1 PURPOSE

1.1 To consider our support for the Commissioning of a Greater Lancashire Plan.

2 BACKGROUND

2.1 Presentations have been made to the Lancashire Leaders Group by Lancashire County Council staff setting out the need to produce a Greater Lancashire Plan.

2.2 There is a belief that Lancashire is in danger of falling further behind other parts of the country. It has places in long-term decline and many without planned reinvention strategies.

2.3 A Greater Lancashire Plan will provide the foundations for a transformational step-change in the future of Lancashire.

3 BRIEFING NOTE ON THE GREATER LANCASHIRE PLAN

3.1 Attached at Appendix 1 is a briefing note produced for Chief Executives and Leaders setting out the case for producing a Greater Lancashire Plan. Also attached at Appendix 2 are copies of the slides presented to Lancashire Leaders setting out the case for a Greater Lancashire Plan.

3.2 The briefing note sets out the:

- Background;
- Financial Summary;
- Outline Business Case;
- Outcomes expected;
- Evidence of impact;
- Economic Case;
- Benefits

4 FINANCIAL REQUIREMENTS

4.1 Funding the production of the Plan will cost £400k. To finance this Lancashire Leaders have been asked to support the early release of £400k from the Strategic Economic Growth and Financial Sustainability Fund that will be created at the end of the financial year from a share of the extra growth in Business Rates generated by the Lancashire Business Rates Pilot Pool.

4.2 A breakdown of how the £400k will be used is set out in the attached briefing note.

4.3 The briefing note also sets out costs for further phases of work. These costs are significant and ongoing but have not been agreed by Lancashire Leaders. It is not clear how any ongoing costs will be funded [but see 4.5 below].

4.4 Clarification was sought on the status of this further work and the following information was provided by the Lancashire Local Enterprise Partnership and Lancashire Local Government Strategy Consultant.
4.5 The initial scope of work [the £400k] is comprehensive in its own right and can stand alone as a holistic Greater Lancashire Plan. Any further work will depend on providing a business case that will have to be agreed by Lancashire Leaders. There may be other opportunities for funding that emerge as well as scope to draw in contributions from other partners, such as LEP, Universities and other sectors.

5 FINANCING THE £400K

5.1 The proposal is to fund the work on the Greater Lancashire Plan from the Lancashire Business Rates Pilot Pool. As you will recall Ribble Valley is the lead authority for the Pool.

5.2 The Director of Resources produced a briefing note for Lancashire Leaders setting out how an early release of Business Rates could be achieved. This is set out in Appendix 3.

5.3 Whilst this will have to be formally agreed by the Lancashire Business Rate Pilot Pool Governing Body on 26 September, indications are that Pool members will support Option 2. The Governance arrangements are such that all 15 Pool members need to be present and vote unanimously in favour for any decision to be valid.

5.4 Our share would amount to £21,776 out of the £147,776 we estimate we will pay into the fund when the 2019/20 accounts are closed.

6 CONCLUSION

6.1 The 15 authorities in Lancashire appear to be supportive of a Greater Lancashire Plan. There are concerns however, particularly over:-

(i) the sign off by individual authorities of the Plan;
(ii) the Plan deviating from the existing local government structure in Lancashire; and
(iii) the cost and in particular any future costs that agreeing to the Greater Lancashire Plan may entail

7 RISK ASSESSMENT

7.1 The approval of this report may have the following implications.

Resources: the initial cost of producing the Greater Lancashire Plan is estimated at £400k. If it is agreed that this is funded from early release of funding from the Business Rate Pilot Economic Growth and Financial Stability Fund our share would be £21,776. There is a small risk that the Business Rate Pool may not achieve its forecast growth either individually or collectively.

7.2 Committee needs to be aware that the cost of future phases of work is both significant and ongoing and clearly does not form part of this funding request.

Technical, Environmental & Legal: none identified

Political: none identified

Reputation: the production of a Greater Lancashire Plan enhances the reputation of Lancashire.

Equality & Diversity: none identified
8 RECOMMENDED THAT COMMITTEE

8.1 Support the production of the Greater Lancashire Plan subject to:-

- the Plan being signed off by each authority;
- the Plan being based upon the current local government structure in Lancashire;
- that this Council only agrees to contribute to a share of the £400k initial work.

8.2 Agree to this Council contributing £21,776 to the cost of producing the Plan from the early release of Business Rate Growth subject to this unanimously being agreed by the Lancashire Business Rate Pilot Pool governing body.

CHIEF EXECUTIVE
Briefing Note for Lancashire Chief Executives

Re-positioning Lancashire: The Greater Lancashire Plan

BACKGROUND

At Lancashire Leader's meeting on 5th June a case for a Greater Lancashire Plan (GLP) was presented. The slides that make up that presentation have been circulated to all fifteen local authorities and the Lancashire Enterprise Partnership, and are re-attached. At that meeting, the Leaders were minded to support a financial allocation capped at £400k to develop the GLP, subject to an understanding of the costings, and to consider that this be funded from business rate pilot monies given through the early release of £400k from the Economic Growth and Financial Sustainability Fund. The GLP will provide a basis for identifying core future priorities, which may involve further business cases for further investment which could be one-off or recurrent and would come forward as future funding bids. A breakdown of how the £400k will be utilised is set out in the table below, along with an early indication of potential business cases and costs relating to further phases of work and capacity which may be required.

