the strategy, and the Council, as a member of the LEP, has been involved in initial workshop sessions to scope out the strategy's content. Officers are ensuring that the Council's priorities are reflected in responses to information requests from LEP and at the various workshops and meetings held to discuss partners' views on strategy development. It is important to engage effectively in these processes and shape strategy direction to ensure that Chorley can benefit from future resource distribution via the LEP.

Central Lancashire City Region Development Programme (LEP)

20. The purpose of Lancashire Economic Partnership's (LEP) Central Lancashire CRDP is to establish a framework for economic growth to meet the goal of the Northern Way agenda, which is to close an output gap of £30 billion across the northern regions. The Central Lancashire City Region includes the following local authority areas:

- Blackburn
- Blackpool
- Burnley
- Chorley
- Fylde
- Hyndburn
- Pendle
- Preston
- Ribble Valley
- Rossendale
- South Ribble
- Wyre

The CRDP has set eight priorities for action, within three categories:

<i>Category</i>	<i>Priority</i>
1. Northern Way significance	<ul style="list-style-type: none">▪ Blackpool tourism: reviving the resort and casino plans.▪ Advanced manufacturing: becoming the UK hub and international centre of excellence for high value manufacturing.
2. Central building blocks	<ul style="list-style-type: none">▪ Sustainable urban growth: promoting diversity & fostering connectivity between centres; delivery of the ELEVATE Housing Market Renewal programme; provision of regionally significant, high quality locations for business.▪ Connecting the City Region: improving physical accessibility internally, externally, nationally and internationally; developing first class ICT infrastructure; developing business networks and knowledge sharing.▪ Developing the Green City: strengthening the notion of the "polycentric City Region" where towns and cities are linked by green spaces to create the "City with room to breathe".

3. Underpinning thematic priorities
- Spreading Enterprise: creating a range of high value businesses across the City Region; promoting Blackburn as the Enterprise Capital of the North West; lobbying for the creation of a Northern Leadership Academy in Lancaster.
 - Enhancing Skills and Employability: ensuring that residents are fully equipped to make the most of job market opportunities
 - Expanding the Role of Higher Education in Central Lancashire: growing the Higher Education Institutes and Further Education base across the City Region and developing its interface with business.

22. **Status:** The CRDP is the lead or 'headline' strategy for delivering economic growth in Central Lancashire, especially in relation to the sub region's role in the Northern Way agenda. The CRDP will be reviewed when the Lancashire Economic Strategy is completed.
23. Importantly, the CRDP recognises Chorley's role, in conjunction with the neighbouring centres of Preston and South Ribble, in delivering economic growth. The challenge is to ensure that the case for Chorley is recognised in the emerging Lancashire Economic Strategy, as this will directly influence the review of the CRDP.

Lancashire West Sub-Regional Housing Strategy Framework (LWHSF)

24. The Sub Regional Housing Strategy Framework was completed in July 2005. It provides an overview of the housing market in the following local authority areas:
- Blackpool
 - Chorley
 - Fylde
 - Lancaster
 - Preston
 - South Ribble
 - West Lancashire
 - Wyre

The strategy identifies a range of key housing issues and challenges facing the area including:

- Inter-relationships between economic growth and diversification, specifically looking as higher value housing to attract and retain professionals and managers, and affordable housing to accommodate lower paid employees and key workers.
- Scale and distribution of new housing.
- Social housing.
- Stock condition, specifically in the public and private rented sectors and mobile homes.
- Demand issues, specifically looking at the impacts of an ageing population, household growth, reduction in household size, BME communities, and student housing.
- Affordability
- Homelessness.

25. **Status:** This useful background document complements a similar strategy framework for East Lancashire. The two will eventually be brought together to provide part of the evidence base for more detailed strategy. In the meantime, a number of matters are being taken forward by authorities involved in the strategy, including investigation of the spatial needs of gypsies and travellers.
26. Importantly, the LWHSF supports the need for Chorley to continue to provide sufficient new housing to help sustain economic growth in the Core Central Lancashire area. It also describes the need to address the affordable housing needs of the community.

