

**REPORT FROM:** CHIEF EXECUTIVE  
**TO:** COUNCIL  
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## OUR NEW DEAL FOR A GREATER LANCASHIRE

### PURPOSE OF REPORT

To provide Full Council with an update on work undertaken towards development of strengthened joint working, a long term strategic plan and a County Deal for the Lancashire area and seek agreement to progress this work.

### RECOMMENDATIONS

That Full Council:

- (1) Support the outline "Our New Deal for a Greater Lancashire" at Appendix 1 as the initial draft basis for further discussion and development of a possible County Deal for the Lancashire area.
- (2) Agree the principles of governance as set out in Appendix 2 for any future deal.
- (3) Agree that the Leader of the Council continues to work with Lancashire Leaders in line with the principles agreed in recommendations 1 & 2 above, and note that any formal proposals will require approval by Full Council at the appropriate time.

### Introduction

Lancashire has a rich heritage, it is a diverse county which has opportunities for all and is home to globally leading firms and nationally significant assets. Its thriving £34bn economy was growing rapidly prior to the pandemic with the 4<sup>th</sup> largest aerospace cluster in the world helping achieve significant productivity gains. With a population of 1.5m people, Lancashire's 54,000 businesses generate 749,000 jobs across a range of important and emerging sectors from manufacturing and hospitality to cyber, digital and low carbon. A place of amazing beauty, its natural assets support the economy and workforce as well as providing a thriving tourism destination for visitors and an opportunity to support net zero and cleaner energy ambitions.

Local government arrangements in Lancashire are complex with a county council, two unitary authorities and 12 district councils. However, over the last two years, the context of a global

emergency response has created a platform to empower Leaders of all the 15 local authorities in Lancashire to strengthen relationships and partnerships with wider stakeholders. Whilst the pandemic has generated significant, bespoke impacts in Lancashire that have exacerbated longer-term underlying structural issues and inequalities, Leaders are using this foundation as a basis for recovery and to drive forward economic growth.

With a robust evidence base and utilising the strong local knowledge of elected representatives, Leaders are developing a vision and ambition for the future of Lancashire looking ahead to 2050 to recover, grow and decarbonise the economy, improving the place and the life opportunities of its people. Their plans to achieve this will not only realise opportunities for Lancashire and UK plc but in doing so, help address many of the structural deficits and level up across the county.

With the government's much-anticipated levelling up White Paper on the horizon, the time is right for Lancashire to move forward together with a collective voice to make the case for more powers and investment for all of Lancashire.

Leaders have identified that the work is now at a stage where it is important to secure the engagement and support of all members. This report is therefore being presented to all fifteen local authorities.

This report covers:

1. **Lancashire 2050**, which sets out the headline themes which could be included in a long term strategic plan and ambition for Greater Lancashire.
2. **Our New Deal for a Greater Lancashire**, which sets out an initial scope and is a first phase of work that could begin to frame a set of devolution asks as part of a County Deal.
3. **Governance**, which sets out information about the governance options to oversee the long-term plan and deliver the deal, and the principles agreed by Leaders for any governance arrangements.

It is important to note that the government's anticipated Levelling Up White Paper will influence to a large extent the shape and substance of a County Deal that Lancashire authorities will be able to pursue. The information, advice and proposals in this paper may therefore, need to change to reflect the white paper. This report and recommendations seek to position Lancashire so it is better placed to commence early County Deal discussions with Government.

## **Developing a Lancashire Plan**

Significant work has taken place across Lancashire to gather evidence that will shape an overarching vision, strategy and plan for the whole of 'Greater Lancashire'. This work has helped inform the scale of ambition and the development of robust key priorities within the scope of what Our New Deal for a Greater Lancashire could look like, together with the governance principles described in this report.

