



# Central Lancashire City Region Development Programme



the **city** with room to **breathe**





## Contents

---

1	Executive Summary .....	4
2	Introduction.....	6
3	What We Have Achieved .....	10
4	Understanding Central Lancashire .....	16
5	The Strategy for the Central Lancashire City Region .....	30
6	Our Framework for Growth.....	34
7	Moving Forward.....	46
8	Lancashire Economic Partnership Forum 06-07 .....	52
9	References .....	53
10	Glossary .....	54
11	Further Information.....	54

## Executive Summary

**1.1** Central Lancashire is unique among contemporary City Regions in the UK. The economy is a sophisticated mix of advanced manufacturing firms (the largest concentration outside the South East), an emerging high value office economy and the most comprehensive tourism proposition in the North. Central Lancashire currently generates £15 billion GVA and supports half a million jobs<sup>1</sup>. Truly “polycentric”, with a strong network of urban centres, its setting is one of outstanding natural beauty encompassing areas of attractive coastline, estuary and open countryside. Central Lancashire is the “City with Room to Breathe”.

**1.2** This is the updated Central Lancashire City Region Development Programme (CRDP). It provides a strategic focus for driving up productivity levels in the City Region, delivering 55,000 additional jobs and boosting GVA levels by up to £2 billion. The CRDP is focused on optimising the contribution that Central Lancashire can make to the performance of the Northern economy and critically, bridging the estimated £4bn productivity gap that currently exists between our city region and the English average. Our proposals form an important part of a wider strategy to enhance Northern economic performance under the Northern Way agenda.

**1.3** The CRDP deals with transformational change in economic performance over a fifteen year period based on a realistic assessment of the City Region, its economic geography, unique characteristics and areas of need and latent potential.

**1.4** The CRDP has been prepared in the context of other key strategies and as such is fully compatible and complementary to the North West Regional Economic Strategy<sup>2</sup> and the Regional Spatial Strategy<sup>3</sup>. The Lancashire Economic Strategy and Action Plan provide the principal delivery mechanisms at project level.

**1.5** Delivery of the strategy is made possible through strong collaborative working across the City Region and this is an area where Central Lancashire has excelled and made notable advancements since the preparation of the first CRDP (2005)<sup>4</sup>. However, in order to deliver our potential there are areas where Central Government Departments and funding agencies need to further contribute. Our requirements in delivering and realising the full economic contribution of the CRDP are provided for consideration in this updated Development Programme.

## The Strategy

**1.6** The strategic objective for the updated Development Programme is: “Working Together to Build a Globally Competitive City Region”. This objective resonates with the key actions of the Regional Economic Strategy and Lancashire Economic Strategy. It is an acknowledgement that in order to remain dynamic in the global economy it is necessary for Central Lancashire to shift its existing sectors up the value chain and enhance the proportion of businesses utilising knowledge as a basis for competitive advantage and improved trading. Through this we aim to deliver a stepped improvement in Lancashire’s position in the global knowledge economy, and we will deliver by focusing our efforts on:

# 1

## Executive Summary

<sup>1</sup> Lancashire Economic Partnership (2006) - ‘Lancashire Economic Strategy’, the majority of the economic and forecast information within the CRDP is based upon this document. This provides a single evidence base for both the City Region and sub regional areas

<sup>2</sup> North West Development Agency (2006) – “Northwest Regional Economic Strategy 2006”

<sup>3</sup> North West Regional Assembly (2006) – “Draft Submitted Regional Spatial Strategy for North West England”

<sup>4</sup> Lancashire Economic Partnership (2005) – “City Region Development Programme, First Iteration”

- HIGHER VALUE ACTIVITY AND INVESTMENT
- INVESTING IN PEOPLE
- EMPLOYMENT GENERATION & ENTREPRENEURSHIP
- INVESTMENT IN QUALITY OF PLACE

**1.7** This is a challenging agenda. However the magnitude of benefits that will be delivered will ensure Central Lancashire contributes more to the national economy and offers an unparalleled quality of life and opportunity to all of its citizens.

### Our Framework for Economic Growth

#### VISION 2020

**By 2020 Central Lancashire will be a globally competitive and sustainable City Region distinguished by its quality of life, connectivity, and access to opportunities**

**1.8** A vision has been devised for the City Region to help articulate our shared objectives and to enable us to measure how far we have travelled in achieving this vision. This builds on a number of principles including:

- The need to work with our existing portfolio of businesses and growth sectors to enable them to make the transition to competitive trading in a global environment;
- The need to provide connections that support the greater integration of the City Region and promote sustainable patterns of travel;
- The need to capitalise upon our existing economic drivers, including knowledge based businesses, quality of life and environmental assets; and

- The need to ensure that the opportunities created are accessible and lead to enhanced levels of economic participation and inclusion.

**1.9** In preparing a programme to deliver the Vision for Central Lancashire we have particularly focused on extracting more value from the City Region's unique assets. This forms the basis of our framework for accelerating growth and delivering improved productivity. We have devised an Economic Growth Framework comprising four key projects, supported and enhanced by an Enabling Framework.

**1.10** Our key projects within this framework include proposals to reinforce and expand our dynamic advanced manufacturing sector; transform Blackpool into a 21st century resort destination of choice; realise Preston's latent potential as a successful city; and negotiate transition and growth in Pennine Lancashire via its Transformational Agenda.

**1.11** The Enabling Framework provides a sustainable basis for growth. It provides the labour force, business, education, skills, connectivity and urban and green infrastructures which are required to stimulate growth and secure productivity gains.

**1.12** The benefits of the Framework for Economic Growth include creation of 55,000 jobs and generation of £1.6 billion additional GVA. Factoring in the combined outputs of the Enabling Framework we are confident that the CRDP will deliver a £2bn improvement in productivity over the next 15 years. This represents a substantial contribution to the Northern Way and a step change in Central Lancashire's performance and prospects.

### Our Framework for Economic Growth





# 2

## Introduction

## **The city with room to breathe:**

In 2004 the Northern Way Growth Strategy provided further impetus for core partners to work closer together. This document sets out how we intend to achieve our shared vision for the City Region.



## Introduction

**2.1** The Central Lancashire City Region is the third largest economy in the North of England, generating Gross Value Added (GVA) of some £15bn, which is equivalent to the total output of the Merseyside sub-region. With 40,000 firms, grounded in a mix of traditional, emerging and dynamic growth-oriented sectors, the economy currently supports 500,000 jobs. The city region houses some of the nation's premier economic assets. These include the single largest concentration of advanced manufacturing outside of the South-East, supporting 50,000 high-value jobs, together with the strongest city-region tourism proposition in the North.

**2.2** Central Lancashire is truly polycentric, with a strong network of urban centres forming the economic backbone of a city region that is set within an outstanding natural environment taking in coast, city and countryside. This geography, when coupled with the existing economic base and its potential, makes for a city region that is poised to act as a powerful complementary addition to the city regions of Liverpool and Manchester in the North West, and to the rest of the national economy more widely.

**2.3** In 2004 the Northern Way Growth Strategy provided the impetus for core partners in Central Lancashire to begin to work together to accelerate economic growth and deliver a step change in the quality of life and business in the city region. We came a long way in a short space of time, and gave a flavour of our offer and what we could achieve in our first City Region

Development Programme (CRDP). Although universally commended for our progress, we were keen to absorb and action the constructive feedback we received, and have used this to inform this updated version of our CRDP.

**2.4** We are proud of what we have achieved over the last year. We have begun delivering key economic projects on the ground, which is already resulting in enhanced growth and economic performance. Examples include delivery of the first phases of Blackpool's transformational Masterplan for the resort, the early remodelling of Blackburn town centre and key employment sites, and the continued market-led metamorphosis of Preston into a high performing, vibrant young city. In policy terms, the co-operation of partners has delivered results that should not be underestimated. Indeed, the new Regional Economic Strategy for the North West recognised the status and potential of the Central Lancashire City Region, and included it along with Liverpool and Manchester as one of three key building blocks for the future of the North West economy; central government interest in the city region's assets, barriers and potential has never been greater; and partners have formally constituted themselves through the creation of the Lancashire Economic Partnership (LEP). We outline in detail what we have achieved in Section 3.

**2.5** In Section 4 we showcase our firm understanding of our economy and geography, which utilises the unprecedented evidence base



we have developed over the previous year. During this time we also framed a sophisticated strategy for the growth of our city regional economy. The sole aim is to move the economy, and its component parts, “up the value chain”. We introduce our strategy in Section 6, and follow this with our framework for accelerated growth in Section 6.

**2.6** Our framework for economic growth will deliver an additional £1.6 billion GVA and 55,000 jobs, to the city region’s economy over the next 15 years. These proposals are informed by the robust economic analyses we have undertaken, and hinge upon four key projects and a suite of supporting enablers. Our key projects include proposals to reinforce and expand our dynamic advanced manufacturing sector; transform Blackpool into a 21st century resort destination of choice; realise Preston’s latent potential as a successful medium-sized city; and successfully negotiate transition and growth in Pennine Lancashire<sup>5</sup> via its transformational agenda.

**2.7** We will only succeed in delivering this high-value, sustainable economy and environment if we pursue the enabling actions with equal gusto. Indeed, our framework also includes measures to expand FE/HE provision across the city region, increase enterprise levels, meet demographic challenges, develop our housing offer in line with the economy, and provide the transport

infrastructure critical to compete in the 21st Century market.

**2.8** We are confident that the combined effect of our key projects and enabling framework will be to boost GVA levels by up to £2 billion over the next 15 years. This will significantly contribute to addressing the £4 billion GVA gap identified and will secure the future sustainability of our economy. However, this is only the first stage of the longer-term City Region Development Programme for Central Lancashire. We realise that additional work is required in subsequent years to design and implement the next generation of economic growth projects that will boost our economic performance further.

**2.9** We recognise that this is a formidable agenda. Certainly, we understand that partners in the Central Lancashire City Region will need to continue to find more effective ways of doing things in the future if we are to achieve our potential. Furthermore, in addition to the vital contribution of the private sector, there are things that we will need from regional and national government. We are mindful of powerful external influences such as the Comprehensive Spending Review, Lyons Inquiry and forthcoming White Paper. In the final section (7) of this CRDP we expand on these issues, and discuss our thinking for the future of the Central Lancashire City Region – the city with room to breathe.

<sup>5</sup>“Pennine Lancashire” is used to refer to the area of East Lancashire characterised by high amenity landscape, recreation, urban living and regenerative potential as detailed in the Livesey Wilson “Dreaming of Pennine Lancashire” report of 2005



# 3

## What We Have Achieved

## The city with room to breathe:

There is a real sense of optimism within Central Lancashire and a commitment to working together. In this section we describe how the partners have delivered on a number of promises.



Partners from across the City Region  
at the Guild Hall, Preston

## What We Have Achieved

**3.1** Our initial Development Programme represented the first opportunity for Partners to articulate a collective view as to the strategic priorities for investment across Central Lancashire. It was prepared within a very short timescale and also within the context of joint working in Lancashire, which was at an embryonic stage. Considerable progress was made within this short timescale. In producing the updated Development Programme, we have developed this collaborative approach, we have significantly enhanced our understanding of Central Lancashire and we have refined our approach to growing and supporting the economy. We have become more effective at clarifying and describing what makes Central Lancashire distinct and unique and have accordingly developed our ability and confidence to devise appropriate interventions and a focused strategy for boosting productivity levels.

**3.2** The updated Development Programme addresses the key issues identified in feedback discussions between the City Region Partners, the Northwest Development Agency and Northern Way Secretariat, in providing a more complete picture of the undoubted strengths and opportunities that exist in Central Lancashire. Our contribution to the pan-Northern narrative is contained within this document, which will assist in influencing national policy both leading up to the Northern Way submission to the Comprehensive Spending Review, and beyond.

## What Have We Achieved Since the First CRDP?

**3.3** There is a real sense of optimism within Central Lancashire and a commitment to working together.

**3.4** The partners have delivered on a number of promises. A flavour of our achievements to date is provided below under the themes of

- Developing the Evidence Base;
- Developing Strategy; and
- Delivery.

## Developing the Evidence Base

**3.5** We have developed a sophisticated understanding of Central Lancashire's dynamics. Key to this understanding has been the economic and labour force analysis undertaken in support of the first pan Lancashire Economic Strategy. We have spent considerable time researching and testing our City Region's spatial and economic dynamics and the external relationships that exist with adjacent city regions.

**3.6** Our approach has been to take a "long view" of where we want to be in economic terms and the competitive pressures that we are likely to encounter in implementing the Development Programme. We have progressed our understanding of Central Lancashire's position in the global knowledge economy, benchmarking our performance against other comparator regions in Europe. We have also mapped out sectoral clusters in order to better understand and plan for areas of competitive advantage and specialism within the City Region.

We have incorporated the latest Northern Way research into our approach to the updated Development Programme and have been fully cognisant of regional intelligence supporting the Northern Way and the development of the Regional Economic Strategy (RES) and Regional Spatial Strategy (RSS).

## Developing Strategy

**3.7** We have prioritised development of the first Lancashire Economic Strategy to guide and prioritise investment across the county. This has involved extensive consultation with partners in the public, private and voluntary sectors to build a shared understanding of the economic potential of the County and City Region areas. We can now boast not only full endorsement of the Economic Strategy but also cross-boundary agreement on economic priorities for the sustainable development of our economy. This is a significant advancement in partnership working in its own right.

**3.8** In tandem with the Strategy development, we have continued to develop and refine local and sub-regional policy across Central Lancashire. We have been successful in influencing the role and prominence played by the City Region in the context of the RES and RSS respectively. Local Development Frameworks are being evolved in accordance with the wider context and ambitions of the Lancashire Economic Strategy and this updated Development Programme.

**3.9** We have continued to progress complementary strategies which will provide a basis for delivering and informing delivery of aspects of our Development Programme. Among these strategies are:

- Manufacturing Study<sup>6</sup> – investigating the condition of east and west Lancashire's manufacturing base and the challenges which the industry faces. This study forms the basis for the planned response to "reinforcing advanced manufacturing" as featured in Section 6 of the Development Programme;

<sup>6</sup> Lancashire Advanced Manufacturing Group (2006) – "Manufacturing Study"



Delivering in the Central Area:  
Vernon-Carus Ltd based on Matrix Park, part of the Buckshaw Village project on the former Royal Ordnance site

- Lancashire Skills Strategy<sup>7</sup> – a sub-regional level strategy for Lancashire with particular emphasis on creating the right quality of workforce to facilitate economic growth;
- Lancashire Rural Strategy<sup>8</sup> – focusing on the potential contributions that Lancashire's rural areas and market town economies can make to the City Region; and
- Lancashire Employment Land Strategy<sup>9</sup> – the first pan-Lancashire Employment Land Strategy to be devised and collectively agreed by the partners. It provides a City Region approach to the development of key sites and will be instrumental in unlocking the City Region's growth potential.

### Delivery

**3.10** We have advanced our governance structures through the formation of the Lancashire Economic Partnership, which is charged with facilitating delivery of the CRDP. The partnership represents a wide cross section of interests including health, transport, tourism, housing, education, training and business support. LEP has a Board and Forum including local government, higher education, voluntary and community sectors, as well as strong private sector representation including BAE Systems, United Utilities and Springfield Fuels Ltd. The City Region Steering Group is chaired by a private sector representative.

**3.11** In March 2006, the Northwest Development Agency and the Lancashire Economic Partnership signed a binding Memorandum of Understanding, to ensure closer working ties between the two organisations. The Memorandum reinforces the organisations' shared commitment to driving forward the economic development and regeneration of Lancashire as part of the delivery of the Northern Way programme.

**3.12** Partners across the City Region have been delivering the key projects within our economic growth framework and putting in place the necessary strategy and policy measures to ensure delivery of the wider Development Programme.