Financial Summary

<table>
<thead>
<tr>
<th>Initial Scope of Work</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whole Place Independent Reviews – Economic, Social and Environmental</td>
<td>£250k (£100k for each of the economic and public reform reviews and £50K for environment)</td>
</tr>
<tr>
<td>Futures Work</td>
<td>£40k</td>
</tr>
<tr>
<td>Business Case for Strategic Intelligence Unit</td>
<td>£10k to develop</td>
</tr>
<tr>
<td>Intelligent Client Function</td>
<td>Up to £100k</td>
</tr>
<tr>
<td><strong>Total one-off costs to be funded from Economic Growth and Financial Sustainability Fund</strong></td>
<td><strong>£400k</strong></td>
</tr>
<tr>
<td><strong>Further Phases of Work</strong></td>
<td></td>
</tr>
<tr>
<td>Independent Policy Commissions (if any)</td>
<td>£20k per Commission (optional and not to be decided until after the GLP is produced).</td>
</tr>
<tr>
<td>Strategic Intelligence Unit</td>
<td>Dependent on outcome of business case but estimated at £300-£400k per annum and therefore potential gross revenue implications from March 2020 to 2023 of £900k to £1.2m. Business case will explore opportunities to negotiate contributions from the universities and other partners and to seek match funding opportunities. Subject to good progress and the views of central government there could be scope to draw in as part of the solution the support of the Lancashire Enterprise Partnership secretariat.</td>
</tr>
<tr>
<td>On-going revenue implications - secretariat</td>
<td>Lead Officer, analytical, co-ordination and administrative support for months to GLP production.</td>
</tr>
</tbody>
</table>
Rather than repeat the content of the slides, set out below is more detail about the work, particularly drawing on the trailblazers work that remains best practice (the trailblazers are identified by central government as Greater Manchester and the West Midlands), the Local Economic Growth What Works Centre and other best available evidence. Also set out below, are the costs that are associated with taking the work forward, that are based primarily on the comparative work enclosed. Before doing that, an Outline Business Case is presented.

OUTLINE BUSINESS CASE

**Strategic case – what is the case for change, including the rationale for intervention?**

**What is the current situation?**

The crisis narrative is very real for Lancashire. Lancashire is in danger of falling further behind. It has places in long term decline and many without planned reinvention strategies. It is being overshadowed by the neighbouring city regions of Liverpool and Manchester. It sits outside of the ‘fast track’ in a two-speed local government system, where Combined Authorities are mopping up disproportionately twice as much Government funding and kudos than before. The Northern Powerhouse proposition is currently driven by a strategy based on the connectivity between core cities. The big issue is not so much that Lancashire isn’t making its case or pitching for resources. In fact, it has done remarkably well in getting resources through city and growth deals, despite a lack of coherent vision and overall direction. This has essentially led to funding a fairly random set of projects. And whilst Lancashire is in the throes of making Housing and Infrastructure Fund and Transforming Cities Fund bids, it is currently working backwards to fill the narrative gap. What Lancashire lacks is a compelling and differentiated narrative and granular evidence base as foundations for its future. It persistently fails to speak with a single voice and suffers as a result from disjointed and fragmented approaches. It does not capitalise enough on meaningful Lancashire-place based relationships to further its cause, including within its own communities and MPs, and as a result is struggling to secure the confidence of central government.

One of the consequences of the current situation is that central government relies on the Lancashire Enterprise Partnership as its vehicle for doing business on the subnational growth agenda. In practice this means the dialogue is essentially business led, with primarily a private sector focus, and a democratic deficit, with only a limited and indirect link back to local government. This misses integration with the wider, overall place agenda.

Equally, following unprecedented reductions in local government budgets and reform of the local government finance system, there is an increasing pressure on places to strengthen their local economies to fund their future, reform the way the public sector works together, reduce social demand on public services and protect and improve the quality of the environment. The lack of a wider and a credible sub-national proposition for Lancashire undermines this agenda and will limit our ability to secure a sustainable future for Lancashire.

**What is to be done?**

As set out in the presentation, the Greater Lancashire Plan represents a sub-national whole system approach to addressing this deficit in Lancashire, and ultimately work towards bridging not just the output and productivity gaps, but all aspects of health, wellbeing, quality of life and opportunity.

The approach is based on a safe assumption that whatever happens in national government terms and with Brexit, the sub-national growth agenda is not going away. If anything, the pressure for differentiated strength-based growth and better joined up collaboration opportunities across place, is going to deepen over time.

The case presented is designed to take advantage of the continuing policy impasse that arises from Brexit. Without suffering from some of the ‘old rules’ of the devolution game, there is scope to prepare the ground for a distinctive Lancashire approach that can get Lancashire into the ‘fast track’, by demonstrating a pro-active and co-ordinated response to the continuing asks of the growth agenda.
Key is to establish a single and coherent narrative and foundation for continuous engagement with Government and communities. The GLP offers such a strategic and integrated approach, driven by independent analysis and challenge. It seeks to re-brand Lancashire in an inclusive way, bringing together all fifteen local authorities, the Lancashire LEP and wider partners.

In doing this the GLP will also bridge the democratic deficit. It will provide an overarching strategy set by the democratically elected representatives of Lancashire into which the Lancashire Enterprise Partnership and the Local Industrial Strategy will sit. It will drive not only economic growth but seek to maximise social value. It will do this by capturing the coming together of a variety of aspects that inform the quality of life for all of Lancashire’s communities, across health and well-being, housing, economic growth, clean air and the environment, transport, spatial planning, crime and community safety.

What outcomes are expected?

A number of key outputs are expected arising from the Greater Lancashire Plan.