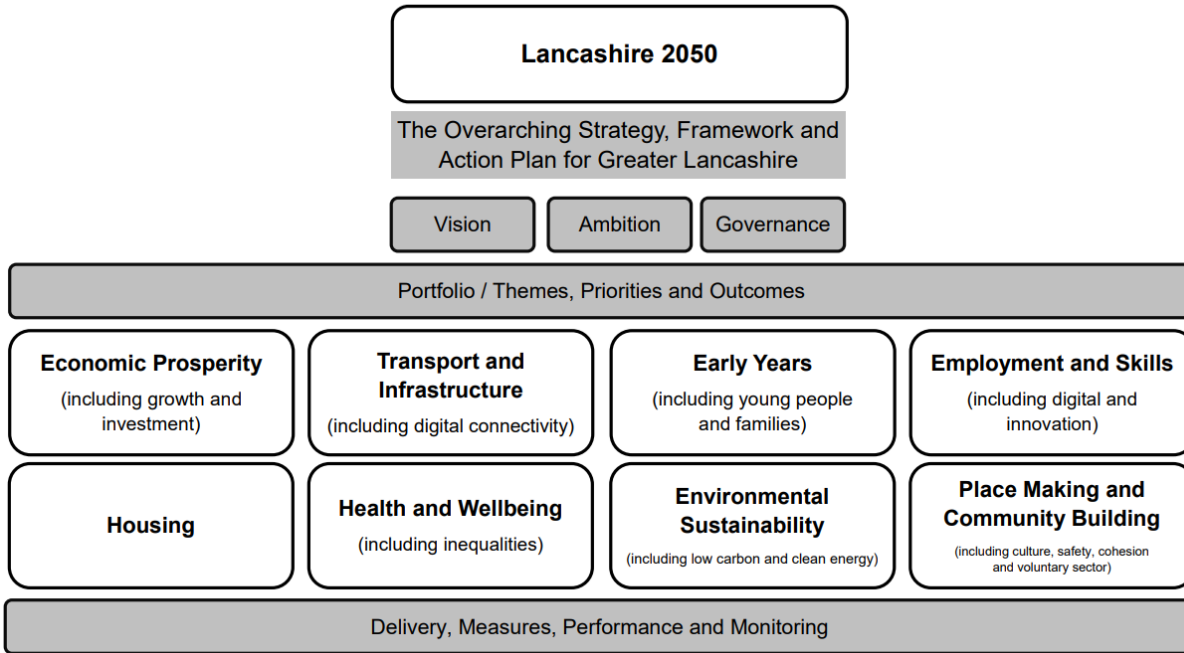
Once fully developed and adopted, in tandem with a devolution deal, Lancashire's overarching strategic plan will be forward looking and take a long term view, setting the vision and ambition over a 20-30 year period. Approaching this strategic framework in this way will ensure that the scope of Lancashire's devolution proposals addresses both the immediate priorities and longer term ambitions.

Hence, an overarching strategic plan that looks to Lancashire in 2050, would need to describe a broader ambition beyond the immediate priorities framed by the four themes set out within the scope for Our New Deal for a Greater Lancashire [at Appendix 1]. Developing the strategy and priorities this way also ensures that policy areas overlap to tackle cross cutting opportunities such as skills, health and the environment, avoiding any unintentional policy silos. For example,

tackling priorities that are currently included in the devolution scope around early years, housing quality, employment and skills, will also address some of the wider determinants of poor health as part of a longer term ambition for Lancashire, even though health priorities are yet to be agreed and fully set out working with our partners in the NHS through the Lancashire and South Cumbria integrated health and care system.

As a result, in addition to the four themes identified within Our New Deal for a Greater Lancashire, additional policy areas within the Lancashire 2050 strategic plan could include themes such as health (including inequalities, improvement and wellbeing) and community building (including crime and public safety), see Diagram 1 below. Work to shape and consult on Lancashire 2050 will continue in tandem with work on Our New Deal for a Greater Lancashire over the coming months and report through to Leaders and Councils and ultimately through any new governance arrangements adopted.