**3.13** The City Region hosted a Ministerial visit in June 2006 which provided an opportunity to demonstrate and raise awareness of Central Lancashire's unique proposition and significant economic potential in the context of the Northern Way.

**3.14** On the Fylde coast delivery of the New Blackpool is proceeding apace. ReBlackpool (URC) is already delivering key projects from its programme to transform the physical fabric of the resort into a 21st century destination of choice. Central Corridor Phase 1 has been completed, and work has begun on an £80m remodelling of the promenade. Town centre redevelopment has commenced, and ambitious plans have been produced for the growth of Blackpool Airport.

**3.15** Crucially, Blackpool has been shortlisted for the single regional casino license, and local partners and Lancashire Economic Partnership have been instrumental in assisting the Council in making the case to the Casino Advisory Panel. The Casino Training Alliance and Gaming Academy have been established to ensure that local people benefit from this catalytic development, and the first graduates have already taken casino-based employment in the town and beyond.

**3.16** In the "central area"<sup>10</sup> partners have been collaborating on a series of initiatives which will drive forward delivery of the Development Programme at an accelerated pace. The establishment of Preston Vision Board and preparation of an Economic Regeneration Strategy and Action Plan<sup>11</sup> to guide investment

<sup>7</sup> Lancashire Skills and Employment Task Group (2006) – "Draft Lancashire Skills Strategy"

<sup>8</sup> Lancashire Economic Partnership (2006) – "Lancashire Rural Strategy – Co-ordinated Actions for Rural Lancashire"

<sup>9</sup> Lancashire Economic Partnership (2006) – "Lancashire Employment Land Study"

<sup>10</sup> Defined herein as Preston, South Ribble and Chorley local authority areas

<sup>11</sup> Preston Vision (2005) – "Economic Regeneration Strategy and Prioritised Action Plan"

has constituted a major step forward in planning to accommodate economic growth in a sustainable manner. Chorley has prepared a complementary Economic Regeneration Strategy<sup>12</sup> to guide development of the borough's economy in the context of the City Region. South Ribble has also prepared an Economic Development Strategy<sup>13</sup> to address the key economic issues and opportunities in the borough. Partners have also collaborated on developing a Joint Core Strategy<sup>14</sup> and a joint office market needs assessment<sup>15</sup>. This study profiles the market potential for commercial office space in Preston and the central area and will be instrumental in capturing demand emanating from higher value and knowledge based businesses.

**3.17** Pennine Lancashire has delivered on multiple fronts. The establishment of ELCHEX – the Chief Executives group for East Lancashire authorities<sup>4</sup> – has provided a clear basis to drive the economic regeneration of the area. ELCHEX is currently developing its Transformational Agenda Strategy, and articulating the explicit contribution that it will make in the context of the wider City Region Development Programme. Pennine Lancashire now benefits from an unprecedented level of economic and housing market intelligence and a formidable research base related to the area's manufacturing industry and its future potential. The completion of the East Lancashire Sustainable Employment Land Strategy (and establishment of an East Lancashire Employment Land Group) represents a collective advancement in planning for economic growth. Blackburn with Darwen has been successful in the award of City Strategy Pilot status on Worklessness.

**3.18** Elevate have secured an additional £94.9m funding for 2006-08 – the largest increase of any of the HMR Pathfinders. This is being used to restructure the housing market to support economic regeneration. Elevate and partners are working to maximise the economic impact of this investment for the local area and the City Region as a whole. This is an important part of the wider Transformational Agenda for Pennine Lancashire.

### How Influential Have We Been?

**3.19** The Northern Way Secretariat recognised the considerable progress that had been made in producing our initial Development Programme and laid down the challenge to move forward with the key regional bodies.

Delivering on the Fylde Coast: part of the £80 million remodelling of the promenade in Blackpool



**3.20** We believe that we have made considerable progress in this regard. The Lancashire Economic Strategy will be used to guide the investment plans of a wide range of stakeholders.

**3.21** We have been particularly influential in informing the 2006 Regional Economic Strategy. Our City Region is recognised alongside that of the Manchester and Liverpool City Regions. Perhaps our greatest achievement is that Preston is now recognised alongside Manchester and Liverpool as a key driver of city-regional growth.

**3.22** The draft Regional Spatial Strategy has been submitted to the Secretary of State for the Department for Communities and Local Government with the growth and development of the Central Lancashire City Region firmly embedded in the overarching vision for the North West. As the key body determining regional spatial priorities for housing, employment and transport specifically, Central Lancashire partners will continue to work with the North West Regional Assembly.

**3.23** We have also been successful in influencing the activities of other public sector agencies. The Learning and Skills Council in Lancashire is leading the preparation of the Lancashire Skills Strategy. This is being taken forward using the Development Programme as the guiding framework and accepted evidence base. This also addresses a recommendation of our initial Development Programme, which was for the Learning and Skills Council to develop a more disaggregated and bespoke approach to skills

<sup>12</sup> Chorley Borough Council (2005) – "Economic Regeneration Strategy"

<sup>13</sup> South Ribble Borough Council (2006) – "Economic Development Strategy"

<sup>14</sup> Commissioned jointly by Preston City Council, South Ribble Borough Council and Chorley Borough Council (2006) – "Central Area Joint Core Strategy"

<sup>15</sup> Commissioned jointly by Preston City Council, South Ribble Borough Council and Chorley Borough Council and produced by Drivers Jonas (2006) – "Joint Office Market Needs Assessment"

<sup>16</sup> ELCHEX includes both public and private sector representation

<sup>17</sup> Elevate (2005) – "The Transformational Agenda: Housing Market Renewal in East Lancashire. Scheme Update 2006 -19"



policy that recognises the distinctiveness of the Lancashire economy.

**3.24** Central Lancashire's Higher and Further Education institutions have been at the forefront of the economic agenda across the sub-region. The Higher Education in East Lancashire (HEEL) group, involving the University of Central Lancashire, Lancaster University and the five FE Colleges, has developed a HEFCE-funded proposal<sup>18</sup> to increase participation to an additional 4,500 students at "University Centres" within Pennine Lancashire. This specifically takes forward a recommendation of the Pennine Lancashire Transformational Agenda<sup>19</sup> and starts to address a key risk factor facing the future growth of Central Lancashire.

**3.25** In a similar vein, Job Centre Plus has been central to addressing the worklessness issues faced in Blackpool – amongst the very worst nationally – as part of the Pathways to Work Pilot. Again, the City Region Strategy and the evidence base underpinning it has been influential in shaping the programme activity.

**3.26** In developing the Updated Development Programme, a number of Working Groups<sup>20</sup> have been established, which contain a wide representation from a number of public sector delivery agencies and private sector interests. These workgroups are co-ordinated by the Partnership with the specific intention to develop our understanding of the most important thematic and spatial issues facing Central Lancashire. We provide an overview of the progress and outcomes of these workgroups in subsequent sections of the Programme, but the crucial point is that the Central Lancashire

partners are now working towards a common goal - 'One-Voice' influencing national and regional policy.

**3.27** We have also engaged the private sector in developing our understanding of Central Lancashire and developing a strategic response through the Development Programme. A tangible example of private sector engagement is the Manufacturing Study led on behalf of the Chamber of Commerce, employers and LEP. The importance of manufacturing is crucial to the sustainability of the Lancashire economy and the Study has provided a more in-depth appreciation of the challenges and opportunities which exist. The Study involved key sectoral and business representatives in setting the evidence base and designing responses. Key project outcomes include the establishment of an Advanced Manufacturing Academy and an Aerospace Innovation Park at Sablesbury.

### Summary

**3.28** Over the period of a year the partners have acted collaboratively to develop an analytical understanding of the City Region and to agree common priorities for economic growth and diversity. The resulting Lancashire Economic Strategy provides an essential context for action and investment in the City Region.

**3.29** We have invested in addressing gaps in the City Region research and policy framework and have produced a series of influential strategies which will assist in targeting action in the future and measuring our successes. Equipped with a more complete understanding of the City Region, its challenges and opportunities, we have successfully influenced regional policy development and ensured that the City Region's interests are championed and protected.

**3.30** In the next section we will demonstrate an enhanced understanding of the City Region, its functional areas, quality of place and economic opportunities.



Delivering in Blackburn: Investment in a vibrant, contemporary town centre

<sup>18</sup> Higher Education East Lancashire Group (HEEL) – Higher Education Funding Council England submission

<sup>19</sup> East Lancashire Chief Executives (ELCHEX) – "Transformation Agenda Strategy"

<sup>20</sup> Advanced Manufacturing, Physical Connectivity, Virtual Connectivity, Enterprise, Sustainable Urban Growth, Rural, Higher Education, Worklessness, Skills and Marketing.



# 4

## Understanding Central Lancashire

**The city with room to breathe:**  
Central Lancashire is an area of contrast, culture, heritage and economic vitality. This section describes the functional areas, quality of place and economic opportunities.

Riversway Docklands - Preston



## Understanding Central Lancashire

**4.1** Since the first CRDP for Central Lancashire was produced, the partners have been working collaboratively to devise shared economic priorities and to articulate these through the Lancashire Economic Strategy and Action Plan. This strategy represents a significant advancement in our understanding of Central Lancashire, the way in which it functions and its future potential.

**4.2** The Lancashire Economic Strategy is underpinned by a thorough economic and labour market analysis that charts past and current trends along with the economic trajectory for the City Region. The economic analysis permits a more sophisticated understanding of Central Lancashire's competitive advantages – which provide the “building blocks” for the CRDP. It also identifies impediments to higher levels of economic and labour market performance – informing the range and scope of enabling projects which support delivery of the CRDP.

**4.3** In this section our clear understanding of the City Region is demonstrated through analysis of:

- The Distinctive Qualities of Central Lancashire;
- The Spatial Drivers;
- Spatial and Economic Linkages;
- The Economic Drivers; and
- The “Quality of Place” Drivers of the City Region.

**4.4** The section concludes with an assessment of the economic opportunities which will drive the performance of Central Lancashire over the next 15 to 20 years and which will facilitate the City Region's contribution to the Northern Way.

## The Distinctive Qualities of Central Lancashire

**4.5** Central Lancashire is an area of contrast, culture, heritage and economic vitality. In writing this updated Development Programme we have captured and responded to what are the unique and distinctive qualities of Central Lancashire. They are:

- **Polycentric Urban Form** – Central Lancashire's “polycentric urban form” is unique in the context of UK city-regions, although there are notable examples of polycentric city regions outside the UK performing a similar function. The Ruhr region in north west Germany and Silicon Valley in the United States both have similar polycentric urban characteristics and a self contained economic functional area. Within Central Lancashire, Preston is the focus for

higher value knowledge based employment (see Figure 2, page 23). However, the other principal urban settlements perform important economic functions in their own right and there is evidence to demonstrate emerging clusters of higher value employment in these locations.

- **The Rural-Urban Dynamic** – Nowhere else in the north west of England is the countryside so accessible to so many people. Central Lancashire's principal urban settlements are unique in their proximity to outstanding open countryside, enabling access for leisure and recreation on an unprecedented scale.
- **Scale** – One of the distinctive benefits of life in Central Lancashire, unlike other major conurbations across the UK, is the scale of our towns and cities. We have retained a compact urban form which allows a high level of interaction between countryside and urban settlements and contributes to a real sense of a “City with Room to Breathe”. Central Lancashire offers an unparalleled quality of life and economic opportunity.
- **Advanced Manufacturing Cluster** – Our City Region is home to the largest cluster of advanced manufacturing and specialist engineering outside the South East. The aerospace industry is a defining feature of the advanced manufacturing economy in Central Lancashire. A recent contract secured between BAE Systems and Saudi Arabia and worth in the order of £6bn will contribute to the sustainability of this economy<sup>21</sup>. Central Lancashire also has an established specialism in nuclear fuels with the presence of Springfield Fuels Ltd making a considerable contribution to economic performance and employment. The City Region has evolving areas of competitive advantage in chemicals, electronics and optical equipment, paper and printing and recorded media sectors. The co-location of these sectors in Central Lancashire offers a real opportunity to grow the economy and to maximise areas of competitive advantage.
- **Tourism and the Visitor Economy** – Blackpool is at the vanguard of the UK tourism industry. It provides employment in the order of 55,000 jobs and accounts for over 50% of the value of the North West visitor economy<sup>22</sup>. The reinvigoration of Blackpool, being championed by the Urban Regeneration Company, will help to realise the full economic potential of this asset to the City Region and will “anchor” the visitor offer. Alongside Blackpool, Central Lancashire offers a diverse visitor economy spanning the outdoor recreation opportunities associated with Pennine Lancashire and the

<sup>21</sup> Source: NW Business Insider Magazine (online)

<sup>22</sup> Source: Steam Model sighted in CLCRDP1

Central Lancashire City Region is served by an excellent motorway network



Regional Parks and the leisure and retailing attractions of Preston City Centre and those evolving in Blackburn and Burnley town centres.

- **The Economic Value of the Rural Area** – The areas of the Pennine Lancashire, the Ribble Valley and the Fylde Coastal Plain form the “green heart of Lancashire”. The environmental quality of Lancashire sets it apart from the North West’s other City Regions but it is the economic importance of rural Central Lancashire which is often overlooked.
- **Unique Role of Market Towns** - Our analysis has demonstrated that Central Lancashire’s polycentricity extends far beyond the principal towns to the smaller market towns, which perform such an important function as key service centres to rural areas. Analysis of higher value services and manufacturing demonstrates that the market towns are hubs for higher value activity in their own right. They form an essential part of the Central Lancashire economy and their economic role and strength is unique within the context of UK city regions.
- **City Region Diversity** – Central Lancashire is home to a diverse, multi-cultural community. This diversity is reflected in the richness of community and cultural life and the diverse programme of events and festivals across Central Lancashire. A key strength of our City Region is the economically active and skilled population that is attracted to the area from outside the UK and in particular the EU accession states. Partners across business,

higher education and skills sectors are working to devise responses to engage the working population joining Central Lancashire.

