

COUNCIL BUSINESS COMMITTEE

The Lancashire Growth Plan - Consultation Response 26th March 2025

Report of the Chief Officer for Sustainable Growth

PURPOSE OF REPORT

The purpose of the report is to advise Council of the consultation of the Lancashire Growth Plan and for Council to agree a response to the consultation.

This report is public

RECOMMENDATIONS

- (1) That Council note the summary content of the consultation version of the Lancashire Growth Plan**
- (2) That Council agree the draft response contained in paragraphs XX to XX of this report.**
- (3) That Council delegate the Chief Officer Sustainable Growth to make minor alterations to the response and to submit the final version of the response to the County Combined Authority by 11th April 2025.**

1.0 Introduction

- 1.1** A new Combined County Authority (CCA) for Lancashire, Blackpool and Blackburn was established on 5th February 2025 when the Statutory Instrument for its formation was signed by the Minister of State for Local Government and English Devolution.
- 1.2** The newly established CCA identifies 7 key areas for its work which are
 - Innovation, Trade, and Investment
 - Skills and Adult Education
 - Transport
 - Net Zero and Climate Change
 - Digital and Cyber
 - Culture and Tourism
 - Housing and Land
- 1.3** The Government has also provided £20million of funding agreed as part of the devolution deal to create the new CCA. The funding is to be used on a number of projects supporting place-based economic regeneration, innovation-led growth and

net zero ambitions.

- 1.4 To support the work of the CCA a draft Lancashire Growth Plan (LGP) has now been published which looks at the period 2025 to 2025. The LGP is out to consultation until 11th April 2025 and views are being sought widely. This report therefore seeks to agree a response from Lancaster City Council.

2.0 Proposal Details

- 2.1 The draft Lancashire Growth Plan (LGP) was launched at the recent Convention of the North which was held in Preston in late February. The LGP is out for consultation for 6 weeks.

- 2.2 As well as an introduction the LGP has 8 sections and concludes with an Appendix of Lancashire's Major Pipeline Sites. The sections cover the following:

- Vision and Strategic Priorities
- Case for Growth
- Spatial Priorities
- Framework for Nationally Significant Economic Assets
- Foundations for Growth
- Our Asks
- Governance, Monitoring and Evaluation
- Major Projects

- 2.3 While the Lancashire Growth Plan 2025–2035 does not extensively detail many specific projects for most areas it does acknowledge some Lancaster District based initiatives and assets within the district. Projects like the Eden Project Morecambe, the operational significance of Heysham Nuclear Power Stations, and the collaborative efforts of the Lancaster District Strategic Partnership are recognised as components of the region's economic development.

- 2.4 Some positive Aspects of the Lancashire Growth Plan for the city council's area include:

- Recognition of Advanced Engineering and Manufacturing The plan emphasises Lancashire's some strengths in advanced engineering and manufacturing, sectors where Lancaster has notable capabilities. This alignment suggests potential for targeted investments and initiatives that could benefit the district.
- Focus on Clean Energy Initiatives Highlighting clean energy aligns with Lancaster's assets, such as the Heysham Nuclear Power Station. This focus could lead to further development in sustainable energy projects within the district. The document acknowledges the economic significance of the Heysham Nuclear Power Stations noting the extension of operational life for these stations underscores their importance to the local economy and energy infrastructure.
- Emphasis on Digital and Cyber Sectors The plan gives attention to digital and cyber sectors which resonates with Lancaster's educational institutions, notably Lancaster University, which has strengths in these fields. The plan references Lancaster University's investment in digital and cyber sectors. This aligns with the local Lancaster support for the Electech cluster, which emphasises, innovation in digital and artificial intelligence sectors, indicating potential growth

areas for the district.

- Eden Project North: The plan discusses this as a key initiative aimed at revitalising Morecambe's economy:
- Lancaster District Strategic Partnership (LDSP): The plan references the LDSP as a collaborative effort to enhance the Lancaster District.
- Founding organizations include Lancaster City Council, Lancaster University, University of Cumbria, Lancaster and Morecambe College, and others, highlighting a concerted effort to address regional challenges and opportunities.
- Tourism and Coastal Regeneration The document emphasises the potential of coastal towns like Morecambe in contributing to Lancashire's visitor economy: This underscores the strategic importance of projects like Eden Project Morecambe in reimagining the British seaside experience.
- Environmental and Agricultural Research Lancaster's role in environmental research is highlighted through institutions like the Lancaster Environment Centre (LEC) This positions Lancaster as a leader in environmental and agricultural innovation, contributing to the region's economic diversification, although it is not obvious from the rest of the text.