Ambition Lancashire 2005-2025 and the Local Area Agreement (LAA)

27. Ambition Lancashire is the first Lancashire-wide Community Strategy, produced by The Lancashire Partnership, to establish Lancashire as an area of outstanding opportunity, combining a world-class economy with breath-taking environment and exceptional communities; maintaining the separate identity of towns and cities but strengthening economic, social and environmental connections.
28. Ambition Lancashire presents a vision under 13 headings:

Prosperous Lancashire; Accessible Lancashire; Dynamic Rural Lancashire; Image of Lancashire; Learning Lancashire; Every child matters in Lancashire; Caring & Healthy Lancashire; Welcoming & Harmonious Lancashire; Safer Lancashire; Older People's Lancashire; Living in Lancashire; Cultural Lancashire; and Greener Lancashire.
29. These themes have formed the basis for the four areas of activity chosen to underpin the LAA. The LAA represent a new approach, introduced by the Government, to guide the way local authorities and their partners can use government funding to support the implementation of national and local priorities in local areas (working through the local strategic partnerships) to improve public services and to deliver key targets more effectively.
30. **Status:** Ambition Lancashire was adopted by the Lancashire Partnership in 2005. The LAA has been signed off by Government Office and its implementation is now underway. The Council has been involved in cross-cutting contributions to the development of the LAA through a series of workshops and other activities. As the LAA will be a key to funding streams, resource allocation and potential performance rewards, it is important for the Council to continue to play an effective role in this partnership project.

Central Lancashire Sub Regional Strategy and City Vision (see Appendices A and B)

31. The Central Lancashire City Sub Regional Strategy (CLSRS), commissioned by the South Ribble, Preston and Chorley, provides a spatial framework to ensure that opportunities defined in the Central Lancashire City Vision proposals are delivered alongside the principles of sustainable development. The purpose of the Strategy is also to inform the development of regional spatial planning, economic development, and housing policy.
32. The strategy has been developed to meet the following objectives:
- To demonstrate the economic growth potential of the Core area and its ability to drive the economic fortunes of the City Region as a whole and to complement regeneration and development programmes in the wider City Region area.
 - To demonstrate the economic and social interrelationships that exist between Preston, South Ribble, and Chorley and to develop a common evidence base, particularly in terms of economic drivers, travel to work, housing market analysis, regeneration and retail.

- To establish an evidence based, spatial strategy for Central Lancashire that can be used to raise the profile of the three authorities at city-regional and regional levels - particularly within the processes surrounding the Regional Spatial Strategy and Regional Economic Strategy.
33. The CLSRS has been subject to a Sustainability Appraisal, which has conformed that the objectives and details of the strategy would create positive social, environmental and economic outcomes
 34. The role of the Central Lancashire City Vision, which will be regularly monitored, reviewed and rolled forward, is to define actions and projects that will deliver the framework provided by the Sub Regional Strategy.
 35. **Status:** In order to form the basis for submitting comments in response to the latest RSS consultation, the CLSRS and City Vision need to be formally endorsed by South Ribble, Preston and Chorley. If the RSS comments were accompanied by the endorsed SRS and City Vision, these documents could then be considered as supporting evidence at the RSS EIP in November 2006.
 36. Importantly, the CLSRS and City Vision include a range of project themes and proposals that will build the role and capacity of the three boroughs as Core City Region. These include:
 - Thriving Economy Developing further and higher educational facilities to serve the City, including Runshaw College; ensuring the positive development of employment sites such as the ROF; focussing on strategically significant economic sectors established in the RES, including creative and high tech industries; investigating 'future proofing' sites, including adjacent to the M61 & M6; and expanding wireless capability across the city area.
 - The City Centre Focused on the expansion, improvement and positioning of Preston city centre to compete with retail facilities in Manchester and Liverpool.
 - Town Centres Promoting Chorley & Leyland as vibrant market towns and centres for specialist retailing, commercial and leisure facilities and town centre living, and supporting a framework document for Chorley town centre.
 - Transport Infrastructure / Accessibility Highlighting a range of transport infrastructure and service improvements, including the new rail station and Park and Ride at Buckshaw, better accessibility to and from the motorway network & reducing congestion.
 - Housing Promoting a broad mix of housing types and affordable housing to support sustainable economic growth, with Chorley as a growth location
 - High Quality Built environment and Waterside assets High quality development & public realm; energy efficient buildings and quality greenspace; making the most of opportunities to enhance the environment of the City through Riverworks in Preston/South Ribble.
 - Culture and tourism Promoting and enhancing key heritage, cultural & leisure assets, including Astley Park, Lever Park & Botany Bay in Chorley.
 - Skills Mechanisms to link skills, education and training to the new economy.