### Spatial Drivers of the Central Lancashire Economy

**4.6** Central Lancashire is a polycentric City Region. Three principal urban settlements drive the City Region economy and are the focus for travel to work movements from the surrounding towns and villages. The principal urban settlements are Preston, Blackpool and Blackburn. Brief descriptions of each of these spatial drivers are provided below as a context for the economic and labour force analysis that follows:

#### Preston

**4.7** Preston is England’s newest city, having been awarded city status in 2002. The City acts as the geographic, commercial and administrative centre of Lancashire and has been reinforcing its position in those sectors which have been particularly dynamic over the last 15 years – public administration, financial, business and computing services. The headquarters of Lancashire County Council are based in the City, along with the county’s crown courts and a wide range of regional offices of public agencies. The main campus of the University of Central Lancashire is based in Preston providing 3,000 jobs and a location for 25,000 students from the region, the UK and the rest of the world. Preston is the number one shopping destination in Lancashire, according to the Experian Retail Ranking Analysis. Preston itself is home to 90,000 jobs and is a substantial net importer of labour – it has also experienced one of the fastest rates

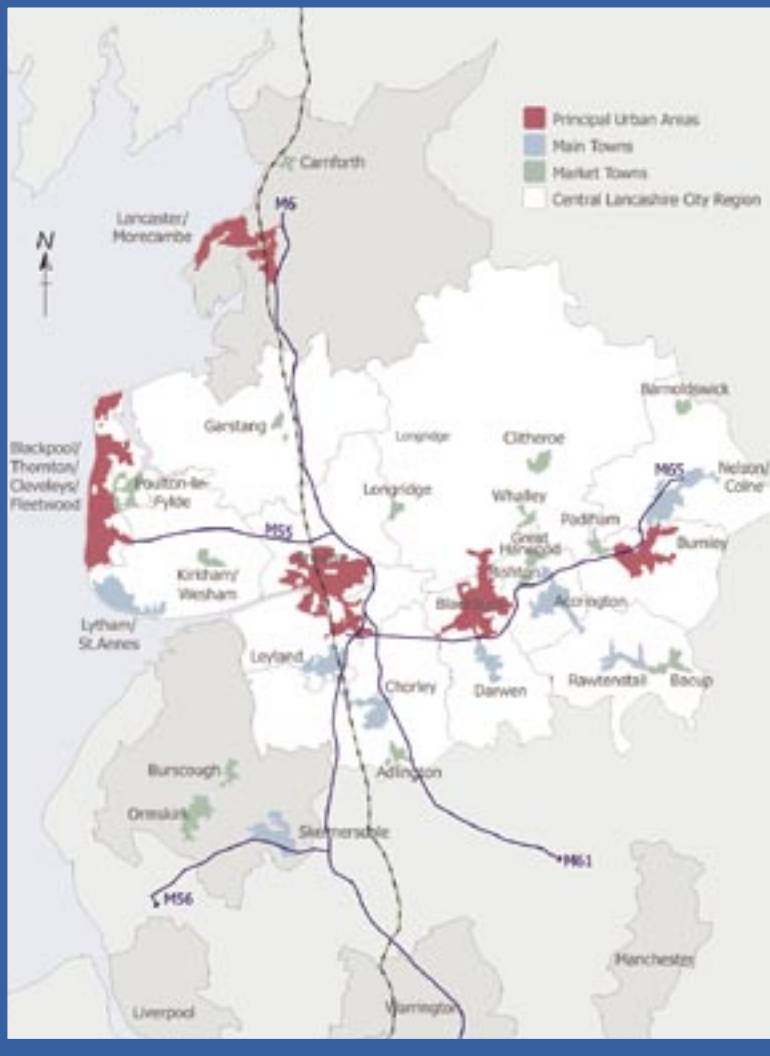


Figure 1: Map of Central Lancashire City Region

of employment growth across all NW districts in the last 4 years (+35%). Work for Preston CC by KPMG clearly identifies the City at the heart of a wider travel to work area also comprising South Ribble, Chorley and parts of Fylde (each of which offer important employment locations complementing the Preston offer). Economic forecasts for this travel to work area suggest a growth rate over the next 10 years well in excess of the regional average, and more akin to national growth rates<sup>23</sup>.

### Blackburn

**4.8** Blackburn and its immediate hinterland provides a strong manufacturing base, with extensive supply chain linkages to our aerospace, advanced manufacturing and IT clusters. Large manufacturing employers in the borough include Akzo Nobel Decorative Coatings (who manufacture paints), LG. Philips Displays and Thwaites (brewery). There are a host of other medium sized companies engaged in a wide range of manufacture from electronic circuitry

to paper and paper based products. The opening of the M65 has had a positive impact on the economy, helping Blackburn to successfully diversify its economic base in recent years. In 2005 it was the NW Capital of Enterprise and CAPITA plc is a recent major inward investor, providing contact centre services for BBC TV licences from its call centre at India Mill in Darwen. It is also a well established administrative centre - Blackburn with Darwen Borough Council is a four star rated local authority and is the largest employer in the borough, with around 8,000 staff; East Lancashire Hospitals Trust employs a further 3,000. Blackburn with Darwen as a whole supports some 62,000 jobs and is a net importer of labour<sup>24</sup>.

### Blackpool

**4.9** Blackpool specialises in leisure and tourism, and is a nationally recognised leisure brand. The town's economy is centred predominantly around the service sector, which accounts for over 89% of jobs. The dominance of the service sector reflects the importance of Blackpool's tourist industry. There has been no tradition of heavy industry in Blackpool, but the town has manufacturing specialisms in vehicles, food and drink, plastics and aircraft components. Blackpool is also an important administration centre, accommodating large national and regional office headquarters such as the Bonds and Stock Office and the Department of Work and Pensions, as well as banking, insurance and commercial service. Blackpool is home to some 56,000 jobs, and the implementation of the casino led masterplan is forecast to generate an additional 22,000 jobs (gross) in the period to 2015<sup>25</sup>.

### Other Urban Centres

**4.10** Burnley is also an important source of economic activity for Central Lancashire. It has an employment base of some 35,000 and plays a key role in our advanced manufacturing base. Key employers include Smiths Aerospace Components and TRW Automotive (which manufactures switch and electronic controls for various automotive components). The town provides a crucial retail and service base for large parts of Pennine Lancashire and has played an active role in the continued diversification of the economic base of the City Region with a number of recent (service sector based) investments.

**4.11** Central Lancashire's polycentric characteristics and the presence of three strong spatial drivers of the economy is illustrated at Figure 1.

The principal urban settlements form part of a polycentric urban network within Central

<sup>23</sup> Preston Vision (2005) – "Economic Regeneration Strategy and Prioritised Action Plan"

<sup>24</sup> Source: Blackburn with Darwen Council

<sup>25</sup> Lancashire Economic Partnership (2005) – "City Region Development Programme, First Iteration"

Lancashire which is connected by an east-west road and rail infrastructure. Within this network there are a series of smaller market towns and key service centres which act as economic hubs in their own right.

**4.12** The analysis supporting the Lancashire Economic Strategy has identified a series of functional housing market and travel to work areas which form a basis to plan sustainably for future investment within the City Region. These areas conclusively demonstrate that Blackburn, Blackpool and Preston are the principal urban settlements within the City Region.

**4.13** The CRDP contains an Economic Growth Framework which is predicated upon the strengthening of major economic drivers. Investment and development of these drivers will lead to a greater labour force requirement across the established travel to work areas. The CRDP also contains “enabling” proposals that seek to improve internal connectivity and facilitate sustainable patterns of travel between the principal urban settlements.

**4.14** Travel to work patterns are a key indicator of the relative strengths of connections and relationships between districts. Large cumulative flows indicate stronger relationships and the calculation of net flows indicates the key employment centres and the relative scale of their catchments.

**4.15** From the analysis of travel to work data for the City Region it is apparent that there are three functional travel to work areas within the wider City Region. They comprise:

- Blackpool, Fylde and Wyre - operating as a distinct area with strong internal flows within these districts. There are significant net flows out of Wyre to the other two districts, as well as a net flow from Blackpool to Fylde;
- Chorley, South Ribble and Preston exhibit strong mutually reinforcing connections with significant flows between all three Authorities. Preston acts as an employment pole with strong net flows from both South Ribble and Chorley. Notably all three authorities exhibit cumulative flows with the Manchester City Region, though anecdotal evidence suggests that a great deal of these movements are to the peripheral areas of the city region such as Bolton; and
- The Pennine Lancashire authorities form a strong block with movement internally between the authorities. In particular Burnley and Pendle have strong connections with significant flows going both ways. Blackburn

draws in significant commuters with strong net flows from Hyndburn. Notably Rossendale has strong connections with the Manchester City Region with a significant net flow out of the authority.

## External Relationships and Linkages

### Preparing a clear evidence base

**4.16** In the period since the first Development Programme was devised, we have gained a more sophisticated understanding of the external relationships and linkages that are associated with Central Lancashire. This clear understanding has been facilitated by work undertaken by the centre for Sustainable Urban and Regional Futures (SURF) and travel to work research undertaken in support of the Lancashire Economic Strategy. SURF<sup>26</sup> was commissioned by the North West Development Agency in February 2006 to research the key economic linkages and complementarities within and between the North West’s city-regions, rural areas and Cumbria and key economic drivers in adjacent regions.

### Evidence of linkage

**4.17** The SURF research demonstrates that in terms of GVA levels, employment, travel to work and migration patterns there are four “nodes” of activity. These have been identified as the areas centred on: Manchester, Liverpool, Leeds and Preston. The research demonstrates that each of these areas act as nodes for public and private consumer services (the so called “travel to” movements associated with shopping, work, leisure and entertainment), clusters of advanced manufacturing industries and producer services (law, financial and business services).

**4.18** Preston, and consequently Central Lancashire, has an important contribution to make to the Northern Way. Despite this, it is geographically “outlying” from the M62 motorway network connecting the other urban nodes along the M53 axis. Proposals for better connecting the Central Lancashire City Region to the other nodes and thereby enabling an optimum economic outcome are presented in Section 6 of this Development Programme.

**4.19** In terms of economic and labour force inter-connection, the SURF study concludes that links between the nodes are “highly variable”. The evidence base suggests a high level of self containment within individual City Region areas both in terms of travel to work patterns and the purchasing and procurement patterns of firms. Thus, the majority of economic interactions are classified as occurring “within” the parent City Region of the companies concerned. Where

<sup>26</sup> Surf (2006) – “Strengthening The Evidence-base Of Key Economic And Spatial Strategies”

services and goods are procured across City Region areas, there is a clear revealed preference for consumption of “higher order” business services from Manchester based companies. This suggests that the City Regional economies of the North West are linked in sectoral terms.

**4.20** The predisposition of firms for trading within the City Region is evidence of the real logistical benefits that exist between the principal urban settlements. The road and rail infrastructure enables businesses to transact easily across Central Lancashire and without the delays and inefficiencies that are typically associated with larger metropolitan City Regions. As shall be demonstrated in this CRDP, the ambitious economic growth programme that we are planning does, however, necessitate investment to reinforce and enhance connections across the City Region.

**4.21** Travel to work research undertaken in support of the Lancashire Economic Strategy is consistent with the SURF findings – demonstrating a high level of self containment and economic functionality within the principal travel to work areas in Central Lancashire. However, this analysis does demonstrate a lower level of self containment and a greater level of linkage at the edges of the City Region. For example, travel to work and migration patterns in Rossendale, Chorley and West Lancashire show a higher level of connectivity with the Manchester City Region than the principal urban settlements of Blackburn, Blackpool and Preston. In the case of West Lancashire there is a strong travel to work link with the Liverpool City Region. In summary, there is currently a limited degree of integration between the outlying local authorities of the Central Lancashire and Manchester City Regions, however there is little evidence to suggest that economic and business linkages are well developed.

**4.22** This intelligence has informed the CRDP and assisted in evolving an economically realistic set of key projects and enablers.

### The Economic Drivers of the City Region

#### Preparing a clear evidence base

**4.23** One of the initial tasks of the Lancashire Economic Partnership was to prepare the Lancashire Economic Strategy and Action Plan for the Regional Economic Strategy period 2006-2009 and beyond.

**4.24** A bespoke forecasting model from Cambridge Econometrics was commissioned which provided an understanding of the sectoral and value added basis of the Lancashire economy, the nature of investment and the key

occupational and skill ‘drivers’ that will shape the economy in future years. This forecast was constructed for Lancashire as a whole and for the defined sub-areas, which included the Fylde Coast, Central and East, effectively comprising the Central Lancashire City Region definition.

**4.25** A consistent information base/data resource now exists for Lancashire which all partners have access to<sup>27</sup>. Whether this is in developing spatial policy, such as a consistent approach to dealing with housing or employment land provision, or whether this is in developing economic inclusion policy, such as worklessness and skills, a universally agreed evidence base is not to be underestimated. The evidence base is currently providing the bedrock to the preparation of a Lancashire Skills Strategy; again, another first for the City Region.

**4.26** This new evidence base underpins the CRDP and its programme of activity. This provides a direct link to the Regional Economic Strategy priorities and their delivery through the sub-regional action plan.

### The Economic Drivers

**4.27** The Central Lancashire City Region makes a “heavyweight” contribution to the economy of the North. In 2005, the Gross Value Added of the City Region was £15.1bn<sup>28</sup>, employing some 565,000 people, which in volumetric terms alone, makes it one of the largest economies across the North. It is also one of the most industrious at £21,395 per head of working population in 2005.

**4.28** There has been a real intent within the Updated Development Programme to understand the ‘geography’ of the economy. Analysis of travel to work patterns, household migration and business supply chain linkage detailed above demonstrate the operation of clear functional areas within Central Lancashire. These areas are self sustaining to a degree and make significant contributions to the North West economy. The analysis demonstrates that within Central Lancashire economy there are three complementary sub-areas which clearly display quite distinct growth oriented economic structures.

- **Blackpool and Fylde Coast** – contributing £3.9bn to the economy of Lancashire and employing 140,000 people. A decline in both employment and GVA between 1990 and 2005 masks a structure which for all of its frailties, displays a very strong base of potential growth going forward, based on aerospace, the nuclear sector and the growth of the airport, alongside which is the important role of Blackpool itself for tourism;

<sup>27</sup> LEP will periodically update the evidence base in monitoring progress and undertaking Strategy Review

<sup>28</sup> Lancashire as a whole was £17.8bn

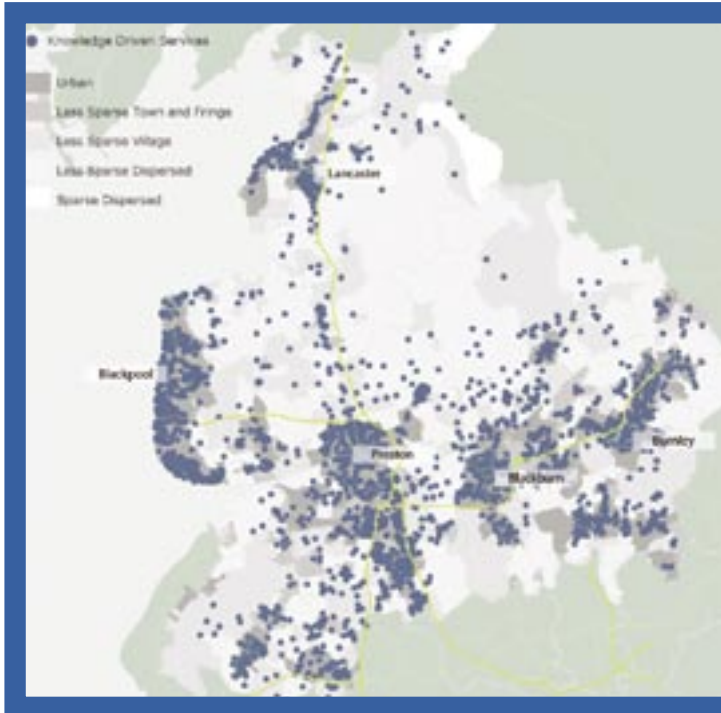


Figure 2: Knowledge Driven Services in Central Lancashire

- **Preston and Central Area** – contributing £5bn to the economy of Lancashire and employing 193,000 people. Employment growth of 17% and GVA growth of 27% between 1990 and 2005 is a truly outstanding performance, significantly in excess of the national and regional averages, accountable to the most growth-oriented business structure anywhere in Lancashire; and
- **Blackburn and the Eastern Area** – contributing £6.1bn to the economy of Lancashire and employing 228,000 people. Despite a reduction in employment and GVA growth rates between 1990 and 2005, Pennine Lancashire continues to make the largest contribution to the sub-regional economy. This reflects its sector composition and heavy concentration on manufacturing, including advanced manufacturing, as set against the more employment growth orientated economies elsewhere in Lancashire;

### What Makes Our Economic Drivers Unique?

**4.29** Central Lancashire has a population of 1.89 million<sup>29</sup> and hosts a number of the country's premier economic assets. They include one of the largest remaining clusters of manufacturing in the UK, a unique cluster of higher value added and advanced manufacturing activity<sup>30</sup> and a world-class aerospace sector contributing £851 million to the economy<sup>31</sup>. These characteristics capture what is unique about the City Region in UK and European contexts.