The outputs are as follows:

- An independent whole place review of Lancashire, providing state of Lancashire analysis
- A bold and ambitious vision for Greater Lancashire 2050, arising from futures work and long-range strategic planning, based on scenarios that draw resilience
- A strategic framework for Greater Lancashire Plan, capturing the Local Transport Plan refresh, the Local Industrial Strategy, and all the local plans
- Building on the existing work of the six Theme Groups, run by Lancashire Leaders
- An independent panel of national experts and leading thinkers, to oversee the work and make recommendations
- A set of recommendations and rationale for time-limited independent policy commissions
- A business case for a Greater Lancashire Strategic Intelligence Unit and secretariat, hosting, maintaining and managing a single, comprehensive evidence base that can be used by all stakeholders.

These outputs will provide the foundations for a transformational step-change in the fortunes of Lancashire.

The main outcomes that will flow from this are as follows:

- A basis for a new deal for Lancashire with national government
- A stronger and more inclusive economy
- A more transformative and integrated approach of the local state as a system, rather than just a disparate set of fragmented interventions to address market failure
- Better insight into the opportunities for improved VFM from public services, for shared and more integrated services, public reform and asset rationalisation
- A higher quality environment and a clean and green Lancashire.
- Better informed, more inclusive and stronger democratic decision-making across Lancashire.
- Enhanced ability to influence HM Government policy agenda

How do these fit with Government and wider objectives?

The Northern Powerhouse Minister has expressed disappointment at the failure of Lancashire to secure a Combined Authority and expressed concern that Lancashire will continue to lose out compared to those areas that got deals over the line. The push for greater independence of the Lancashire Enterprise Partnership partly arises from this frustration that local politicians could not put local differences aside for the overall benefit of all the Lancashire communities.

There is still no doubt, regardless of the current national policy impasse arising from Brexit that the sub-national growth agenda will remain a significant interest of existing and future governments. Scale and connectivity remain critical issues for securing economic growth and support from national
government. The policy drivers of Combined Authorities and LEPs and the notion of deals and bids at scale, remain central.

The Greater Lancashire Plan will enable Lancashire to make a major contribution to the UK Government’s big challenges:

- The need for a strong economy. We need to make the most of our existing strengths, invest in infrastructure and people, and ensure that the whole of our economy across the whole of our country can grow. Without a strong economy, we cannot guarantee our security, our personal prosperity, our public services, or contented and sustainable communities.
- Enduring social divisions. For too many people, where you end up in life is still determined by where you were born and to whom. We need to make sure that everyone has the opportunity to make the most of their talents and hard work, whoever you are and wherever you are from.
- An ageing society. We need to respond to the reality of an ageing society, giving people security in old age and caring for those with long-term health conditions, whilst making sure we are fair to younger generations.
- Fast-changing technology. For the sake of our economy and our society, we need to harness the power of fast-changing technology, while ensuring that our security and personal privacy – and the welfare of children and younger people – are protected.

It will also provide for both inclusive and democratic decision-making across the fifteen authorities to lead the vision, direction and ambition for Lancashire.

Evidence of Impact

The impact of devolution as part of economic outcomes has no proven cause and effect relationship.

Nevertheless, there is a lot of evidence to show that the impact of Combined Authorities is proving very positive on those places that have them. For example, see the national report ‘Combined Authorities: Signs of Success’:

https://www.grant Thornton.co.uk/globalassets/1._member-firms/united- kingdom/pdf/publication/combined-authorities-signs-of-success.pdf

There is also a lot of evidence that devolution in Greater Manchester is proving successful both in terms of gaining funding and kudos from Government (including since 2014, £2bn in flexible investment funds), but also in terms of impact on economic, social and environmental reforms and decision-making for better outcomes:

https://www.greatermanchester- ca.gov.uk/media/1131/gm_prosperity_review_baseline__devolution_review__november_2018_.pdf

And, for example on health outcomes;

http://www.gmhsc.org.uk

including formal devolution of a £6bn budget for health and social care commissioning to the Greater Manchester Health and Social Care Partnership.

Greater Manchester is currently putting together a Key Achievements report on the direct impact of devolution that shows changes in outcomes on: skills and apprenticeships; employment support; health; planning and infrastructure; homes; ageing; homelessness; environment; public service reform; transport; and digital.

Even in areas where devolution has been relatively new, the signs are positive. The impact of subnational working and then the development of a Combined Authority is correlated in the West Midlands with an approach built around a £92bn economy that has grown 23.5% in the last five years. Just over the last year productivity growth was twice the UK’s rate.
The local government press and think tanks have reported extensively on the degree to which Combined Authority Areas are doubling their take out of the local government system. Counties, Districts and Unitary authorities, outside of these areas, are losing out significantly.

Equally, there is evidence to demonstrate that centralisation and over-concentration can lead to damaging consequences. The impact of a national economic model based so strongly on agglomeration is always going to self-reinforce concentration, where success is already strongest. Whilst this has known benefits, the diseconomies can begin to outweigh them. This essentially reflects the other side of the coin, which is the impact and consequences of no devolution. This case was most recently set out in the UK 2070 Commission.

http://uk2070.org.uk

Other European countries are much better at providing more balanced models, where in many cases other smaller cities and regions outside their capitals, outperform them and contribute in a distinctive and more planned way.

**Economic case**

What is the net value to society (the social value) of the intervention compared to continuing with Business as Usual?

At this stage in the process it is not possible to quantify the Economic Case. Nevertheless, there is little doubt the investment in the GLP is highly likely to be a positive contribution for Lancashire and its economy, better more efficient public services and the reduction of demand on public services.