2.5 However, while the Lancashire Growth Plan 2025–2035 purports to set a foundation for county-wide economic development, its effectiveness in promoting inclusive growth across the city council's communities will be diminished if the document proceeds to adoption in its current form. Significant issues with the main sections are detailed below.

2.6 In order to respond to the consultation the below provides officer commentary on the sections and a suggested response on each. The full document can be found at the link at the end of this report.

Officer Commentary	Suggested Response
Vision and Strategic Priorities	
<p>The draft LGP provides for a vision as follows:</p> <p><i>"To be a globally recognised, highly competitive, and sustainable region celebrated for its exceptional quality of life, connectivity, and opportunities."</i></p> <p>This is supplemented by a series of aspirations focusing on:</p> <ul style="list-style-type: none">• new technologies and future markets• Diverse and dynamic communities• quality of life• growth in communities most in need	<p>The vision and priorities appear to be well suited to the broad and diverse nature of Lancashire and its economy.</p> <p>Whilst the LGP is clearly aimed at a high-level strategy and therefore reflective of key future sectors in Lancashire it is felt that the vision and priorities do not deal with all areas of the economy.</p> <p>It is very focused on high technology and high skills whereas there are significant areas of lower value and lower skilled jobs underpinning the economy. There are also significant areas of deprivation within</p>

<ul style="list-style-type: none"> • sector development and growth • innovation excellence • skills for growth • business growth and enterprise • releasing local growth potential <p>5 economic priorities are then identified as follows:</p> <ol style="list-style-type: none"> 1. UK Security 2. Clean Growth / Nuclear 3. Sustainable Digital and AI 4. Continued Success of Manufacturing 5. A Reimagined Coast <p>This is underpinned by foundations for growth and a major projects and investment programme.</p>	<p>Lancashire. It is felt that the vision and priorities could be changed to address these areas more equitably.</p>
<p>Case for Growth</p>	
<p>The case for growth is supported by a series of evidence base including the Lancashire Independent Economic Review (2022), Lancashire 2050 Strategic Plan (2023), Lancashire CCA Proposal (2024) and the Lancashire Skills and Employment Strategic Framework (2024)</p> <p>The case for growth identifies 5 drivers:</p> <ul style="list-style-type: none"> • Size and scale • Powerful • Areas of high productivity • Job density • Distribution of economic output <p>This is complemented by five challenges:</p> <ul style="list-style-type: none"> • Sustaining recent growth uplift • High reliance on advanced engineering manufacturing • Need to match east-west connectivity with the excellent north-south • Broaden volume and availability of investment • High and growing levels of economic inactivity 	<p>This section presents Lancashire's economic context, highlighting its GVA (Gross Value Added) and employment trends.</p> <p>However, Lancaster's contributions are not given adequate attention (reference to Economic Analysis of Lancaster District Appendix 1).</p> <ul style="list-style-type: none"> • Lancaster's GVA Contribution: Lancaster district generates a significant portion of Lancashire's £34 billion total GVA, contributing over £2.7 billion annually. While this figure is slightly lower than some parts of central Lancashire, it is higher than many other Lancashire districts. • GDP and Employment: The Lancaster economy grew by 10.9% in 2022, surpassing the UK's average growth rate of 9.7%. This strong economic performance is overlooked in the document. • High-Value Sectors: Lancaster has one of the highest concentrations of knowledge-intensive businesses in Lancashire, many of which are spin-offs or partnerships with Lancaster University. <p>Downplaying Lancaster's strong economic fundamentals as an "isolated / small area" undermines the credibility of the plan's growth strategy. A more robust data-driven approach</p>