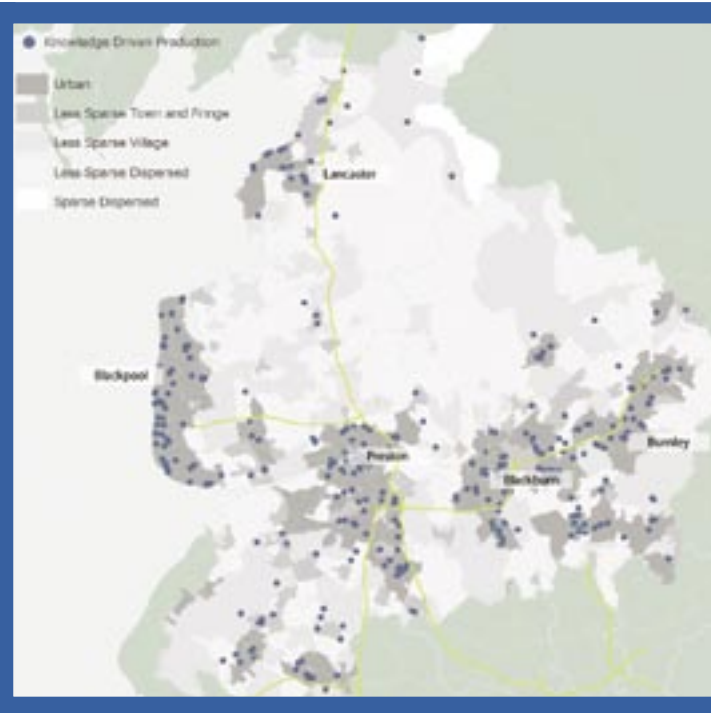


Figure 2a: Knowledge Driven Production in Central Lancashire

“Higher value, knowledge-based business activity can be found across all principal urban settlements, the market towns and smaller settlements in the rural areas”

**4.30** An emerging ‘office economy’, centred on Preston, and accommodating higher value business and professional services is clear evidence of a dynamic and increasingly growth oriented economy at work. Central Lancashire also boasts a vibrant and growing tourism sector anchored by Blackpool, and benefiting from smaller historic coastal resorts, vibrant market towns and an attractive and diverse rural landscape.

**4.31** The distinctiveness of the City Region economy, relative to say Manchester or Leeds, is founded in the unique geography of the area. Central Lancashire is an extensively rural sub-region that when coupled with the polycentric urban network, starts to capture the uniqueness and complexity of its economic structure. The boundaries between urban and rural economy are becoming increasingly blurred – reflecting the interactions between the different parts of the City Regions. Higher value, knowledge-based businesses can be found across all principal urban settlements, the market towns and smaller settlements in the rural areas (see Figures 2/2a for an illustration of this pattern of business location). This polycentric patterning of businesses is particularly reflected in knowledge based services across Central Lancashire’s

<sup>29</sup> Source: ONS Mid Year Population Estimates (2004), sourced from NOMIS

<sup>30</sup> Note: There are significant concentrations of advanced manufacturing in electronics and ICT, the automotive industry, high technology textiles, chemicals, rubber and plastics, food and drink.

<sup>31</sup> Lancashire Economic Partnership (2005) – “City Region Development Programme, First Iteration”



**The Chop House,  
Preston, one of the  
area's expanding  
choice of high quality  
restaurants**

---

<sup>32</sup> LEP (2006) - "Lancashire Perception Study"

<sup>33</sup> Note: There is a wealth of research demonstrating the importance of quality of place in residential and business location decisions. See the "Ideopolis" research undertaken by The Work Foundation for supporting evidence

<sup>34</sup> There is a significant body of evidence to suggest that competitive advantage in Lancashire could be secured through the Creative Industries sector. A GVA contribution of £700m per annum (of which an estimated £173m originates in Preston) is significant, with the indication that it is also highly growth oriented.

settlements. Businesses choose to locate in Central Lancashire for this very reason; for the rich and diverse choice of business environments on offer within such an accessible and relatively self-contained area<sup>32</sup>.

**4.32** The polycentric nature of urban Central Lancashire within its extensive rural context is a defining feature and a tangible economic strength. It distinguishes Central Lancashire from other competing investment locations and offers a location factor which is considered favourably by business and residential movers<sup>33</sup>. We believe that this is a unique location factor in the context of other City Regions within the North and one which is precisely related to our unique polycentric constitution.

**4.33** Central Lancashire will build a critical mass of projects and enabling activities that capitalise on these unique attributes and propel our City Region forward in its outputs and levels of productivity.

### Future Growth Prospects

**4.34** The updated Development Programme is focused on addressing growth potential associated with our key competitive advantages. Projecting forward 15 years, we have identified the range of business sectors that will lead development of the City Region economy both in terms of productivity and employment growth. These include:

### Lancashire's Forecast Growth Sectors

GVA Growth	Employment Growth
Manufacturing Fuels	Other Transport Equipment
Pharmaceuticals	Retailing
Electronics	Hotels and Catering
Other Transport Equipment	Air Transport
Electricity	Communications
Air Transport	Insurance
Communications	Computing Services
Banking and Finance	Professional Services
Insurance	Other Business Services
Computing Services	Health and Social Work
Professional Services	Miscellaneous Services
Public Administration and Defence	
Health and Social Work	

**4.35** These are the sectors in which Lancashire displays a competitive advantage<sup>34</sup>. They are what Lancashire “does best” and where Lancashire can realistically expect to capture higher value activity. This has informed the focus of the Lancashire Economic Strategy and the spatial focus for key projects and enablers within the CRDP. The evidence base suggests, however, that growth in GVA does not always correspond with increasing employment. Where this trend of “jobless growth” is experienced it is a reflection of sectors becoming more efficient and productive over time. This is a progressive trend in the development of the economy and one which the CRDP seeks to harness.

**4.36** Alongside these prominent growth sectors, the aerospace industry and advanced manufacturing sectors will continue to be of utmost importance to Central Lancashire's economy – underpinning employment and providing the customer and supply chains which are integral to development of the emerging growth sectors.

**4.37** Securing competitive advantage at the sectoral level is made notwithstanding that there will be businesses outside of these sectors that will be highly competitive and growth oriented. The Strategy does not lose sight of the need to ensure that the requirements of these sectors can also be accommodated in Lancashire, where appropriate.

### Quality of Place

#### The Residential Offer

**4.38** There is a growing recognition of the value that can be generated and retained within City Regions by quality residential neighbourhoods and vibrant towns and cities. In the period since the first CRDP was produced the partners in Central Lancashire have been collectively exploring the role and function of housing markets and the potential contribution that they can make to realising the City Region objectives. Housing market assessments have been undertaken for the functional Pennine and Central Lancashire housing markets as well as the Fylde housing market area. The partners have also audited the attributes of each settlement within Central Lancashire to establish to what extent sustainable communities infrastructure is present. In addition to the significant volume of analysis undertaken by the Partners, the Northern Way Sustainable Communities workstream has commissioned consultants to undertake an independent assessment of Central Lancashire's residential quality of place<sup>35</sup>. The findings of this work will further enhance our understanding of the challenges and opportunities facing the City Region.

## Housing Markets

**4.39** At the City Region level there is a remarkable level of self containment in terms of population migration and travel to work patterns. However at the functional level the City Region comprises several housing sub-markets. Broadly speaking, these correspond to the following local authority areas:

- Blackpool and Fylde Coast - Blackpool, Fylde and Wyre;
- Preston and Central Area: Preston, Chorley and South Ribble.
- Blackburn and East Area: Blackburn with Darwen, Hyndburn and Ribble Valley; Burnley and Pendle; and Rossendale.

**4.40** These sub-markets are not self contained - each has a series of relationships with adjacent market areas<sup>36</sup>. The Coastal area has close links to Preston and the Central Area, and also West Lancashire and Lancaster. The Central Area has links with the other parts of the City Region, but is also connected to other markets along the M6 corridor. Blackburn and the East Area has functional relationships with Preston and Central Area, Greater Manchester and also West Yorkshire.

**4.41** Many parts of the City Region already have a high quality housing offer, set in the context of attractive urban environments with easy access to surrounding rural areas. Significant areas of the City Region are currently experiencing housing market failure, where poor housing conditions are driving deprivation and acting as a brake on economic growth. Elevate East Lancashire HMR pathfinder is tackling this in Pennine Lancashire, and partners in Blackpool are currently making the case for support to tackle housing failure in the resort core. By improving the mix of stock, focussing on quality and good design, the offer can be made more attractive to the future market, helping to support our economic growth objectives. In the context of unprecedented house prices growth across the country, the City Region offers comparative value for money, and will stand to attract new residents as parts of the neighbouring market areas continue to overheat. This market dynamic, coupled with Central Lancashire's high quality environment, gives a strong price and qualitative basis from which to develop an enhanced residential offer.



## Quality of Place

**4.42** Central Lancashire's quality of place is superb. It has a diversity that is not found in many other City Regions: vibrant towns and one city, Preston, picturesque villages and market towns. It has an equally diverse landscape from the coast, including seaside resorts and estuaries, to moorlands and areas of Outstanding Natural Beauty.

**4.43** Lancashire has some outstanding schools. In 2003-04 Ribble Valley schools recorded one of the highest A-C grade GCSE pass rates in England and overall eight of the Local Authority areas achieved pass rates higher than the England and Wales average. There are three Universities in Lancashire and a number of high performing Further Education Colleges; in 2005 Nelson & Colne College had outstanding performance in eight out of ten inspection areas, which placed them top of all FE Colleges. Runshaw College is a further asset of the City Region and has been rated "excellent" in seven areas of inspection.

**4.44** There is a broad cultural and heritage offer across the City Region with a range of major festivals and events; recently Blackburn hosted an international South-East Asian Arts Exhibition, whilst Blackpool regularly holds events featuring internationally famous stars. Night life is varied from nightclubs in Preston to the dawn chorus in the Bowland Forest.

**4.45** The Panopticons public arts project is an exciting plan to represent the unique character of the East Lancashire area through a series of 21st Century landmarks.<sup>37</sup>

<sup>35</sup> Llewlyn Davies Yeang (2006) – "Draft Quality of Place: The North's Residential Offer – Central Lancashire Case Study"

<sup>36</sup> Nevertheless, the levels of contained travel to work and household migration within each of the areas are sufficient to warrant their definition as sub market areas.



**4.46** One of the important aspects of Lancashire's Quality of Place is its accessibility: the Lake District, The Peak District, Leeds, Manchester and Liverpool are within one hour's drive. Crime rates in Lancashire are below the national average and property prices vary from well below national average house prices to well above<sup>38</sup>.

**4.47** The Central Lancashire City Region concept of the City with Room to Breathe is based on the premise that it has an alternative lifestyle offer and a quality of place that is different to those of other City Regions, as described above.

### Environmental Assets

**4.48** The rural and natural environments of Central Lancashire are a key asset in defining the appeal and attractiveness of the City Region. The key environmental assets within the City Region are:

- Forest of Bowland AONB
- West Pennine Moors/South Pennines
- The East Lancashire Regional Park
- Ribble Estuary Regional Park
- Morecambe Bay

**4.49** Together, these assets offer a combination of natural and manmade landscapes with rich biodiversity and industrial and cultural heritage. They also provide an accessible countryside for residents, workers and visitors to enjoy, from those taking part in outdoor activities to those seeking simple peace and quiet. Within every

area there is a combination of these features, but each exhibits its own USP.

**4.50** These assets contribute to the 'City with Room to Breathe' by:

- Supporting the rural economy, through business development opportunities, particularly related to green infrastructure and outdoor recreation
- Providing an attractive location for small businesses, particularly knowledge-based enterprises for whom quality of life factors can be crucial<sup>39</sup>
- Stimulating the regeneration of gateway towns, villages and visitor facilities, helping to strengthen links between town and country

**4.51** The City Region's environmental assets therefore have an important enabling role to play in delivering the economic growth of Central Lancashire.

### Opportunities and Challenges

**4.52** We have demonstrated a deep understanding of the spatial, economic and quality of place drivers of the Central Lancashire economy. Drawing on these perspectives, this section of the Development Programme provides an update on the opportunities and constraints that need to be addressed in order to drive up Central Lancashire's GVA contribution and bridge the estimated output gap of £4 billion. The update is provided on the basis of the sophisticated analysis and understanding which is now informing our decision making.

<sup>37</sup> Panopticons is a unique and ambitious arts and regeneration project at the heart of the East Lancashire Regional Park initiative led by the Lancashire Economic Partnership. Further information can be found at <http://www.panopticons.uk.net/>

<sup>38</sup> Source: [www.lancashireprofile.com](http://www.lancashireprofile.com)

<sup>39</sup> See Figure 2 and 2a for an illustration of the urban-rural distribution of Central Lancashire's knowledge based industries

## Opportunities

**4.53** The opportunity exists to capitalise upon the natural competitive advantage enjoyed by the component sub-areas of Central Lancashire.

- The economic structure of the Central sub-area is more closely aligned with the growth sectors for the Lancashire sub-region. This is an opportunity to be captured. Those areas which demonstrate such alignment will be those that are likely to be the main beneficiaries of growth. Of all the sub-areas, the Central Lancashire area focused around Preston, South Ribble and Chorley offers the greatest opportunity to exploit the higher value business and professional services sectors, building upon a strong occupier presence by the public sector and benefiting from the strong linkages to the higher value aerospace and advanced manufacturing sector presence.
- The economic structure of the Fylde coast, despite posting a decline in employment and GVA since 1990, contains many sectors expected to be growth-oriented in coming decades. These sectors include advanced manufacturing and aerospace, business and computer services and hotels and catering. This foundation, coupled with the potential of casino-led regeneration in Blackpool should it secure the Regional Casino Licence, means that the area is well placed to reverse recent trends and substantially increase its contribution to the Lancashire economy. Evidence of extensive travel to work flows between the Fylde authorities provides a healthy basis for further growth based upon a diverse spread of sectors and employment.
- The economic importance of Blackpool Airport should not be understated as this has been identified as a key contributor towards employment and GVA growth, which will benefit the whole of Lancashire<sup>40</sup>. Planned investment in the capacity and quality of Blackpool Airport has the potential to enhance the external connectivity of the City Region as well as supporting the key projects and interventions of the Development Programme.
- Although the size of the manufacturing sector in Pennine Lancashire is to some extent a risk, there is a clear opportunity to boost growth and productivity through investing in the strong advanced manufacturing base. The area's economy can also be strengthened by developing creative industries, food and drink, and high value service activity. The quality of the local natural and built environment has a

unique capacity to support growth in these sectors, as set out in the Dreaming of Pennine Lancashire report<sup>41</sup>.

**4.54** Central Lancashire also contains a number of valuable assets which will form the basis of continued economic growth and diversity in the context of this Development Programme. Among these are:

- **A Formidable Higher Education Offer Including the University of Central Lancashire, Lancaster University and Edge Hill University** – The higher education sector in Central Lancashire is a valuable asset in terms of its direct spending power and employment, the multiplier effects of student and staff expenditure in the economy, the supply of skilled workforce and links with industry. The higher education sector will play a key role in facilitating the shift to higher value and “knowledge based” business activity through enhanced programmes of business linkage and graduate retention. However, there is a need to extend access to higher education to specific areas within the City Region and notably to areas of East Lancashire;
- **Our Town and City Centres** – Planned investment programmes in Preston, Blackpool and Blackburn will create attractive and prosperous centres of commerce, retail and leisure economy. The masterplans guiding development of our town and city centres will provide for complementary facilities, amenities and services across the City Region; and
- **The Green Infrastructure of Central Lancashire** – The foothills of Pennine Lancashire, the Ribble Estuary and the open countryside of the Ribble Valley are distinctive hallmarks that draw visitors to the City Region. There is the opportunity to harness the economic potential of these assets and to ensure that they continue to contribute to the quality of life that distinguishes Central Lancashire from other places.