What are the risks and their costs, and how are they best managed?

The overall cost of producing the Greater Lancashire Plan is circa £400K, with some hidden running costs, see below. The biggest risk associated with the production of the plan is based on a new national Government not continuing with the policies of devolution, Combined Authorities, and Local Enterprise Partnerships. However, there is much less risk that a subnational economic growth agenda will not continue. Given the proposed work is based on laying evidence-based foundations for a future strategy and vision for Lancashire, it is a fairly robust assumption that the work will be critical to the future of all parts of Lancashire and will play in to the agenda of any new national Government. Even if there is no continuation of a national strategy, there is still proven value in pulling together evidence about Lancashire, its population and economy, facilitating on-going and better decision-making to improve growth and quality of life.

Subject to the business case to be prepared as part of this work, there is also the revenue cost implications of the secretariat and the Strategic Intelligence Unit. The New Economy Team at the time of the first Manchester Independent Economic Review provided a small team that cost circa £400K per annum. This has grown into a team now of 30 plus staff, incorporated into the Combined Authority. A similar small core team could be provided to drive the development of this work forward. The secretariat at the moment does not exist. Currently the Interim Director of Growth, Planning and Environment is taking this work forward as part of that role within Lancashire County Council and drawing on coordination and administrative support.

What option reflects optimal net value to society?

At this stage, there are no options, other than to ‘do nothing’ and rely solely on the LEP to provide the contribution to the subnational growth agenda. Without a wider framework, strong evidence base and leadership from the democratic sector that will be a much smaller contribution. Interestingly, Combined Authorities are showing that just providing a business-led economic or industrial strategy at subnational level, leaves a huge contextual place-based deficit and it would be beneficial for the political leadership in Lancashire to ensure that such a deficit doesn't happen here.

**Commercial case**

Can a realistic and credible commercial deal be struck?
The Greater Lancashire Plan will provide the basis for a potential new deal to be struck with national government and a deal across local partners and sectors for delivery. Once the GLP starts to emerge as a credible proposition, there could be opportunities to secure match funding for the revenue costs of the secretariat and Strategic Intelligence Unit, as well as scope for private, other public and third sector contributions, such as secondments into the team.

Who will manage which risks?

The Greater Lancashire Plan will be underwritten proportionately and in agreement with all fifteen local authorities.

Financial case

What is the impact of the proposal on the public sector budget in terms of the total cost of both capital and revenue?

The Greater Lancashire Plan proposes primarily ‘one off’ pieces of work that will improve the understanding and future propositions for Lancashire moving forward. Part of the work includes exploration of a business case for a dedicated secretariat and Strategy Intelligence Unit, that would carry future revenue implications. These will be determined as part of the work and recommendations made to Lancashire Leaders.

Management case

Are there realistic and robust delivery plans?

Robust delivery plans will emerge through the strategic framework generated by the Greater Lancashire Plan. This will not require additional resources, but will draw on existing delivery capacities and capabilities and plans, and seek to integrate them in a way that generates a greater whole than the sum of the parts. This will arise as a result of greater investor confidence arising from clear frameworks and scale up return.

How can the proposal be delivered?

The proposal delivery is set out in the attached presentation. The secretariat will be supported through a call off contract with intelligent client support, as explained below. The Greater Lancashire Plan will mobilise partners across Lancashire.

MORE DETAILED COSTINGS

Appointment of Intelligent Client Function support

The first step to taking this work forward is to appoint support for the intelligent client function. This is essential given the current lack of capacity in-house. Experience of early development of Devolution Deals and Mayoral Combined Authorities suggests that having necessary capacity and capability on side and at short notice, has proven essential to securing the confidence of Government and dealing at pace with challenges back from Whitehall in the early stages.

A specification will be produced for this work. Essentially, it is based on producing the specifications for the commissioned reviews, helping pull together contributors to the Independent Panel and providing the client group, Lancashire Leaders, with advice throughout on developments, including sense-checking, aligning and simplifying inputs.

Whilst we are not currently in negotiation with Government having this support in place for preparing the ground at pace and with future negotiation in mind, will start developments on the right foot and as progress is made we will look to start promoting and sharing these developments, that could for example feature as part of the co-development of the Local Industrial Strategy with national government. Interestingly, referencing the GLP in the Lancashire LEP required Improvement Plan for
Strategy was very well received by the North West Director for The Cities and Local Growth Unit, BEIS.

The contract will also provide clear strategic advice for Leaders and Chief Executives, in dealing with all the issues that the work will necessarily raise, some of which will be difficult and contentious, and have independent backing, albeit capable of lifting Lancashire into the fast track.

A GLP Working Group has been formed to ensure full participation and ownership of the direction and development of the work. This has a mix of Chief Executives, Executive Directors and Directors across all fifteen local authorities. Whilst the Group has only met once there was strong support for taking the work forward. In terms of sense-checking, steering and shaping the work, the GLP Working Group will bring considerable local insight, ownership and value. However, it is clear following discussion with the GLP Working Group that it will not have the capacity to actually produce the work.

In response, Lancashire County Council has so far provided in-house support in taking the work to this point.

It is proposed therefore that a call off contract is established immediately to enable the work to proceed and accelerate at pace. By appointing one of the big four management consultancies provides the opportunity to cover a broad range of potential asks over the whole process. This will also bring access to a highly professional set of expertise across multiple fields and networks that reach deep into the areas within Government that we are seeking to persuade. It also doesn’t interfere with the likely providers who will actually deliver the work.