37. **Next steps:** The strategic framework described in this report provides the context for Chorley's response to the RSS consultation. Following on from the submission of its response, and in the period leading up to the RSS EIP, there is an opportunity to work with Preston and South Ribble to develop the alignment of our respective Local Development Framework (LDF) Core Strategies and Economic Strategies and Action Plans. Such alignment will enable the three authorities to speak with a unified voice at the EIP when explaining the rationale behind the development of the Central Lancashire City Vision and Sub Regional Strategy.

TIMETABLE

38. Ongoing engagement with the processes described above.

BUDGETARY IMPLICATIONS

39. This report does not have an immediate and direct financial impact. However there are issues of capacity, related to the role of the Council as a delivery partner, that will have financial implications, along with individual actions and proposals that will require financial commitment.
40. The need for investment is most likely to relate to:
- project management capacity/staff resources (both to deliver objectives and enable effective partnership working);
 - physical and social regeneration projects;
 - land and property based projects;
 - transport/infrastructure related schemes;
 - environmental care and improvement, including town centre enhancement;
 - branding, promotion & business support.
41. The overall financial requirements are not specific at present, since they are dependent on the development of programmes of implementation and on the level of contribution from other partners. Proposals will be fed into the budget preparation process in due course.

COMMENTS OF THE DIRECTOR OF HUMAN RESOURCES

42. There are no human resources implications.

COMMENTS OF THE DIRECTOR OF FINANCE

43. See Budgetary Implications (paras 39 - 41 above).

RECOMMENDATION

44. That the Executive Cabinet endorses the Core Central Lancashire Sub Regional Strategy and the related Central Lancashire City Vision as the context for delivering the sustainable economic growth envisaged in the Council's adopted Economic Regeneration Strategy and supports the submission of these documents to GONW in support of the joint RSS response (see Agenda Item 10).

REASONS FOR RECOMMENDATION

45. The Sub Regional Strategy and City Vision are key documents that will assist the Council to deliver sustainable growth in partnership with the other core authorities, Preston and South Ribble, and maintain the role of the Core area within the City Region.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

46. None, as the need for a planned, strategic approach to sustainable growth has been established.

JANE E MEEK
DIRECTOR OF DEVELOPMENT AND REGENERATION

Background Papers			
Document	Date	File	Place of Inspection
<p>The North West Plan Submitted Draft Regional Spatial Strategy for the North West of England (RSS) (Jan 2006)</p> <p>The Northwest Regional Economic Strategy (RES) (March 2006)</p> <p>Central Lancashire City Region Development Programme (2005)</p> <p>Ambition Lancashire 2005-2025 (2005)</p> <p>Lancashire Economic Partnership: Sub-Regional Action Plan 2006-07</p> <p>Lancashire West Sub-Regional Housing Strategy Framework (LWHSF) (2005)</p>			Gillibrand Street Offices
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Mary Clemence	5286	10 May 2006	REGENREP/1205JI02