## Challenges

- **Boosting Productivity Levels** - Within the existing and emerging business structure there is a need to work alongside firms to understand and enable their advancement in terms of value added activity and productivity levels. However, for many businesses this will represent a significant challenge to the way that they plan for and approach their transactions, labour force relations, skills/ training and research and development. Successfully helping businesses to progress “up the value chain” will involve co-ordinated

<sup>40</sup> Lancashire Economic Partnership (2006) – “Economic Impact Study for Blackpool International Airport”

<sup>41</sup> Elevate East Lancashire (2005) – “Dreaming of Pennine Lancashire”



action and support packages from a range of CRDP stakeholders;

- **Building a Skilled Workforce to Service Employment Opportunities and to Assist Central Lancashire's Firms in "Moving up the Value Chain"**<sup>42</sup> – There is a predominance of lower level skills levels within the resident workforce in addition to pockets of long-term unemployment and low rates of participation in the labour market. The challenge for the Development Programme is devising a skills and training response which will meet the skills needs of the economic drivers. In particular there is a need to develop higher attainment of Level 4 skills in order to support the programme of economic growth (see Graduate Retention below). A linked challenge is connecting the labour force with employment opportunities to be created through the Development Programme;
- **Graduate Retention** – Improving current rates of graduate retention and their engagement in business is linked to the provision of quality employment opportunities, an appropriate residential offer and vibrant town and city centres. Retention of graduate labour has the potential to accelerate the pace of change in building a knowledge economy in Central Lancashire and to enhance spending power within the economy;
- **Sustainable Communities Issues** – Significant areas of social and economic deprivation exist in some of the City Region's communities; many of the same areas also suffer from housing market stress or failure. Neighbourhood renewal approaches are being used to tackle these problems across the area, benefiting from a range of regeneration funding. Pennine Lancashire is

tackling housing market failure through the Elevate programme; Blackpool has recently developed a comprehensive strategy to tackle the town's unique housing problems, and Preston is working closely with authorities in the central area to develop a joint housing and planning approach. Authorities across the City Region are aligning housing planning with economic needs through a major programme of research;

- **Transport and Communications Barriers** – Key elements of the transport network require investment and improvement if they are to serve the new economic and spatial drivers of Central Lancashire and facilitate a higher level of accessibility to employment opportunities. Improvement of Central Lancashire's external linkages to other city regions and international locations remains a challenge to be addressed through the Development Programme.

### Summary

**4.55** In the past year we have evolved our understanding of the spatial and economic drivers of the Central Lancashire economy. Complementary work undertaken to better understand the quality of place within the city region and NWDA sponsored research into City Region links has helped with better definition of Central Lancashire – its links and its unique qualities. We now have a firm understanding of Central Lancashire and this provides a high level of confidence that our strategy, key projects and enablers will unlock the latent economic growth potential of the City Region.

**4.56** In the next section of the CRDP we set out our Strategy for harnessing Central Lancashire's economic potential and delivering a competitive economy in the wider context of the Northern Way.

<sup>42</sup> Enhancing the performance of indigenous business by supporting their movement up the value chain is a key objective of the LES



# 5

## The Strategy for the Central Lancashire City Region

## The city with room to breathe:

We have developed an integrated strategy for growth that responds to Northern Way and Regional Priorities. This section introduces the strategy.



University of Central Lancashire,  
one of the fastest growing  
universities in the UK

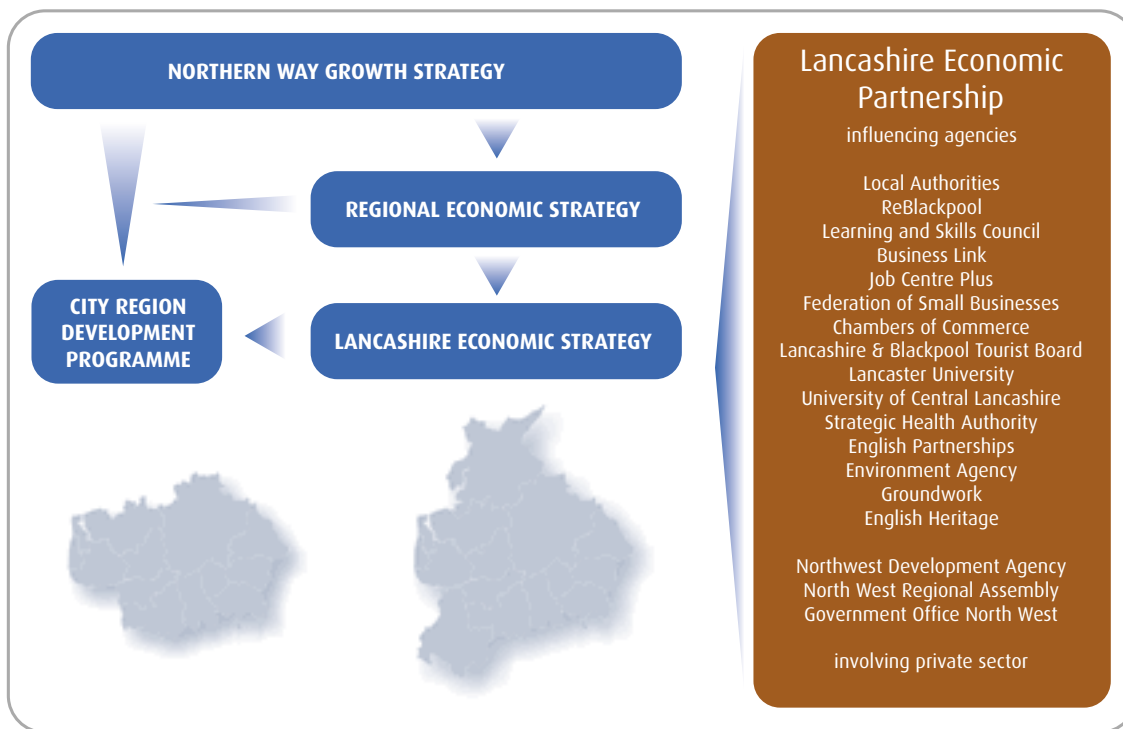


Figure 3:  
The wider  
strategic  
framework

## The Strategy for the Central Lancashire City Region

**5.1** The Northern Way Business Plan 2005-08 sets out how the £30bn output gap between the North and the rest of the UK is derived: “too few people in employment”; “insufficient skills” and a “lack of dynamism”.

**5.2** The Northwest Regional Economic Strategy identifies the major drivers of the economy in which “improving productivity and growing the market” and “growing the size and capability of the workforce” explain why the North West region under-performs.

**5.3** We have developed a fully integrated Development Programme that responds to Northern Way and Regional Economic Strategy priorities and sits within the sub-regional context of the Lancashire Economic Strategy. Our strategy also responds to the need for sustainable economic development at a city region level and this concept is embedded within our proposals. This complementary relationship is illustrated at Figure 4, page 36.

**5.4** The Rural Strategy for Lancashire<sup>48</sup> provides an additional focus for how we will exploit our considerable rural assets in the creation of sustainable economic growth. It recognises the potential to link environmental assets to economic diversification in a way that protects the environmental and social asset base. This includes such things as farm diversification and diversification towards bio-energy crops

such as rape seed. The strategy also includes a focus on reducing consumption of fossil fuels by harnessing natural resources to generate renewable energy.

**5.5** We recognise the importance of the City Region in delivering long term sustainable outcomes. LEP have established a Climate Change Task Group, led by the Environment Agency, to develop our understanding of the opportunities and threats to sustainability. This group will evaluate the CRDP and LES in the context of the North West Climate Change Action Plan<sup>49</sup> and will also engage with the Northern Way Sustainable Communities Team on the implications of the City Region Sustainability Report<sup>50</sup>.

## Our Strategy for the City Region

**5.6** Our City Region is a unique destination and it is therefore a unique investment proposition, which plays a distinctive role for the Northern Way. The fundamental question is how do we turn our distinctive qualities into a commercially attractive investment proposition? This is a different ‘offer’ to the Leeds City Region with its strong financial services sector and the Manchester City Region with its strong business and professional sector, media and creative sectors. We will play to our recognised strengths and specialisms.

<sup>48</sup> “Co-ordinated Actions for Rural Lancashire”, June 2006, Lancashire Economic Partnership, commissioned for Lancashire Rural Development Board

<sup>49</sup> NWDA (2006) – “North West Climate Change Action Plan”

<sup>50</sup> Northern Way Sustainable Communities team, CAG (2006), City Region Sustainability Report



**5.7** The strategic objective for the updated Development Programme is:

“To Build a Globally Competitive City Region”

**5.8** This objective accords with the key actions of the Regional Economic Strategy and Lancashire Economic Strategy respectively. It is acknowledged that in order to remain dynamic in the global economy it is necessary for Central Lancashire to enhance the proportion of businesses utilising knowledge as a basis for competitive advantage and improved trading.

**5.9** The strategy for Central Lancashire, which takes its lead from the Lancashire Economic Strategy, aims to deliver a stepped improvement in Lancashire’s position in the global knowledge economy through supporting a shift to higher value activities. This will be addressed through:

- Higher Value Activity and Investment
- Investing in People
- Employment Generation & Entrepreneurship
- Investment in Quality of Place

In order to achieve this, the necessary ENABLING ACTIVITY will be supported by the Strategy:

- Improved LEARNING AND EDUCATIONAL attainment
- attraction / retention of higher value skills leading to the enhancement of the economy
- up-skilling of workforce to participate in opportunities created
- Enhanced BUSINESS SUPPORT mechanisms
- greater alignment between the local economy and business support
- an integrated role for Higher Education institutions within the local economy
- Creating the CONDITIONS FOR GROWTH

- improving the quality of place offer in cities, towns, coastal and rural areas

- delivering the modern communications infrastructure which will unlock economic potential

- Enhancing CONNECTIVITY

- delivering the transport and passenger infrastructure which will facilitate economic growth in Central Lancashire

- implementing measures to improve the virtual connectivity of cities, towns and rural areas.

### Summary

**5.10** We believe that this updated Development Programme provides a seamless link from evidence to intervention based upon a strategy that has the explicit support of all stakeholders. It recognises the unique sense of place associated with the three sub-areas and presents a strategy that captures the clear complementarity and linkages that currently exists. It will form an essential part of the framework for delivering on Northern Way and Regional Economic Strategy priorities. It forms part of a wider “economic blueprint” for the Lancashire sub-region when combined with the Lancashire Economic Strategy.

**5.11** It is clear that in order for our City Region to fully realise the economic growth opportunities that are present, functional relationships between the sub-areas will be significantly strengthened. This is part of realising a dynamic but sustainable growth strategy for Central Lancashire.

**5.12** In the next section, we introduce our framework for growth in delivering the strategy.



6

Our Framework  
For Growth

## **The city with room to breathe:**

We firmly believe that there are major gains from working more closely across the City Region on shared economic goals. This section sets out our vision for the City Region and introduces our framework for accelerated economic growth.



**Our Framework for Growth**

6.1 Our framework for growth responds to the Vision for the City Region:

**VISION 2020**

**By 2020 Central Lancashire will be a globally competitive and sustainable City Region distinguished by its quality of life, connectivity, and access to opportunities**

6.2 This builds on a number of principles including:

- The need to work with our existing portfolio of businesses and growth sectors to enable them to make the transition to competitive trading in a global environment;
- The need to provide connections that support the greater integration of the City Region and promote sustainable patterns of travel;
- The need to capitalise upon our existing existing economic drivers, including knowledge based businesses, quality of life and environmental assets; and
- The need to ensure that the opportunities created are accessible and lead to enhanced levels of economic participation and inclusion.

6.3 The framework for growth (Figure 4, below) contains two Northern-level priorities (Blackpool Tourism and Advanced Manufacturing) and two priorities that will have wide-ranging economic benefits for the City Region area. This is consistent with and builds upon the strategy contained in the first CRDP. Our framework for growth comprises two elements:

**A Framework for Economic Growth** – which directly addresses the latent growth potential of Central Lancashire’s business sectors and areas of competitive advantage through four key projects; and

**A Framework of Enabling Activity** – the programmes and partnership activity which will provide the right conditions for economic growth to occur and the necessary steps for Central Lancashire’s citizens to benefit from that growth.

**Our Framework for Economic Growth**

6.4 The framework for economic growth flows directly from the spatial and economic drivers that were presented in Section 4 of the Development Programme. The framework comprises 4 key projects<sup>51</sup> that are designed to capture and capitalise upon competitive advantages and deliver a knowledge oriented economy in line with the vision for Central Lancashire.

**Economic Driver: New Blackpool**

6.5 Blackpool remains at the heart of the tourism and visitor economy in Central Lancashire, however it has experienced a significant decline in visitor numbers associated with the twin trends of enhanced consumer choice and the obsolescence of its visitor offer. The decline of this traditional economy has caused significant urban regeneration and housing market problems which act as a constraint on its future economic performance.

6.6 In addressing these complex challenges we plan nothing less than the total remodelling of the resort over a 15-year period. It is clear that we need radical thinking if the town is to reverse recent trends and avoid getting drawn into a spiral of decline. Blackpool has responded with an ambitious programme of change. In 2003 the Borough commissioned an ambitious 200-hectare masterplan for the central core of Blackpool, covering the town’s world-famous central attractions – the Tower, Winter Gardens, Central Beach, Pleasure Beach - and inner neighbourhoods. State-of-the-art casino and entertainment developments form the centrepiece of the masterplan along with public transport enhancement spearheaded by an upgraded tramway and town centre and neighbourhood initiatives<sup>52</sup>.

6.7 The scale of the transformation will be dramatic. The masterplan will lever in private sector investment of some £2,200 m and create or safeguard in the region of 22,000 jobs. Our efforts will tackle head on the quite pronounced seasonal output gap (when participation rates in



Figure 4: Our Framework for Growth

the Blackpool and the surrounding area fall off considerably outside the peak summer season). The labour requirement for the casinos is unlikely to be met from Blackpool alone; the masterplan has implications for large parts of the City Region's labour force and numerous opportunities for the City Region supply chain.

**6.8** The revival of Blackpool is central to the development of the North's tourism identity. No other tourism asset across the Northern Way compares to Blackpool and the delivery of the casino led masterplan presents a unique and once in a lifetime opportunity for the North.

**6.9** The commercial opportunities embodied in the masterplan are supported by a package of complementary programmes and investments including:

- A programme of land assembly, investment in the public realm and enhancement of key greenspaces
- Refurbishment and expansion of Blackpool Airport to serve the wider City Region
- Blackpool and Fleetwood Tram Upgrade – renewal and upgrading of 16km of track connecting the Resort with Blackpool Airport (permissions secured)
- Tourism Support Bureau – providing support and advice to SME's within the tourism sector
- Resort Enterprise Centre – provision of business incubator facilities
- Regional Gaming Academy – creation of a regional facility to serve the gaming industry and to support people in taking up employment opportunities in this sector
- Planned programme of housing market renewal

**6.10** It is clear that the ambitious masterplan for Blackpool, supported by the package of complementary investments will transform the resort, generate new visitor markets and secure significant economic and regeneration benefits for the region.

### **Economic Driver: Reinforce Advanced Manufacturing Sector**

**6.11** Central Lancashire contains the largest concentration of advanced manufacturing outside the South East of England. Investment to reinforce and accelerate the growth potential of this sector is central to the City Region Development Programme.

**6.12** We will put in place a range of programmes, based around the Regional Aerospace Park at Samlesbury and the proposed Aerospace Innovation Centre (AIC) to develop the strengths of the Region's 1,000 aerospace companies with the very best of the knowledge base within the North West HEIs. We have a major opportunity to instigate cultural change and meet the competitive challenges of the aerospace sector, which are so vital to the economic and social fabric of the North West so that Lancashire is positioned as an international centre of excellence for both the aerospace and related sectors.