Initial conversations have already taken place with Deloitte, PWC, and KPMG. The consultancy firms have been asked to set out:

- Clarity about the available capabilities and skills, as well the people and their costs/day rates;
- Seeking specific costs for clearly identified pieces of work, eg producing the specification for the whole place independent review;
- Seeking specific advice on the development of the Independent Panel, and who might sit on it.

The management of this contract will require robust challenge back to the consultants, to keep costs down. Based on previous management of such contracts, the estimate of the cost of this support contract up to the final launch of the GLP is up to £100K.

**An independent whole place review of Lancashire**

This is the main piece of work. It has three elements to it: the economy; public reform; and, the environment.

**The Economy**

Independent economic reviews have really been key to setting out the foundations for devolution deals.

**Manchester Independent Economic Review, Shared Prosperity Independent Review and the Greater Manchester Strategy**

The Manchester Independent Economic Review (MIER) is believed to be the first independent economic review of a city-region. The Review was launched in June 2008 by Secretary of State and Chancellor of the Exchequer and published its findings on 6 April 2009.

The Review had stated aims to provide strategic understanding of the Manchester city region’s economy to enable its policymakers to act in a strong and distinctive way to bring long-term economic growth. Its findings are based on eight separate studies, which focus on agglomeration, inward investment, the Daresbury Science and Innovation Campus, innovation trade and connectivity, labour and skills, economic connectivity and trade, sustainable communities, and a final overarching Reviewers report. These reports have been researched and written by independent economists and
academics from the London School of Economics, Volterra and the Burns-Owen partnership, Aston University Business School, University of Manchester and Regeneris Consulting, Amion Consulting and PricewaterhouseCoopers.

The Review panel was an independent panel of economists and business leaders, led by Sir Tom McKillop, Chairman of the Review panel, Jim O’Neill - Head of Global Economic Research for Goldman Sachs, Professor Edward Glaeser - Fred and Eleanor Glimp Professor of Economics at the University of Harvard, Diane Coyle - Managing Director of Enlightenment Economics and Jonathan Kestenbaum - Chief Executive of NESTA, The National Endowment for Science, Technology and the Arts. The Reviewers were supported by a Policy Advisory Group and Secretariat, responsible for commissioning the research, providing economic baseline evidence and supporting the researchers and Reviewers.

Although there are numerous specific findings and policy recommendations from each of the MIER reports, the headline findings and recommendations are collated in the final Review report, written by the Reviewers using the evidence from the six other reports.

The Review was commissioned by Manchester's Commission for the New Economy, the economic development agency for Greater Manchester. Funding was secured from the Manchester Innovation Investment Fund, which was supported by both the North West Development Agency (NWDA) and the National Endowment for Science Technology and Arts (NESTA), separately by the North West Development Agency, by the Learning and Skills Council (LSC) and by the North West Improvement Network. The Review is also funded, supported and underwritten by the Association of Greater Manchester Authorities (AGMA).

You can still see all the MIER reports here: http://manchester-review.co.uk/.

It cost £1.2m all in, most of that went on paying consultants to undertake the actual research (8 big studies all costing £100k each).

**Greater Manchester Independent Prosperity Review**

A similar process was undertaken to inform the development of the GMCA's Local Industrial Strategy, Beatrice Andrews the lead official within Local Growth and Cities Unit on Local Industrial Strategies described this last week as the gold standard. The independent Panel, reports and topics are here: -

https://www.greatermanchester-ca.gov.uk/what-we-do/economy/greater-manchester-independent-prosperity-review/

It was interesting to see a different emphasis in the focus. Two baseline reports were produced. Firstly, progress with devolution, an update of progress on the implementation of GM's devolution deals, highlighting key achievements and barriers. Secondly, an evidence review, a baseline report covering progress since the MIER and summarising GM’s existing evidence base across the five foundations of productivity identified in the national Industrial Strategy White Paper (Place, People, Ideas, Business Environment and Infrastructure).

Technical reports on productivity included: low pay; retail; adult social care; and, an audit of productivity. Technical reports on innovation and global competitiveness included: ecosystem approach to supply chains; understanding innovation and innovation ecosystems; economic complexity analysis; a mission-orientated approach to GM's clean growth challenge; industry relatedness analysis; science and innovation audit report; global competitiveness and innovation. Technical reports on skills and employment included: transitions in education and skills; a new approach to education, training and skills; future of work and skills. Technical reports on infrastructure included: critical assessment of appraisal methodology; and, GM infrastructure framework.

**Northern Powerhouse Independent Economic Review**

This work was overseen by Simon Pringle who is leading the work on Lancashire’s Local Industrial Strategy.

**Midlands Engine Independent Economic Review**

The Midlands Engine is also undertaking an economic review.

[https://blog.bham.ac.uk/cityredi/midlands-engine-independent-economic-review-call-for-evidence/](https://blog.bham.ac.uk/cityredi/midlands-engine-independent-economic-review-call-for-evidence/)

**Lancashire Local Industrial Strategy**

The other main issue for this work is to ensure that the on-going preparations for the Lancashire Industrial Strategy is enhanced and supported by the Greater Lancashire Plan. It would make sense for the Lancashire LEP to be fully involved in the economic strand of the GLP.

**Public Reform**

The other major area of development is public reform. This means getting the public sector to collaborate better together across Lancashire. It means seeking a more transformative approach, rather than fragmented individual interventions to address market failure and/or its consequences. It is not about forming a Combined Authority, but realising the opportunities for service integration, shared services, co-location and asset rationalisation, where it makes sense and where there is a willingness to cooperate at scale.