Diagram 1 Lancashire Plan Scope Illustration

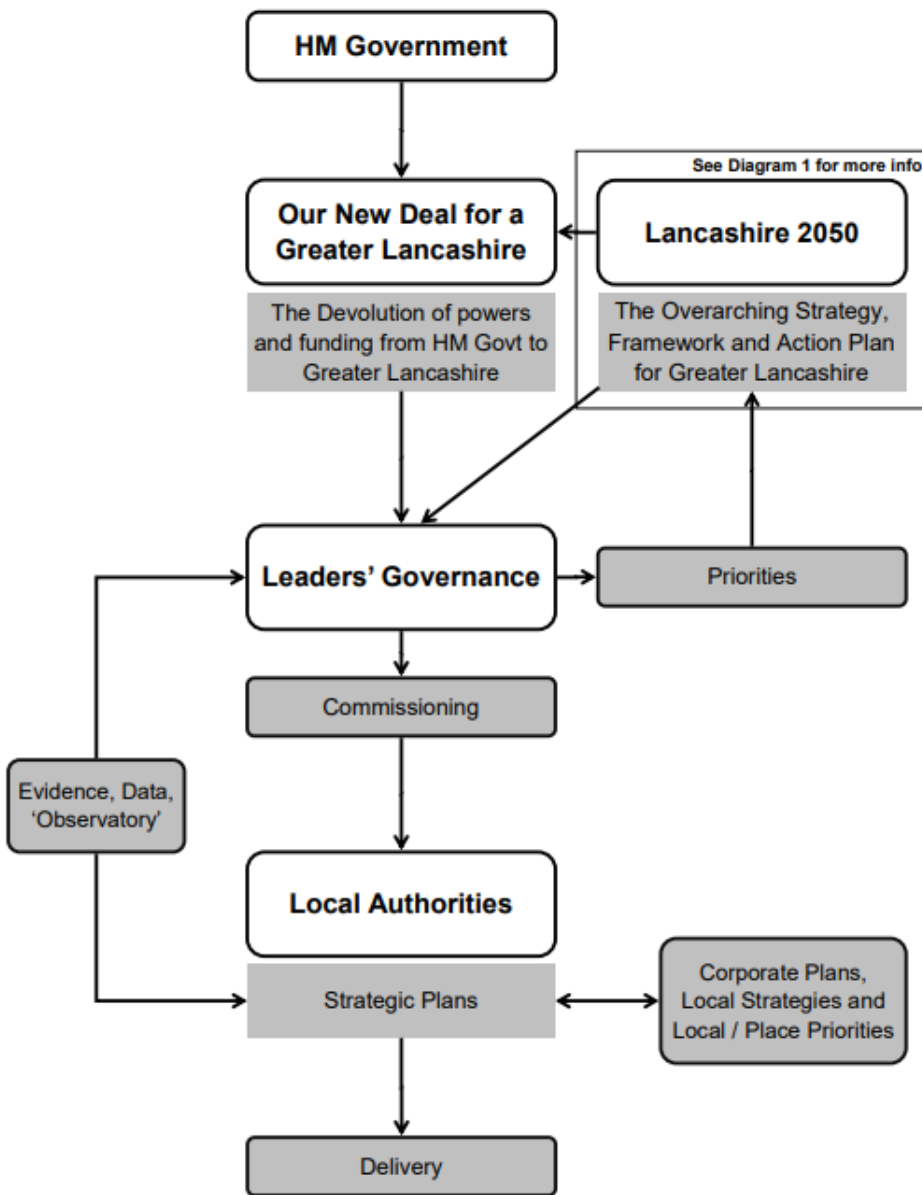


### Our New Deal for a Greater Lancashire (Appendix 1)

With a long term strategic plan in place, our ask of government through a county deal, would be for the devolved powers, flexibilities and funding to accelerate the delivery of the immediate priorities set out in the plan, see Diagram 2 below. Based on the experience of other areas which have secured devolution deals, our ask could be in the order of say £5bn investment into the wider Lancashire area to address local needs and priorities as determined by and in Lancashire over the next 5-10 years. This would be across four core themes of:

- Economic growth and investment
- Transport, connectivity and infrastructure
- Early years, education, adult skills and employment
- Environment, climate change and housing quality

Diagram 2 Our New Deal for a Greater Lancashire Illustration



## Next Steps

In order for Lancashire to move forward with a strong collective voice, the engagement and support of all councils will be extremely important. This will give Leaders a mandate to collectively move forward on the issues set out in this report, and to engage with government to develop and deliver a great deal for Lancashire, for presentation back to each Full Council in Lancashire to consider and decide.

## **IMPLICATIONS**

**Policy:** The Council does not currently have a policy on this. The decisions taken on this report will represent its future policy.

**Financial:** At this preliminary stage it is impossible to state what these are in any detail. A successful bid for in the region of £5 billion for the whole county should be expected to realise significant benefits for the Borough as indicated by the core themes and the strategic objectives set out in Appendix A.

All 15 councils will be expected to contribute resources, staffing and/or financial, to the development of the Deal bid but again detail is awaited on this. A council decision will be required at the appropriate time.

**Legal:** Importantly and fundamentally it would be for the Council to decide for itself whether it wishes to be part of the Deal when the full details become known.

Participating in the Deal and the governance structure would not affect the Council's status and role as an independent organisation with its own functions, legal powers and duties. It may benefit from further devolved powers from Central Government.

The proposed governance structure is based on one council, one vote with a two thirds majority required. A power of veto for any Council would be available in certain circumstances where its area is affected.

**Risk Management:** None arising from the report.

**Health and Safety:** None arising from the report.

**Sustainability:** None arising directly from this report but the core themes and strategic objectives seek greater sustainability in many areas.

**Community Safety:** None arising from the report.

**Equality and Diversity:** None arising from the report.

## **APPENDICES**

A - Initial Scope of Our New Deal for a Greater Lancashire

B - Governance

## **LIST OF BACKGROUND PAPERS**