**6.13** Other aspects of our advanced manufacturing base that we will seek to nurture include the nuclear, automotive, chemicals, electronics and optical equipment, paper and printing and recorded media sectors. All of these have crucial interdependencies with the other City Regions across the North.

**6.14** We also have the potential to establish Central Lancashire as a centre of international expertise in all aspects of resource management. This will build on our strong engineering/advanced manufacturing skills base and on a number of discrete schemes that we will be progressing across the City Region.

**6.15** Partners are committed to actively managing the transition of our high volume, mass production manufacturing base. Building on the existing work of Business Link Lancashire and other partners, we will put in place a range of proactive measures to help existing business move into higher value markets and redeploy existing skills and technologies. We will require global expertise to help us move forward on this priority.

**6.16** The programme of activity to support and reinforce Advanced Manufacturing is as follows:

- North West Aerospace Alliance: Aerospace Innovation Centre - development of a centre to provide the business support and development services required to reinforce a world-class aerospace supply chain in Central Lancashire;
- Institute for Advanced Manufacturing – facility to be hosted by UCLAN initially with a longer-term presence in Burnley;
- Samlesbury Aerospace Business Park – establishing Europe's leading location for aerospace and advanced engineering;
- Redevelopment of the former Michelin Site (Burnley) to create high technology and business park accommodation; and

<sup>51</sup> "The Sub Regional Action Plan for Lancashire contains projects and programmes from all local authority partners which will make a contribution to delivery of the Lancashire Economic Strategy. For the purposes of the CRDP, 4 key projects have been selected on the basis of the magnitude of their economic impacts and multiplier effects within the economy.

<sup>52</sup> Blackpool Council (2003) – "Blackpool Resort Masterplan"

- Central Lancashire is rich in skills and experience within the nuclear sector. Potential opportunities are recognised both within the decommissioning and waste management market in support of the Nuclear Decommissioning Authority and, particularly, in the anticipated nuclear renaissance as the Government's Energy Review is developed and implemented. The private sector is to launch a major campaign to exploit the opportunities presented by nuclear decommissioning through the Advanced Manufacturing Group.<sup>53</sup>

**6.17** Work is also underway to establish stronger links between the City Region's higher education institutions and industry in support of knowledge transfer and graduate retention within advanced manufacturing.

### Economic Driver: Preston City Vision

**6.18** The Preston City Vision proposals will ensure Preston develops all the facets of a successful medium sized city and a location for knowledge rich employment. Key elements will include clustering in creative and ICT/New Media sectors and building on Preston's first mover status in WiFi connectivity. The creative and media sectors can be key drivers of growth in Preston. Partners will be seeking to develop an aggressive partnership with UCLAN (on knowledge transfer, spin-offs), enhance gateways to the City, develop the tourism and heritage offer and promote lifestyle enhancement to give Preston a "buzz" – this includes providing the full range of attributes of a city: better hotels, diversity in retail and leisure offers and attractive living and cultural quarters. The Preston City Vision proposals will form part of our efforts to capitalise on growth in this part of the City Region more generally, capitalising on strategic locations in Chorley and South Ribble.

**6.19** Preston City Vision will comprise an exciting mix of commercial, retail and leisure proposals that will build upon the already solid economic foundations of the City – creating better choice, economic diversity and accessible opportunities. The full programme includes:

- **Tithebarn** – a major mixed use, retail development in the heart of the City
- **Preston Commercial Quarter** – creation of a contemporary business quarter in the centre of the City
- **Enhancing City Centre Assets** – a complementary programme of investment in the historic assets of the City Centre including Avenham and Miller Parks, the Harris Museum, the City Library and Winckley Square Gardens;



- **Preston Riverworks** – an ambitious programme of development and regeneration activity to create a new generation of commercial business premises and residential neighbourhoods linked to the River Ribble, Preston Docks and the Lancaster Canal;
- **Delivering Strategic Employment Sites** – development of strategic employment land resources including Preston East, Cuerden Regional Business Park and the Royal Ordnance Regional Investment Site.

### Economic Driver: Pennine Lancashire Transformational Agenda

**6.20** Pennine Lancashire's economic heritage lies in manufacturing. Whilst more traditional mass manufacturing businesses are in decline, a transformation is being fashioned based on an innovative manufacturing strategy that will not only safeguard the future of manufacturing in the area but will also embrace new technologies, application of knowledge and research and new sectors. But the Pennine Lancashire Transformational Agenda goes much further than this in recognition that transforming one sector of the economy in isolation is futile in the context of global competition for business investment. The Transformational Agenda proposes a balanced approach to developing the area's economy – supporting the transition to higher value activity in the manufacturing and advanced manufacturing sector while providing the right climate for economic diversification.

**6.21** We are also investing alongside private sector partners to transform the housing market and the image of the area. Elevate East

<sup>53</sup> The Advanced Manufacturing Group is a collective of representatives from Lancashire's manufacturing companies



Lancashire, the HMR Pathfinder, is fundamental to achieving these far reaching changes in the area. Other aspects of the Transformational Agenda include the development of a number of “destinations and settings” related to tourism and inward investment and improvements to the public realm of our urban centres.

**6.22** The “knowledge economy” is considerably easier to develop with the presence of a knowledge-based institution and Pennine Lancashire currently lacks a university or other major institution that can fulfil this role. To remedy this the Transformational Agenda includes a suite of innovative ideas to boost knowledge economy “capital” in the area and specifically via the presence of higher education functions and infrastructure. We have submitted proposals to HEFCE to extend access to higher education through “university centres” in the existing further education colleges, we are developing an integrated training and employment programme and are planning to establish a learning laboratory linked to the Elevate HMR programme.

**6.23** Connectivity is an issue that has been identified as critical to the success of the City Region in Central Lancashire. Within the RES there is recognition of the need to improve accessibility from Pennine Lancashire to Preston and the economic drivers of Greater Manchester. This warrants consideration as to how connections can be strengthened with these “regional” economic drivers.

### **Our Framework of Enabling Activity**

**6.24** We are fully aware that the key projects outlined are ambitious in their scope – but the rewards that they offer are immense. They will fundamentally change the economic trajectory

of the City Region and help to close the GVA gap. They will provide a range of employment opportunities, which will be accessible to local residents and attractive to people from outside the City Region. The key projects, without supporting measures, have the potential to generate an additional 55,000 jobs and create £1.6bn additional GVA within the City Region.

**6.25** However, we realise that the success of the key projects is dependent on far reaching changes in Central Lancashire’s culture, environment, labour force and business base. We have therefore developed an enabling framework to facilitate the expansion of FE/HE provision across the city region, to increase enterprise levels, meet demographic challenges, develop our housing offer in line with the economy, and provide the transport infrastructure required to underpin the key projects.

**6.26** We are confident that taken together the key projects and enabling framework will generate in the order of £2 billion additional GVA which will close the productivity gap and contribute to Northern Way investment priorities considerably.

**6.27** Each part of the enabling framework has been developed by a working group of practitioners and senior representatives drawn from the public and private sectors. Each working group has been given the remit to examine the current provision within Central Lancashire, to assess the contribution that this provision makes to the economy and its future potential to underpin the City Region Development Programme. The working groups have also been charged with developing a programme of action in response to the requirements of the City Region economy and the key projects within the Development Programme.



Blackpool International Airport the UK's fastest growing regional airport

**6.28** The Working Groups have undertaken a substantive volume of research, strategy and action planning in support of the Development Programme. A summary of each group's output is referenced in the appendices.

#### Learning and Education – Enabling Framework

**6.29** Developing human capital is key to realising the economic potential of the City Region and delivering upwards of £1.6 billion in additional GVA. Workforce skills levels and poor rates of graduate retention have been identified as particular challenges to overcome in delivering the City Region Development Programme. Indeed, without investment in Central Lancashire's human capital, the labour force is likely to form a barrier to delivery of the key projects. Lancashire faces the following challenges in delivering a workforce with the requisite level of skills to support the CRDP strategy:

- The overall profile of resident skills is 'tilted' to some degree against emerging skills requirements – insufficient higher level and an excess of unskilled workers
- Level 4+ skills are likely to be in a notable 'deficit' position, while below level 2 skills are likely to be in a significant 'surplus' position as the development path of the sub-regional economy provides fewer and fewer opportunities for the low and non skilled
- Current progression and training profiles suggest that skills are likely to prove a constraint on CLCRDP ambitions in the absence of a concerted strategy to 'upgrade' the skill base of the sub-region

**6.30** There are essentially two strands to the Central Lancashire Learning and Education response. They are:

- Measures currently being developed through the Lancashire Skills Strategy to ensure that the City Region's skills base is consistent with and supporting the CRDP vision and key projects; and
- Measures being developed by the higher education sector to extend choice, to strengthen business and academic links and to facilitate higher levels of graduate retention

**6.31** The Skills Strategy is being developed through a sub-group of the Lancashire Skills and Employment Taskgroup (LSET). The emerging Strategy highlights the critical skill challenges which must be met to ensure development of a skills base which supports the Development Programme. It also highlights the need for governance and management arrangements to be reviewed, with the evolution of LSET to ensure effective drive, ownership and co-ordinated delivery of an agreed vision of skills for Lancashire.

#### Higher Education – Enabling Framework

**6.32** Bridging the GVA gap depends upon a combination of raising the GVA in existing sectors and attracting activity in new high GVA sectors. Each of these will depend on the availability of people with higher level skills and qualifications; and on the existence of adequate business support capability, some of which will be highly specialist in nature. There are therefore four potential barriers to be overcome in delivering the Development Programme:

- we need to retain for employment in Central Lancashire a higher proportion of those who graduate from the county's universities;
- we need to upskill the existing workforce;
- we need to improve the availability of specialist business support from the universities; and
- we need to improve higher education participation rates in Lancashire by making more opportunities available in Pennine Lancashire in order to support delivery of the Transformational Agenda. This has been addressed by the HEEL (Higher Education in East Lancashire) report which has recommended to HEFCE (Higher Education Funding Council England) the development of University Centres in Accrington, Blackburn, Burnley and Nelson, to provide 4,500 additional HE places at a capital cost of £26million<sup>54</sup>.

**6.33** A Higher Education Working Group has been assembled to devise strategic responses to these challenges and to maximise the contribution that the higher education sector can make to the City Region economy. The group has devised cross-sector responses to ensure that higher education contributes to and supports each of the key projects.

### Spreading Enterprise - Enabling Framework

**6.34** Enterprise is at the heart of the strategy for Central Lancashire and has relevance for each of the key projects if the full multiplier effects of their investment and development are to be secured.

**6.35** "Spreading Enterprise" is an enabling measure within the Central Lancashire City Region Development Plan. It complements the spatial economic drivers in the City Region and introduces twin themes of sector investment strategies and growing an enterprise culture to generate additionality in GVA. Over the next 15 years, we believe that this approach will make Lancashire a haven for entrepreneurs and contribute to the unique economy of "the City with Room to Breathe."

**6.36** The overall aim is:

#### To grow the Enterprise Culture in the City Region.

**6.37** This will be achieved through three City Region drivers to develop:

- Enterprising Businesses - through sectoral strategic investment programmes

- Enterprising Communities - through sustainable communities and neighbourhood action
- Enterprising Individuals - through education, skills and workforce development

**6.38** The Enterprising Businesses driver will be supported and complemented through the provision of high impact business investment services targeting growth sectors in the economy. Users of business services occupy three segments of the business market, and appropriate services will be developed to serve them.

**6.39** The Enterprising Communities driver builds on the "Thriving" Theme of the Department for Communities and Local Government's Sustainable Communities Policy Framework. It is also a key driver in European Policy through the Bristol Accord and includes:<sup>55</sup>

- Neighbourhood Renewal and Management, including the role of the Voluntary Faith and Community sector (including Grants for Growth)
- Contribution to Quality of Place theme and Connectivity themes
- Local Area Agreement priorities and Local Enterprise Growth Initiative

**6.40** The Enterprising Individual's driver adopts the Lancashire Economic Strategy themes of:

- Investing in People and Workforce Development
- Enterprise in Education and the wider skills agenda
- Enhancing employability

**6.41** The Spreading Enterprise enabler will be supported by the Pan Lancashire Employment Land Study<sup>56</sup>. The East Lancashire and Lancashire West Employment Studies were commissioned to provide a strategic review of employment land provision across Lancashire, which will result in a sub-regional strategy for future provision to support sustainable economic and regeneration priorities across Lancashire.

**6.42** In summary the Spreading Enterprise Enabling Framework is designed to embed enterprise at the heart of Central Lancashire's culture. It involves programmes and measures which will ensure that not only are Lancashire's residents equipped to benefit from the economic opportunities that are created through the key projects, but also that the long-term enterprise benefits spinning-out from the key projects are fully realised.

<sup>54</sup> Higher Education East Lancashire Group (HEEL) – Higher Education Funding Council England submission

<sup>55</sup> The Bristol Accord sets out eight characteristics of sustainable communities as agreed by EU member states in December 2005. Further information can be found at [www.communities.gov.uk](http://www.communities.gov.uk)

<sup>56</sup> Lancashire Economic Partnership (2006) – "Lancashire Employment Land Study"

**6.43** Full details of the programmes and measures being implemented are available on [www.lancashire-ep.org.uk](http://www.lancashire-ep.org.uk).

### Creating the Right Conditions for Growth – Enabling Framework

**6.44** “Creating the right conditions for growth” involves co-ordinated planning and investment to create high quality environments in which to live, to invest and work and in which to spend leisure time. These “conditions for growth” are imperative if Central Lancashire is to retain population and to attract new residents to the City Region on the basis of outstanding quality. The enabling framework includes actions to address the quality of place, the residential offer, enhancements to movement and communication networks within the City Region and linking to other City Regions and actions to establish a green infrastructure which reinforces and strengthen links with the rural and market town economies. The issues of housing affordability and choice are implicit within our plans to create a quality residential offer.

### Residential Offer

#### Preston and the Central Area Residential Offer

**6.45** Increasing employment in the knowledge economy and a bias towards higher earnings potential in professional occupations is forecast to have the most positive effect on the housing market. Employment in the central area of the City Region is expected to increase by over 7,800 jobs up to 2015 and demand for private sector housing across this area will increase significantly over the next ten years<sup>57</sup>. However, the type of employment being created across the Central area is important, as this leads to a more informed picture of the dynamics of the housing market. Priority Interventions identified include:

- A requirement for a range of new and more varied housing, built to high standards of design, and in keeping with local identity.
- Attractive urban environments with easy access to countryside and leisure opportunities will add to ‘quality of life’ and Green City offer.
- Bringing green corridors into the urban areas and creating attractive public spaces will help create the ‘city with room to breathe’.

**6.46** The above interventions will contribute to the realisation of Preston Vision, will assist in creating the right environment in which to retain graduate labour and with which to attract new additions to the Central Lancashire labour force. Creating the right residential offer in the Central Area is therefore imperative to realising the full benefits of our key projects.

### Blackburn and Pennine Lancashire Residential Offer

**6.47** Although the edge of town and rural markets are relatively strong (and distinguished by property values), the inner urban market is extremely fragile; the oversupply of relatively small terraced houses and widespread stock condition problems do not present an attractive offer to the market. Remodelling these areas, focusing on creating attractive environments and a greater variety of housing stock, will better equip Pennine Lancashire to support higher rates of economic growth; a supply of homes attractive to upper-medium and higher earners is vital for success in the modern economy. Therefore, although Elevate’s strategy will improve housing conditions and choice, its broader purpose is to remove the barriers to economic growth, which in turn will strengthen the housing market.

**6.48** Improving the housing offer in tandem with investment in sustainable communities infrastructure is a necessary pre-condition to economic stability and growth in the area. We view improvements to the urban offer in Pennine Lancashire as an essential component of its economic regeneration. This approach is exemplified by the integrity of housing market interventions and the Elevate programme within the Pennine Lancashire Transformational Agenda.