The increasing focus of the Greater Manchester Combined Authority is public reform.

Interesting developments include a Greater Manchester Model of Unified Public Services for the People of Greater Manchester, please see below.

[https://www.gmcloud.org.uk/system/files/13a_gm_model_white_paper_draft_v1.8.6_clean.pdf](https://www.gmcloud.org.uk/system/files/13a_gm_model_white_paper_draft_v1.8.6_clean.pdf)

The West Midlands has adopted a strategy for public service reform based on: radical prevention; inclusive growth; and, system collaboration.


The overall policy agenda has been established for some time:  

**The Environment**

Similarly, work is in place on the Environment in Greater Manchester.


This concludes the independent review work. The estimated costs of these three themed reviews is £250K, based on the examples of the studies highlighted. This is based on a review of the study work and it is felt the environment work could be secured at £50K. The shape and development of the work will be Lancashire based and play to our own strengths and opportunities.

The scope of work and the underpinning detail of the spend will be determined with the appointed Intelligent Client consultancy. The Specification will be the first call on the contract.

**Futures Work: Lancashire 2050**

Running alongside the review will be a dedicated piece of work to set a bold and ambitious vision for Lancashire, looking long term. This will build on existing models of futures work:

And take account of long-range reports such as the Kerslake 2070 Commission, shared earlier, above.

Not only will this work look at the long-range issues and scenarios, such as the continuation of current trends, such as on climate change and working age population for example, but also look long term at the industrial grand challenge areas around AI and data, an ageing society, clean growth and future of mobility. The scenario planning will build greater resilience to unforeseen ‘shocks’ that emerge in the system. Considerable work will be undertaken to involve all stakeholders in the development of the vision, including working with communities of place and interest, schools and the public more generally.

This work is estimated to cost circa £40K.

Strategic Framework

The long-term vision will be supported by a rolling strategic framework. This will capture the development of all subnational Lancashire strategies and plans, such as the Local Industrial Strategy, the refresh of the Local Transport Plan 4, other local plans, such as spatial plans.

In the GMCA there is a strategic framework in the form of the GM Strategy. This was very bland when put together in 2005, and it didn’t get any real traction. The first significant one was produced in 2009 in response to the MIER. This was put together by local authority officers, plus TIGM and New Economy and led to the creation of a Wider Leadership Team that was made up of the ten Chief Executives. The resulting strategy was then signed off by the 10 districts, plus the GM LEP (which was newly created at that time). This framework was refreshed in 2013, following a similar process, and in 2017 (taking into account the winning Mayoral manifesto, plus some survey work on residents and the latest evidence base). Consultant support was used throughout (especially in terms of providing independent challenge, as well as helping with filling evidence gaps and developing the narrative and presentation). In the 2017 version quite a bit more time was spent engaging with the community/voluntary sector to get them bought in and dedicated sessions with Leader and LEP members (separately) to get their input.

The Independent Panel

The independence of the work is critical for two reasons. First it provides the opportunity to highlight the real challenges and brings rigour and confidence. It is something which national Government is particularly keen to see and is promoted by the Local Economic Growth What Works Centre as good practice. In the text above on the economy the Independent Panel members are listed for both the MIER and the Shared Prosperity Review. It could be advantageous to use similar key experts in the Lancashire work given they will be familiar with what works well in the process as well as secure both local and other world class leaders in these fields. The Intelligent Client consultancy will be asked to help mobilise a high profile and credible Panel, and bring independence to the appointment process.

Independent Policy Commissions

Independent Policy Commissions have worked particularly well in the West Midlands. This has enabled deep dives in the areas where there is no real understanding of the way forward and enabled some difficult issues to come to the fore. Whether this is something required here can be decided once the work on the GLP starts to emerge.

https://www.wmca.org.uk/what-we-do/research-analysis/

Laying the foundations for the future

The GLP work will provide for a strong collaboration across the fifteen local authorities. It will lay the foundations for a single narrative, evidence base and vision for Lancashire, bringing context and join-up between the local and the subnational agendas for Lancashire.

As part of taking the work forward Lancashire County Council has taken the lead to host this work with an offer for other local authorities to contribute as well as the GLP Working Group to ensure there is full engagement with all local authorities in developments. As part of the work it is suggested a business case is produced looking at the scope for a dedicated Strategic Intelligence Unit to oversee
and monitor the work in the future, as well as to own the data, evidence and intelligence as the foundation for the refreshing of Lancashire-based plans and strategies. Existing capacity and capabilities could be drawn on such as Lancashire Insight. Subject to good progress and the views of central government it could also include bringing in the support of the Lancashire Enterprise Partnership secretariat as a part of the solution. This business case will build from the existing business case outlined here and is estimated to cost only £10k.

SUMMARY

Financial Implications
The initial cost of the proposition to be funded from the is estimated to be £400k by March 2020 to produce all aspects of the GLP and is proposed to be funded from early release of funding from the Economic Growth and Financial Sustainability Fund. The GLP will provide a basis for identifying future priorities, which may involve further business cases for further investment which could be one-off or recurrent and would come forward as future funding bids. These are likely to include future running costs from March 2020-23, with a further potential gross cost over the period of £900k-£1.2m, depending on scale, but with opportunities to develop a co-produced approach with partners, sharing the costs.

