



LEP STRATEGY COMMITTEE – AGENDA ITEM 5

Subject: Developing our Local Industrial Strategy

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Meeting date: Wednesday 14th November 2018

Purpose

To update the Strategy Committee on progress with the Local Industrial Strategy Work Programme and seek views of the Committee on a series of key issues and decision areas.

Recommendations

The Strategy Committee is asked to

- a) Note the content of the report
- b) Note the progress against the programme plan
- c) Discuss the idea of scheduling a separate, informal session / workshop on December (provisionally the morning of Friday 14th December) so that the Committee members and Operational Steering Group can go through the evidence in detail and consider the emerging areas of focus and narrative
- d) Discuss how to secure a strong level of engagement, through a range of channels during the LIS process

Background

1. It was confirmed in July 2018 that Cheshire and Warrington was to be one of six LEPs invited as part of a second wave to develop a Local Industrial Strategy (LIS).
2. The Strategy Committee plays a key role in the development and timely delivery of the LIS, providing strategic governance and oversight to the process on behalf of the main LEP Board.
3. A presentation setting out the approach and key stages and timetable for the development of the LIS was provided at the September Strategy Committee meeting and subsequently at the LEP Board.
4. This paper provides an update on the progress since the September meeting and the key activities to be completed in the next three months. This includes a proposal for an additional, informal meeting of the Strategy Committee in December to review the emerging evidence base and, assuming arrangements can be concluded in time, meet the Panel of Experts being assembled by the LEP to provide external challenge to the process.

Discussion

5. The functions of the Strategy Committee in relation to the development of the LIS are to: -



- Provide strategic oversight and governance to the LIS process including updating the LEP Board as appropriate at key stages
- Provide direction to the Operational Steering Group (comprised of the LEP, Local Authority Growth Directors, BEIS and Metro Dynamics).
- Provide strategic input to the ongoing dialogue around areas of focus and narrative, as guided by the emerging evidence base
- Act as a conduit to key business and sector groups, helping to shape and deliver the LIS Engagement Programme

Work Programme

6. The latest work programme is attached at **Appendix A**. It sets out the key tasks (and progress against each) in a series of activity blocks: Evidence Review, Narrative Development, Governance / Reporting, Government Engagement and Stakeholder Engagement.
7. Development of the LIS is **currently on programme**.
8. The main area of focus to date has been completing the review of the evidence base and undertaking further, finer-grained analysis of that evidence against the five foundations of productivity (Ideas, People, Infrastructure, Business Environment and Place). When combined with the principle evidence from the refresh of the Strategic Economic Plan (SEP) this will provide a coherent, robust picture of the issues, opportunities and challenges facing our economy and start to highlight key areas where the LEP, its Local Authority partners and Government should focus efforts in developing potential interventions to either capitalise on strengths or address weaknesses.
9. When considering the evidence base and the insight gained from it, the LEP is using three principal 'lenses': productivity, earning power and economic resilience.
10. Work on developing that combined evidence base, and initial insight work is nearing completion. An initial engagement session with Analysts from BEIS was due to take place on Friday 9th November in Birmingham. The evidence pack is now substantial and **views of the Strategy Committee are sought on the idea of scheduling a separate, informal session / workshop on December (provisionally the morning of Friday 14th December) so that the Committee members and Operational Steering Group can go through the evidence in detail and consider the emerging areas of focus and narrative**. This would help in preparation for publication of a 'position statement' in January 2019 which would act as the catalyst for wider consultation with stakeholders and the public.

Expert Panel

11. Government is keen to see that the LEP has engaged widely to ensure that its thinking around the LIS has been challenged and tested. On the advice of the 'What Works Centre for Economic Growth' and following the example set by the three Pathfinder LIS areas, the LEP is in the process of establishing an Expert Panel to provide some external constructive challenge to our evidence and insight.



12. A shortlist of potential names has been drawn up following input from the LEP, Strategy Committee members, Local Authorities and others and initial approaches made. At this stage, the shortlist will remain confidential, but a verbal update on progress will be given at the meeting.

Engagement

13. As mentioned earlier, Government has emphasised the importance of demonstrating effective engagement during the development of the LIS, especially with business. An Engagement Programme is being developed (hopefully a draft of this will be circulated in advance of the meeting) and an initial series of focused events have been scheduled between now and February covering: -

- Life Sciences Sector (7/10/18)
- Chemicals Sector (14/12/18)
- Manufacturing Sector (16/1/19)
- Energy and Low Carbon Sector (15/1/19)
- Community and Voluntary Sector / Social Enterprise (6/11/18)
- Finance and Business Services Sector (January 2019 – in conjunction with the Business Services Association)
- Ellesmere Port Development Board (23/11/18)

14. A series of larger scale events at different locations across the sub-region, aimed at a broader range of stakeholders, is being arranged for the first quarter of 2019 to coincide with the publication of a position paper which will set out the key findings from the evidence and analysis work and some proposed areas of focus, in line with the priorities already outlined in the SEP, the five foundations of productivity and the Grand Challenges contained within the national Industrial Strategy.

15. **It is hoped that members of the Strategy Committee will play an active role in this engagement activity, and thoughts of the Committee on how to secure a strong level of engagement, through a range of channels, would be welcomed.**

16. There will also be regular engagement with Government throughout the process of developing the LIS, with this being at an increasing level of seniority within Whitehall at each stage, and ultimately with Ministers.

Resourcing

17. The LEP has submitted a response to BEIS setting out how it would utilise the additional resource funding on offer from BEIS to develop a Local Industrial Strategy as part of the LEP Review. A Paper setting this out in detail is attached as **Appendix B**.
18. It is proposed that a significant proportion of the additional funding would be used to bring in additional short-term resource to work with the LEP Policy and Strategy Manager on key areas of LIS development. This is likely to be a mixture of additional consultancy support but also possibly an additional member of staff on a fixed-term appointment.



19. It is also proposed that a proportion of the funding be ring-fenced to support specific LIS-related activity within each Local Authority area and a process for allocating that resource is currently being developed.