**6.49** Full details of the planned interventions supporting the Development Programme are appended.

### Blackpool and Fylde Coast Residential Offer

**6.50** The Fylde Coast Housing Market, focused on Blackpool, extends south to Lytham St Annes and north to Fleetwood. It includes the suburban and rural parts of Fylde and the east of the Wyre estuary. Within this market area, Blackpool demonstrates clear housing market failure which is unique in type and scale. Failure in Blackpool is a consequence of tenure and supply, not demand. This relates to:

- too much poor quality private rented stock concentrated in inner areas and too little good quality modern housing of all types
- too little social housing to meet demand and particularly for family housing
- a lack of choice in the social rented sector which pushes vulnerable people into the private rented sector
- too many one-bedroom Council flats in the wrong location which do not meet the type of property people need or aspire to.

<sup>57</sup> Note: information derived from the Audit and Analysis document supporting the Central Lancashire City Sub Regional Strategy – GVA Grimley 2006

- few family houses – particularly in the inner areas and in the social sector
- a poor quality environment and limited housing choice mean people who can move out do so, creating residualised neighbourhoods

**6.51** Broadening Blackpool's housing offer will take time – in the meantime Fylde and Wyre will remain important destinations of choice for those working in Blackpool seeking higher value housing. While the seminal Blackpool and Fylde Coast Strategic Housing Study aims to reduce the extent of this over time (supporting a greater level of live-work), Fylde and Wyre will continue to play a role in providing higher value properties. Improving quality of place in Blackpool will be essential to creating the optimum conditions for investment and economic growth. For Blackpool to fulfil its economic potential in the context of the City Region Development Plan it needs to invest significantly in improving its residential offer and creating a balanced housing market.

**6.52** An initial framework to guide development of a Housing Market Renewal approach has been developed and this will help to ensure that the economic benefits of the Resort Masterplan are fully realised.

### Access to Affordable Housing of Choice

**6.53** Affordability problems are commonly associated with areas of high property values. However, there are real affordability issues facing many inner urban neighbourhoods within Lancashire. Elevate's Housing Market Assessment demonstrates that affordability is a significant problem in urban East Lancashire, not just in rural areas and market towns. In the urban context average house prices are relatively low and average incomes are also very low. New housing developments which have occurred on the periphery of settlements are effectively priced out of range of many residents in urban East Lancashire. Within the Fylde Coast Authorities, affordability is an increasing problem. Average house price to income ratios for young workers in all three local authority areas in the housing market are now above the regional average<sup>58</sup>. Within Preston and the Central Area there are pockets of affordable housing need and demand. For example, Inner East Preston demonstrates the twin characteristics of rising property values and an entrenched low income community<sup>59</sup>.

**6.54** The City Region local authorities are working with partners and developers to maximise affordable housing supply where appropriate and in support of the City Region Development Plan. City Region partners are also working to develop innovative lending products that will help make

home ownership affordable for a larger section of the population. Relocation equity loans, equity release for improvement, and Homebuy are all being developed in more detail.

### The Green City – Enabling Framework

**6.55** The "Green City" is a term used to describe the juxtaposition of Central Lancashire's urban settlements and areas of high quality open landscape. The Green City has an important contribution to make to the economic performance and overall prosperity of the City Region. Through strategic use of resources, aligned to the key projects, the environment and green networks will raise the quality of place across Central Lancashire, contribute to visitor and tourism appeal and enable sustainable patterns of access and mobility.

**6.56** A working group has investigated the potential to further develop the role that the environment and rural areas play in helping to secure economic growth. The following areas of enabling activity will underpin the contribution of environmental and rural assets to the City Region key projects.

**6.57** Key Service Centres, as identified within the Draft Regional Spatial Strategy, are well placed to fulfil the role of "Gateways" to these environmental assets, by virtue of location, communications, and capacity to accept tourists and other economic development activities. Opportunities exist in some of these key service centres for improved access to information on the countryside and enhanced physical accessibility through the development of Green Infrastructure.

**6.58** Rural Central Lancashire also contains a wider network of villages, visitor facilities and attractions (e.g. information centres, country parks and nature reserves) outside these Key Service Centres, which can fulfil the role of enabling access.

**6.59** There is significant development potential throughout the area both in terms of visitor facilities and associated business development opportunities.

**6.60** The Ribble Estuary has real potential for growth in the tourism economy, both through provision of new assets, including proposals to construct links to the National Cycleway Network, and by development and linked promotion of established visitor facilities. The Pennine Lancashire Regional Park will underpin development of the rural tourism and visitor economy in the east.

<sup>58</sup> GVA Grimley/ DTZ (2006) – "Blackpool Strategic Housing Study"

<sup>59</sup> Source: MORI (2006) – "Household Survey for Inner East Preston"

**6.61** We recognise the opportunities to turn our rural assets into economic drivers in their own right. The City Region partners, via the LEP Climate Change Task Group, are currently investigating sustainability opportunities in the contexts of rural and urban Central Lancashire.

### Developing Green Infrastructure

**6.62** The driver for the implementation of green infrastructure is fundamentally economic, and the emphasis will be firmly on strategic infrastructure – pursuing only those works that support and add value to the key projects of the Development Programme.

**6.63** We propose a ‘Green Grid’ that will connect the main urban centres and flagship projects of the Development Programme and maximise the potential contribution of the rural economy, including key environmental assets. This ‘Grid’ will comprise a coarse grid of strategic corridors/routeways, and then a finer mesh linking into other places/areas. The strategic level of this grid will be closely aligned to routes where there has already been or there is ongoing commitment to significant investment, with any additional funding being targeted towards specific gaps or barriers. It will also feature strong connectivity with ‘conventional’ transport corridors and nodes.

**6.64** A lattice of subsidiary routes will ensure full connectivity between main urban centres and key service centres/recreational assets in the rural areas, and onwards towards adjacent sub-regions where appropriate. In urban areas, and particularly in those places affected by housing market failure, measures will be taken to ensure that public open spaces are for specific purposes valued by local communities, and that there is physical connectivity between existing and new urban spaces and the ‘green grid’.

### Movement and Communications – Enabling Framework

**6.65** Our enabling framework is concerned with connecting the city region and increasing both internal and external accessibility to its economic drivers and assets. Throughout the enabling framework runs the theme of making economic growth sustainable via the provision of a high quality, convenient and efficient network – connecting centres of population with economic opportunity. Communications incorporates both physical and passenger infrastructure and virtual networks.

**6.66** We have previously described Central Lancashire’s distinguishing features as including the presence of a cluster of advanced manufacturing businesses, and the evolving presence of higher order business services in the Central Area focused on Preston. We

perceive efficient communications networks to be imperative in facilitating the future growth of these sectors and in terms of enabling the flows of knowledge, goods and labour.

**6.67** There is a need to invest in transport infrastructure that will support the economic growth opportunities identified in this Development Programme and facilitate their full “lifetime” growth potential. Examples of enabling investment include the extension of the Blackpool Tram to support the Resort Masterplan, investment in Blackpool Airport, enhanced junction capacity to serve strategic employment sites in the Preston area and provision of park and ride facilities to support the growth and regeneration of Blackburn and Burnley town centres.

**6.68** The challenge for connectivity is to move away from the historic supply-side approach in providing physical infrastructure, to an approach which considers both hard and soft measures to :

- enable economic objectives,
- support growth sectors and stimulate additional growth,
- tackle worklessness,
- promote accessibility and sustainability (through managing demand and widening choice).

**6.69** A complementary package of transport improvements has been identified by the physical connectivity working group which demonstrates the contribution that will be made to realising the economic benefits of the CRDP key projects.

### Virtual Connectivity – Enabling Framework

**6.70** There is great potential benefit to be derived from using ICT to link the urban centres of Lancashire with the major growth sectors, many of which are interrelated in the sense that they often have shared requirements.

**6.71** Development of ICT and wireless technology across the City Region will serve to reinforce the “Green City” inter-relationship between businesses located in urban and rural areas. The more advanced ICT users consider that recent developments in ICT have made it easier to operate from a rural location. However, the most important productivity advantages of ICT only start to be realised when businesses go beyond ‘basic’ adoption levels such as having email and access to the worldwide web.

**6.72** There is a case for intervention, to address an information-related demand-side market failure. Research – combined with other literature

– suggests that small and micro businesses are frequently not in a position to make economically rational decisions regarding investment in ICT.

**6.73** There is an information-related demand-side market failure, which is particularly marked in rural areas; rural businesses are exposed to fewer ICT adoption influences (information sources) than urban businesses are, and as a result they are slower to adopt ICT. Given the substantial productivity benefits associated with ICT, and given the objective of enhancing the prosperity of rural and urban areas, there is therefore a case for intervention on the grounds of improving market efficiency. Such intervention should seek to address the information-related market failure rationale, rather than simply to subsidise ICT. There is an argument for focusing such interventions on micro-businesses. Research indicates that rural firms in the 2-9 employment band have the most to gain from policy action.

**6.74** Focus should be made on the key growth areas within the region and on embracing the virtual city concept, showing that we can maintain our green credentials whilst still being a leading economic force.

### Contribution to Northern Way Investment Priorities

**6.75** The first Growth Strategy (Moving Forward: The Northern Way) identified a series of ten investment priorities designed to accelerate the rate economic growth. Central Lancashire has an important role to play in contributing to achievement of these priorities alongside complementary initiatives being delivered within partner City Regions across the North.

**6.76** In particular this updated Development Programme will contribute to strengthening the knowledge base underpinning the City Region and Northern economies, to building entrepreneurial activity and creating the right conditions and wider opportunities for bringing more people into employment. As such it resonates strongly with the overarching Investment Priorities for the Northern Way.

**6.77** Through the updated Development Programme we have also demonstrated that we are working collaboratively to create truly sustainable communities – tackling the issues of frail housing markets, hot spots of affordability concern and the issues of choice and preference in sustainable neighbourhoods.

**6.78** Our contribution to particular Northern Way Investment Priorities is summarised below in relation to our key economic drivers (Figure 5, below).

### Summary

**6.79** The sum total of the Framework for Economic Growth is a projected increase of £1.6 billion in GVA generated and the provision of 55,000 additional jobs many of which will be in higher value added sectors. However we have the potential to boost this improvement in output to in the order of £2 billion additional GVA with the combined impacts of the enabling framework taking effect. This is an ambitious Development Programme – however this level of ambition and transformation is commensurate with the step-change that is required to address the Northern Way and its investment priorities. The economic contribution of our Development Programme will be of Northern significance.

**6.80** We have demonstrated that we have taken the initial steps to facilitate delivery of this programme, focusing over the last year on advancing our governance and partnership structures, defining clear and comprehensive strategies, engaging stakeholders and obtaining pan-authority support for our proposals. We have also demonstrated that we are working alongside the private, voluntary and community sectors in devising packages of enabling actions. Combined, these actions “set the stage” for delivery of our Development Programme.

**6.81** In the next section, we set out what is within our remit to currently deliver and also identify the freedoms and flexibilities that we require from external partners in order to deliver our economic vision for Central Lancashire.

Key Project/ Suite of Supporting Actions	C1	C2	C3	C4	C5	C6	C7	C8	C9	C10
New Blackpool	✓		✓		✓			✓	✓	
Preston Vision	✓	✓	✓					✓	✓	
Pennine Lancashire Transformational Agenda	✓	✓	✓		✓			✓	✓	
Reinforced Advanced Manufacturing Sector	✓	✓	✓	✓						

**Figure 5:**  
Contribution to Northern Way investment priorities



# 7

## Moving Forward

## The city with room to breathe:

Significant progress has been made in establishing the structures required to realise our vision. This section covers how we intend to move forward and what help is required from regional and national government.

The National Football Museum, Preston





### Moving Forward

**7.1** In this section we present the governance structures for the City Region, we set out our approach to delivery and monitoring and our abilities to influence policy in line with the aims of the Development Programme.

**7.2** The section concludes with Our Priorities in Moving Forward. This sets out the ways in which national and regional level policy makers and funding bodies can empower the partners to deliver this Development Programme and to generate an additional £2 billion GVA within the City Region.

### City Region Governance

**7.3** We firmly believe that there are major gains from working more closely across the City Region on shared economic goals. The governance structures in Central Lancashire City region are evolving. Central Lancashire will seek to learn from lessons elsewhere in developing a balanced approach to leadership that delivers the aims set out in this CRDP.

**7.4** Significant progress has been made in terms of governance with the formation of the Lancashire Economic Partnership, the strategic body established to promote economic growth and prosperity throughout Lancashire. The partnership will continue to develop, taking account of the changing political and policy framework, including the Local Government White paper due later in 2006.

**7.5** Central Lancashire's greater economic contribution can clearly be further enhanced by continually developing its relationships and interactivity with other City Regions, in particular its Merseyside, Manchester and Leeds neighbours. We recognise that the economy exists beyond administrative boundaries and that closer working between respective partnerships will be based on many criteria, for example, shared industrial heritage, travel to work/learn/recreate areas, and ease of connectivity and housing market functions. This also extends to understanding the relationship with our northern neighbour Cumbria, including the spatially important relationship between Lancaster and South Lakeland. Enhanced governance structures will enable stronger links with other city regions.

### Delivery

**7.6** Existing strategies and structures provide the delivery mechanisms for the objectives as set out in this document. This Programme has been specifically developed in line with other key strategies including the Regional Spatial Strategy and the Regional Economic Strategy. The Lancashire Economic Strategy and Action Plan provide the principle delivery mechanism at project level. Wherever possible City Region working groups will be merged with existing groups to avoid duplication and focus resources.

**7.7** The Development Programme, combined with the Lancashire Economic Strategy and Action Plan, provide the context for wider strategy



development within Lancashire. This includes the development of Local Area Agreements.<sup>60</sup>

### Monitoring

**7.8** At a project level, monitoring of progress will be carried out using the mechanisms in place to deliver the Lancashire Economic Strategy and Action Plan. This includes a detailed project investment sheet which tracks investment figures, costs and employment. At a strategic level, monitoring will principally take place using the existing structures of Lancashire Economic Partnership. This will include working with the NWDA to check against RES objectives.

### Policy Influence

**7.9** We plan to build upon our successes in this area and recognise the growing importance of the City Regional approach in achieving economic development objectives. Central Lancashire City Region is firmly embedded in a range of policy, including RES and RSS. Our increased understanding of the evidence base, and further appreciation of common goals, will allow us to make even more effective contributions to policy development at all levels in the future. The Business Case<sup>61</sup> for the Central Lancashire City Region provides further information on our requirements from central government.