Benefits
The benefits have already been outlined above and are demonstrated particularly in comparative work with the trailblazers and national evaluation reports. For example, Greater Manchester has received £2bn in flexible investment funds since 2014, arising from its devolution deals. The West Midlands has witnessed productivity rising twice as fast as the national average last year. These places have bridged the democratic deficit and lead the vision and strategy for their conurbations. Their local enterprise partnerships are business advisers and work to the wider vision and ambition.

Devo 2.0
The GLP will provide Lancashire with a refreshed opportunity to re-open a conversation with Government about the future. Devolution, and the powers and resources it potentially offers, remains unfinished business, especially outside the metropolitan areas.
The Case for a Greater Lancashire Plan

The GLP is a response to the current crisis narrative:

- Lancashire falling behind
- Places in long term decline
- Outside of the ‘fast track’, dominated by Combined Authorities
- No single voice
- Not seen as a credible subnational opportunity, with a serious proposition for the future.

The GLP:

- Takes advantage of the Brexit policy impasse
- Prepares the ground to get Lancashire into the ‘fast track’
- Seeks to create a single coherent narrative and foundation for continuous engagement with Government and communities
- Provides a strategic and integrated approach, driven by independent analysis and challenge.
Greater Lancashire Plan: what we have already said so far

We have already agreed in principle to:

1. Commissioning a Whole Place Independent Economic, Social and Environmental Review of Lancashire
2. Commissioning futures work for a Greater Lancashire Vision 2050;
3. Revisiting the existing Lancashire Plan and reviewing and refreshing it as a contribution to developments;
4. Designing and sending out a proforma to capture work of Lancashire Leaders Theme Groups;
5. Setting out the principles, terms of reference and scope of Independent Policy Commissions, with the suggestion of three to begin with on Land, Productivity and Mental Health but to be confirmed, and to seek a Chief Executive lead to administer and run each of the Commissions;
6. Setting out a case for an independent secretariat for the Greater Lancashire Plan, to lead developments and support Lancashire Leaders and Chief Executives, with LCC acting as initial host authority, with scope for secondments into the secretariat;
7. Producing an Outline Business Case (and Full Business Case to follow on) to evaluate the case for a Strategic Intelligence Unit;
8. Parking the issue of Portfolio Holders and Governance;
Lancashire 2050 Vision

Strategic Framework and Plan 2022

Local Industrial Strategy

LTP4

Local Plans

Economy, Skills, Community Safety, Health and Wellbeing, Housing.

Strategic Assessment

Lancashire Leaders

Portfolio Holders and lead officer
Chief Executives

Collaborative Partnerships:
LEP, Marketing Lancashire, TFL, NP etc

Lancashire Leaders Theme Groups

Futures work, solutions to industrial challenges, trend demographics, Northern Powerhouse offer ask realisation

Rolling strategies and delivery, metrics against outcomes

Strategy and Delivery Plans across the whole system

Independent Policy Commissions on Wicked Issues
- Productivity
- Mental Health
- Land

JSNA
Independent Whole Place Review
Impact Assessments
Business Cases
Suggested scope of work

Preparatory phase
• Getting the scope right

Phase one
• Getting the commission right

Phase two – undertaking a whole place independent review
• An independent comprehensive review provides scope for rich foundations including a single evidence base, baseline and narrative – scoped around three themes economic, social and environmental, going a step beyond CAs and a first for a County area;
• It will capture existing work of Lancashire Leaders Theme Groups, existing strategy development such as LIS and LTP 4;
• It will review all existing plans and strategies, including the work done on a previous Lancashire Plan;
• In parallel it will use futures work to inform the vision and ambition: Lancashire 2050.
• First Draft GLP produced based on progress.

Phase three – undertaking deep dives into the identified core barriers
• The Review will provide analysis to inform the key barriers to progress in Lancashire and provide scope to prioritise deep dives through time-limited independent policy commissions, to unlock those issues. This Phase will not slow down production of the GLP but create necessary work to sit alongside its future development.

Phase four – finalising and launching the GLP
• Will produce Final Greater Lancashire Plan – a single overarching ‘state of Lancashire’ report and a strategic delivery framework and vision for Lancashire, backed up by robust evidence and a rich narrative, based on independent challenge and support from local and world leading experts.
Informal socialisation of the Greater Lancashire Plan idea and good practice

- GM – MIERS and Shared Prosperity Review – offer from GMGC
- WM – Independent Policy Commissions and new Office of Data Analytics
- LGIU and Foresight – Futures work
- North West Communities and Local Growth Unit – access to and support from Government
- GLP an integral part to Lancashire LEP Improvement Plan for Strategy and access to National LEP Network good practice
- Jake Berry MP – credible offer.
- Leapfrogs the opposition – a first for whole place and a first for a County area, breaking new ground
Greater Lancashire Plan: a collaborative working group

- **Fylde** Alex Scrivens
- **Hyndburn** Mark Hoyle
- **Pendle** Dean Langton
- **Wyre** Marianne Hesketh
- **Blackburn** Martin Kelly
- **South Ribble** Greg Stott
- **Lancaster** Jason Syers
- **Blackpool** Antony Lockley
- **West Lancs** Ian Gill
- **Burnley** Mick Cartledge
- **Rossendale** Cath Burns
- **Preston** Chris Haywood
- **Chorley** Rebecca Huddleston
- **Ribble Valley**
- **Lancashire County Council** – Richard Kenny
Preparatory stage – Weeks 1-6

GLP Working Group

• To sense-check the proposition and overall programme
• To agree scope of work, help shape the brief(s) for commissions and advise CEOs and Leaders
• To advise on any early steers on the deep dive independent policy commissions
• Lancashire provide a lead officer and host the beginnings of an independent secretariat to take the work forward, accountable to Lancashire Leaders and Lancashire Chief Executives, with request for secondments across all the local authorities over time.

Appoint an Intelligent Client Function

• To accelerate the pace of delivery it is suggested we appoint consultants to support the Lancashire Leaders as client over the duration of this project, based on a ‘call off’ contract
• This has worked well in how other areas have driven Devo Deals over the line with Government, eg PWC in the West Midlands
• Informal conversations took place with consultants on 31st May. Estimated costs tbc.

Proposition put to Lancashire Leaders for sign off

• This is planned for 5th June.

Produce a specification

• Commission to go to out to market for GLP.
Phase One: Commission the preferred Consortium and secure an Independent Panel
Weeks 7-15

Commission the GLP

- Six weeks out to market
- Three weeks to sense-check and score the bids
- Appoint preferred consortium

In parallel, appoint independent Panel(s) to oversee and provide challenge.
Phase 2 – produce a ‘state of Lancashire’ analysis and first draft GLP Weeks 16-36

Whole Place Independent Review
Three commissions against three themes – economy, public reform and environment.
• Panel of experts for each theme supported by commissioned consultants to produce the work
• Work to be shaped and determined through the GLP Working Group
• Estimated costs, based on trailblazer work, £100K per theme.
• Editorial group to be established to pull together the first draft Greater Lancashire Plan

Lancashire 2050
• Fourth commission for futures work to deliver a bold and ambitious vision for Lancashire
• Estimated cost, £50K

Leader Theme Group Work
• The previous work developed for the case for a Lancashire Combined Authority will be fed into this process, especially the Lancashire Plan and the economic growth and public reform scale of ambition and activities.
• We will send out a simple proforma to capture the existing work of the theme groups. This proforma will be shared and developed through the GLP Working Group.

Case for a Lancashire Strategic Intelligence and Data Analytics Unit
• Fifth commission for an Outline Business Case, estimated cost £10K, to be produced for month 6.
Phase Three: decide on whether there is a need for independent policy commissions? Week 37-38

Independent policy commissions

• Will be identified from the whole place review
• Key issues for West Midlands proved to be Productivity and Skills, Land and Mental Health
• Formulated as Independent expert Panels, deeper dive than Review, seeking deeper understanding, linking to what works from elsewhere, including internationally
• Estimated cost £50K per commission.
• These will work in parallel with the Greater Lancashire Plan and will be part of its continuous improvement.

Case for a Lancashire Strategic Intelligence and Data Analytics Unit

• Depending on OBC, a Full Business Case commissioned, estimated cost £40K
• This will necessarily link to moving away from a reliance on consultants, resources secured through national government and others and greater collaboration by working at scale.
Phase four: finalise the GLP
Weeks 38 - 44

Produce the Greater Lancashire Plan

- Authored independently and edited through the GLP Working Group
- Pulls economic growth, public reform and quality of environment together in a single overarching vision and strategic framework for future of Lancashire
- Primarily in-house, but supported by intelligent client support function.
- Collaborate closely with Government.

Establish Strategic Intelligence and Data Analytics Unit

- Finalise the FBC, and depending on the strength of the case, move to implementation plan

Making the case for a Greater Lancashire

- This will feature as a new phase of development, building on the co-development of this work with partners, including a new basis for dialogue with Central Government.

2. They explored how £400k could be released from the Strategic Economic Growth and Financial Sustainability Fund (SEGFSF) in this financial year to fund work on the Greater Lancashire Plan i.e. prior to the BR growth income being realised and available in this fund.

3. The Executive Body considered 2 options:

   Option 1 - That the advance funding is provided by one authority, or;

   Option 2 - That the advance funding is provided by pool members in proportion to their anticipated contribution to the fund based on NNDR1’s.

4. The Executive Body members present were minded to agree Option 2 and, subject to the views of those authorities not present, would be recommending this option to the next Governing Body meeting.

5. The table below shows the initial contribution which would be required from each pool member in the final column:

<table>
<thead>
<tr>
<th>Contribution to SEGFSF</th>
<th>All to underwrite proportionate to expected contribution to SEGFSF</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Blackburn with Darwen</td>
<td>445,648</td>
</tr>
<tr>
<td>Blackpool</td>
<td>0</td>
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<tr>
<td>Burnley</td>
<td>236,219</td>
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<tr>
<td>Chorley</td>
<td>177,840</td>
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<td>Fylde</td>
<td>137,497</td>
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<tr>
<td>Hyndburn</td>
<td>26,500</td>
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<tr>
<td>Lancashire</td>
<td>773,067</td>
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<tr>
<td>Lancashire Fire Authority</td>
<td>53,363</td>
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<tr>
<td>Lancaster</td>
<td>0</td>
</tr>
<tr>
<td>Pendle</td>
<td>69,242</td>
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<tr>
<td>Preston</td>
<td>38,913</td>
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<tr>
<td>Ribble Valley</td>
<td>147,776</td>
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<tr>
<td>Rossendale</td>
<td>94,801</td>
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<tr>
<td>South Ribble</td>
<td>244,386</td>
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<tr>
<td>West Lancashire</td>
<td>120,961</td>
</tr>
<tr>
<td>Wyre</td>
<td>148,302</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,714,515</strong></td>
</tr>
</tbody>
</table>
6. They will also recommend that there is an adjustment carried out at year end following production of NNDR3’s when actual outturn is known.

7. A full report from the Executive Body will be submitted to the next Governing Body meeting.