### Our Priorities in Moving Forward

**7.10** We have placed particular emphasis on how we have been working together as a City Region to plan, enable and deliver economic growth. Much has already been achieved within the remit and influencing powers of the partners. However, the magnitude of our Development Programme and the scale of the economic benefits associated with it (£2bn additional GVA and 55,000 extra jobs) requires:

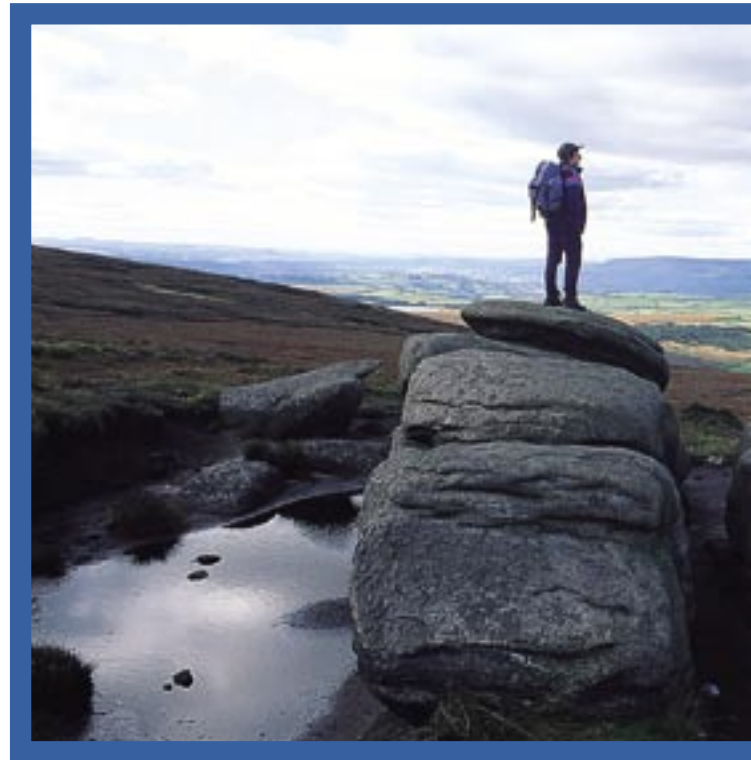
- A supportive national and regional policy framework that enables economic growth within Central Lancashire;
- Co-ordination/alignment of decision making processes across Central Government departments (DCLG; DTI; DfT; HM Treasury) in support of the aggressive economic agenda that we are pursuing;
- Continued recognition of the economic importance of the City Region to the wider North West economy;
- Regional policy designations which are commensurate with the role, contribution and economic potential of the City Region; and
- Longer term funding commitments to implement the requisite programmes of market renewal and regeneration which will underpin our economic sustainability in the future.

<sup>60</sup> Lancashire County Council, Blackpool Local Strategic Partnership and Blackburn and Darwen Strategic Partnership (2006) - "Local Area Agreements"

<sup>61</sup> Central Lancashire City Region Business Case to DCLG, September 2006

**7.11** In delivering these pre-conditions to economic growth our priority requests to national and regional policy makers and funding agencies are detailed below.

- At national, regional and local levels there is unanimous recognition of the urgent need for economic and social regeneration in Blackpool. A positive decision on Blackpool's Regional Casino License will act as a catalyst to the economic rejuvenation of the Resort and will create a series of multiplier effects and labour market benefits that will be felt across the Northern economy. The "Casino-led" regeneration of Blackpool has unprecedented levels of support throughout the region. This is a reflection of the acknowledged level of need in the town, its suitability for this type of development, and the extent to which a regional casino would deliver the catalytic form of investment that is needed to become a year-round sustainable economy, thereby reversing decades of economic decline.
- Recognition in national and regional policy and support for the development of Blackpool International Airport as a major gateway to Lancashire and the North West. We require DTI, DCLG, DfT and other central Departmental support for the Airport's development and expansion. To make this an accessible and sustainable proposition we also need support for associated investment in public transport infrastructure to link the Airport with our network of towns and cities.
- Given the prominence and size of our Advanced Manufacturing business base, we need explicit recognition from central government as the "UK Hub for Advanced Manufacturing". This would involve support for cluster development activities as outlined and include a supporting infrastructure of research and development, training initiatives and provision of appropriate business accommodation. We need central government support for our Advanced Manufacturing initiatives such as Samlesbury Park and the planned Aerospace Innovation Centre. We require funding support from central and regional agencies to complement private sector contributions to major Advanced Manufacturing projects.
- We require central government to consider its purchasing power in relation to Advanced Manufacturing related defence contracts. The purchasing patterns of the MOD's Defence Procurement Agency have the potential to contribute to the economic performance of Central Lancashire and the Northern economy more widely. This is a particularly important proposition in the context of the global competitive pressures that face



Central Lancashire's advanced manufacturing businesses.

**7.12** Our Framework for Economic Growth contains two projects which will be of regional economic significance – Preston Vision and the Pennine Lancashire Transformational Agenda respectively. In facilitating their full delivery our priorities are as follows:

- A lengthening of the funding commitments to large-scale neighbourhood renewal/ economic development programmes. Central government has not yet entered into any explicit long-term funding agreement with the HMRF Pathfinder. Funding is currently tied to the Government's bi-annual spending review process, leading to three-year funding allocations. The lack of long-term certainty poses challenges for Elevate and local authority partners on many levels, not least in trying to develop long-term partnering arrangements with private sector partners and ensuring the endorsement of local communities to a longer-term programme of housing renewal.
- We require central Departments to discontinue the VAT charge on repair and conversion of residential properties to ensure the viability of stock refurbishment as an option in areas of market renewal within the City Region.
- Large scale resources to improve our public transport infrastructure across the City Region and our strategic links with other city regions. This would include the major infrastructure investments and flexibilities required to realise the potential of our strategic employment



sites. Allied to this, we require a more transparent process to making investments in transportation based on the realities of economic opportunity and need. We require central Departments (DfT and DCLG) to jointly recognise the economic and labour market potential that is unlocked through investment in strategic transport infrastructure to serve our strategic employment sites.

- A strategic review of Green Belt boundaries in Central Lancashire to take account of the economic growth potential of its settlements and current shortfalls in the supply of development ready, accessible and high quality employment land, capable of supporting our economic agenda by attracting investment in our key target sectors. This strategic review should be progressed in time to inform the next partial review of Regional Spatial Strategy.
- Greater flexibilities in the deployment of learning and skills budgets to more closely reflect the needs and opportunities emerging with the City Region labour market. We require strategies that are genuinely driven by local priorities and that are capable of responding to and supporting the key projects within the Development Programme.
- More prominent recognition in the work of regional partners on the cultural assets of Central Lancashire. Culture led regeneration is not the sole preserve of the existing UK Core Cities and in taking forward investment the opportunities in Central Lancashire should be at the fore.

- Greater recognition in the Northern Way of the role of our market towns (directly and indirectly) in facilitating the growth of the Northern economy and as attractive locations for knowledge based industry and services. We require a planning and funding environment which can proactively realise the economic potential of key market towns as a business generator, a base for enhanced employment diversity and as hubs for rural regeneration.
- Continued emphasis in regional policy documents (RES, RSS) on the pivotal role of Regional Parks as an instrument for economic growth. Our regional park proposals will make a significant contribution to the image and liveability of Central Lancashire and we require continued backing and funding support.

### Concluding Statement

**7.13** The City Region Development Programme has contributed to significantly higher levels of partnership working in Lancashire. Collaborative working is becoming a hallmark of the Central Lancashire partners and this is leading to a sustainable basis for tackling key issues of importance to the development of the City Regional Economy. These issues include growing competitiveness at all levels, improving connectivity, planning for sustainable urban and rural growth and delivering a step change in economic participation. This level of collaboration represents a significant advancement on behalf of all partners.

**7.14** Our framework for growth is a consensual strategy, devised on the basis of our unique competitive advantages and benefiting from the support of all partners. It is a strategy that will train our assets towards delivering the 2020 Vision for Central Lancashire and which will provide a sustainable basis for growing the economy.

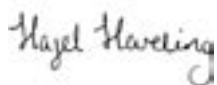
**7.15** We have devised an enabling framework which will provide the foundations and the necessary conditions for the framework for growth to be successfully implemented. The participation and joint-ownership of the enabling framework by all partners will ensure that it plays its full role in driving up competitiveness and sustainable economic growth.

**7.16** This is an ambitious and all embracing agenda, which can be achieved by sub-regional partners with assistance from national Government and regional partners to create a prosperous future for the economy and people of Central Lancashire.

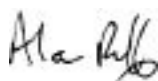
## Section 8: Lancashire Economic Partnership Forum 2006 - 07

---

Asian Business Federation	Lancaster City Council
BAE Systems	Lancaster University
Barnfield Construction	Learning & Skills Council
Blackburn with Darwen Borough Council	Leisure Parcs Ltd
Blackpool International Airport	Manufacturing Advisory Service
Blackpool Council	North & West Lancashire Chamber of Commerce
Burnley Borough Council	North & West Lancashire Learning Partnership
Business Link Lancashire Ltd	North West Aerospace Alliance
Capita Property Consultancy	Pendle Borough Council
Chorley Borough Council	Preston City Council
Confederation of East Lancashire Enterprise Agencies (CELEA)	ReBlackpool
Community Futures	Ribble Valley Borough Council
Connexions	Rossendale Borough Council
East Lancashire Learning Partnership	Social Enterprise Lancashire Network (SELNET)
East Lancashire Chamber of Commerce & Industry	South Ribble Borough Council
Elevate East Lancashire	Springfields Fuels Ltd
English Heritage	Strategic Health Authority
English Partnership	University of Central Lancashire
Environment Agency	United Utilities
Federation of Small Businesses	West Lancashire District Council
Fylde Borough Council	Wyre Borough Council
Groundwork	
Hurstwood Group	
Hyndburn Borough Council	
Job Centre Plus	
Lancashire & Blackpool Tourist Board	Observers:
Lancashire Constabulary	Government Office North West
Lancashire County Council	Northwest Regional Development Agency
Lancashire Rural Development Board	Northwest Regional Assembly



Cllr Hazel Harding CBE  
LEP Forum Chair



Alan Roff  
LEP Board Chair



Dennis Taylor  
LEP Chief Executive



Michael Damms  
CLCR Steering Group Chair

## Section 9: References

This updated Development Programme has been produced using the full and current evidence base. The key sources are listed below and can be obtained (see contact information at the end of this document).

### Working Group Input

Individual papers from CLCR Working Groups have also been submitted in support of the CRDP. These have focused on identifying the baseline position, assessing barriers to bridging the GVA gap, strategic actions and partnership actions. Working Groups include:

- Advanced Manufacturing
- Enterprise
- Higher Education and Knowledge Economy
- ICT Connectivity
- Marketing
- Physical Connectivity
- Rural and Environmental
- Skills
- Sustainable Urban Growth
- Worklessness

### Other Key Sources

(Based on the order they appear in the CRDP)

Lancashire Economic Partnership (2006) - "Lancashire Economic Strategy and Action Plan"

**This document contains in depth economic and labour force analysis and has been key to developing our understanding of Central Lancashire's dynamics. It includes a Lancashire Audit produced by GVA Grimley/ KPMG (2006), based on the Cambridge Economics Model, which provides a single evidence base for the City Region and Sub Regional Area.**

North West Development Agency (2006) - "Northwest Regional Economic Strategy 2006"

North West Regional Assembly (2006) - "Draft Submitted Regional Spatial Strategy for North West England"

Lancashire Economic Partnership (2005) - "City region Development Programme, First Iteration"

Lancashire County Council (2005) - "LCC Economic Development Strategy 2005 - 2006"

Blackpool Council (2006) - "Submission to the Casino Advisory Panel - Towards a World Class Resort Destination"

Lancashire Advanced Manufacturing Group (2006) - "Manufacturing Study"

Lancashire Skills and Employment Task Group (2006) - "Draft Lancashire Skills Strategy"

Lancashire Economic Partnership (2006) - "Lancashire Rural Strategy - Co-ordinated Actions for Rural Lancashire"

Lancashire Economic Partnership (2006) - "Lancashire Employment Land Study"

Preston Vision (2005) - "Economic Regeneration Strategy and Prioritised Action Plan"

Chorley Borough Council (2005) - "Economic Regeneration Strategy"

South Ribble Borough Council (2006) - "Economic Development Strategy"

Commissioned jointly by Preston City Council, South Ribble Borough Council and Chorley Borough Council (2006) - "Central Area Joint Core Strategy"

Commissioned jointly by Preston City Council, South Ribble Borough Council and Chorley Borough Council and produced by Drivers Jonas (2006) - "Joint Office Market Needs Assessment"

Elevate East Lancashire (2005) - "The Transformational Agenda: Housing Market Renewal in East Lancashire. Scheme Update 2006-19"

Higher Education East Lancashire Group (HEEL) - Higher Education Funding Council England submission

East Lancashire Chief Executives (ELCHEX) - "Transformational Agenda Strategy"

Preston City Council, Derek Whyte (2006) - "Polycentricity - Its Definition and Application to the CLCR"

SURF (2006) - "Strengthening the Evidence Base for Economic and Spatial Strategies", study commissioned by the NWDA

Lancashire Economic Partnership (2006) - "Lancashire Perception Study"

Llewelyn Davies Yeang (2006) - "Draft Quality of Place: The North's Residential Offer - Central Lancashire Case Study"

Lancashire Economic Partnership (2006) - "Economic Impact Study for Blackpool International Airport"

Elevate East Lancashire (2005) - "Dreaming of Pennine Lancashire"

NWDA (2006) - "North West Climate Change Action Plan"

Northern Way Sustainable Communities team, CAG (2006), "City Region Sustainability" Report

Preston City Council (2004) - "Preston Riverworks Masterplan"

Blackpool Council (2003) - "Blackpool Resort Masterplan"

Re: Blackpool (2005) - "Investment Plan for Sustainable Resort Regeneration"

European Union (2005) - "The Bristol Accord" available at [www.communities.gov.uk](http://www.communities.gov.uk)

GVA Grimley (2006) - "Audit and Analysis of the Central Lancashire City Sub Region", commissioned jointly by Preston, South Ribble and Chorley

Elevate East Lancashire (2005) - "East Lancashire Housing Market Assessment"

GVA Grimley/ DTZ Piedad (2006) - "Blackpool and Fylde Coast Strategic Housing Study"

GVA Grimley (2006) - "Contribution to Northern Way Investment Priorities"

MORI (2006) - "Household Survey for Inner East Preston"

Lancashire County Council, Blackpool Local Strategic Partnership and Blackburn and Darwen Strategic Partnership (2006) - "Local Area Agreements"

Lancashire Economic Partnership (2006) - "Central Lancashire City Region Business Case to DCLG"

## Section 10: Glossary

---

CRDP	City Region Development Programme
CLCR	Central Lancashire City Region
ELCHEX	East Lancashire Chief Executives Group
DCLG	Department for Communities and Local Government
DfT	Department for Transport
EU	European Union
FE	Further Education
GVA	Gross Value Added
HE	Higher Education
HEFCE	Higher Education Funding Council England
HEEL	Higher Education in East Lancashire
HM Treasury	Her Majesty's Treasury
HMRF	Housing Market Renewal Fund
ICT	Information and Communications Technology
LES	Lancashire Economic Strategy and Action Plan
LEP	Lancashire Economic Partnership
LES	Lancashire Economic Strategy
RES	Regional Economic Strategy
RSS	Regional Spatial Strategy
URC	Urban Regeneration Company
WiFi	Wireless Networking

## Section 11: Further Information

---

For further information about the Central Lancashire City Region please contact:

### **Dennis Taylor**

Chief Executive, Lancashire Economic Partnership

[dennis@lancashire-ep.org.uk](mailto:dennis@lancashire-ep.org.uk)

01254 300461

[www.lancashire-ep.org.uk](http://www.lancashire-ep.org.uk)

For further information about the preparation of the City Regional Development Programme and to obtain copies of the source information please contact:

### **Peter Thomas**

Strategy and Development Manager, Lancashire Economic Partnership

[petert@lancashire-ep.org.uk](mailto:petert@lancashire-ep.org.uk)

01254 300488

[www.lancashire-ep.org.uk](http://www.lancashire-ep.org.uk)





Lancashire Economic Partnership  
The Globe Centre  
St James Square  
Accrington  
BB5 0RE

Tel: 01254 300460  
Fax: 01254 399741  
Email: [partnership@lancashire-ep.org.uk](mailto:partnership@lancashire-ep.org.uk)  
Web: [www.lancashire-ep.org.uk](http://www.lancashire-ep.org.uk)

**LANCASHIRE**  
ECONOMIC PARTNERSHIP



**Central Lancashire  
City Region**  
the city with room to breathe

**Moving Forward:  
The Northern Way**



**Northwest**  
REGIONAL DEVELOPMENT AGENCY