	<p>should highlight Lancaster's importance.</p> <p>The Lancashire Growth Plan 2025–2035 focuses primarily on the Central Belt Economic Corridor, covering Preston, Blackburn, and Burnley. This raises concerns about spatial imbalance and a potential future lack of investment in the north of the county.</p>
Spatial Priorities	
<p>This section of the LGP majors on the central belt in Lancashire stretching from Blackpool across through Preston and to Blackburn and Burnley. This is identified as the key corridor.</p> <p>The section is supplemented with 3 maps. One provides the Lancashire Growth Map which highlights the central belt but also other corridors such as the M6 running up to Lancaster. It also identifies Anchor Strategic Sites – only Heysham Gateway is identified in Lancaster City area. Complementary sites are also identified and includes Morecambe Town and Lancaster City Centres and Lancaster University.</p> <p>The second map looks at wider relationships and shows a clear relationship of north Lancashire with Cumbria for tourism, nuclear and defence.</p> <p>Finally, the third map identifies areas of economic need by using data on Income Deprivation in Local Super Output Areas. Areas in Morecambe are clearly shown in the upper 2 deciles of income deprivation.</p>	<p>Lancaster / Morecambe based initiatives are cited in the document, but this is not reflected in a balanced spatial approach, which has a strong emphasis towards Central Lancashire. It diminishes the importance and potential of the north to south M6 corridor, Lancaster's links to Preston /Manchester / Liverpool, the South Lakes/Barrow/Scotland to the North, and Yorkshire/Leeds to the east.</p> <p>The document calls the Lancaster/Morecambe/Heysham conurbation "isolated" when it takes longer to get to Preston from either Burnley or Blackpool, and where there are numerous direct and fast daily train services to Manchester, London, Edinburgh and Glasgow.</p> <p>In later plans the document, strangely labels the Lancaster/Morecambe/Heysham conurbation "small". While individually these urban areas are distinct, they are functionally integrated and should be treated as a large conurbation.</p> <p>In summary:</p> <ul style="list-style-type: none"> • The emphasis on the M55/M65 corridor (Blackpool - Preston-Burnley) potentially excludes Lancaster and Morecambe Bay from major investment discussions. • The limited focus on north-south transport links, disadvantages and underplays Lancaster's connectivity to the rest of the county, particularly its highest growth area of Preston, and better links to the rest of the country than elsewhere in Lancashire. • Other than Eden Morecambe the major regeneration projects mentions listed for Lancaster district, despite opportunities such as Frontierland and the Canal Quarter Regeneration Scheme. <p>Lancaster's low profile in the Spatial Priorities</p>

	<p>risks reinforcing economic disparities within Lancashire and the district itself. A more equitable plan should incorporate Lancaster's potential as a densely populated and thriving regional economic centre rather than, as the document text and visuals imply, a "backwater" or simply complementary to the priority M55/M65 corridor.</p> <p>The vision outlined in the Growth Plan revolves around themes of innovation, productivity, sustainability, and infrastructure. However, the document provides little recognition of Lancaster's unique strengths in these areas in Spatial Priority.</p> <ul style="list-style-type: none"> • Innovation: Lancaster University's impact in research and development (R&D) is substantial, with over £80 million in research grants annually. It also supports business innovation through initiatives such as Lancaster University's Work in Progress incubator. • Sustainability: Lancaster has a leading clean energy sector, particularly in offshore wind and low-carbon technologies. The city's engagement with the Eden North project also positions it as a national leader in environmental innovation. • Infrastructure: The vision prioritises investment in transport and digital connectivity but does not build on Lancaster's north-south connectivity issues or its specific digital economy potential. <p>The lack of reference to Lancaster's contributions to these strategic priorities creates an incomplete vision for Lancashire's growth. A more balanced approach would explicitly position Lancaster, with its business cluster and Universities as an anchor of innovation-led growth.</p>
Framework for Nationally Significant Economic Assets	
<p>This section of the LGP identifies assets of national significance against the 5 economic priorities.</p> <p>In terms of security and resilience the LGP identifies the following:</p>	<p>The plan outlines key economic assets that are crucial to Lancashire's growth. However, it does not fully recognise the national and international significance of Lancaster University not Lancaster itself in Priority 4.</p> <ul style="list-style-type: none"> • Lancaster University ranks among the top

<ul style="list-style-type: none"> • Military air sector • National Cyber Force HQ • AUKUS Supply Chain • Rural economy and food security <p>For clean and nuclear the LGP discusses the following:</p> <ul style="list-style-type: none"> • Nuclear power • Advanced Engineering and Manufacturing • Nuclear research and education <p>With regard to digital and AI the LGP covers the following:</p> <ul style="list-style-type: none"> • University research and education inc Lancaster University <p>The fourth priority of Advanced Engineering and Manufacturing identifies the following:</p> <ul style="list-style-type: none"> • Electech Cluster • Energy and Low Carbon Sector • Lancaster University • Health Innovation <p>Finally in terms of coast the following are identified as key assets:</p> <ul style="list-style-type: none"> • Blackpool • Morecambe and Eden • Morecambe Bay Curriculum 	<p>ten universities in the UK and top 150 globally, generating over £1 billion annually for the UK economy.</p> <ul style="list-style-type: none"> • It leads major research and business collaborations, including partnerships with BAE Systems, the NHS, and global tech firms. • The Lancaster Health Innovation Campus contributes to health and med-tech sectors, supporting regional economic resilience. <p>The Port of Heysham is a key hub for freight and passenger transport and Lancashire's only port harbour. Operated by Peel Ports, it plays a crucial role in connecting the UK with Ireland and the Isle of Man. The port handles Roll-on/Roll-off (RoRo) ferry services, serving routes to Belfast, Dublin, and Douglas. Major ferry operators include Stena Line, Seatruck Ferries, and the Isle of Man Steam Packet Company.</p> <p>Heysham's strategic location makes it a vital gateway for trade, particularly for industries reliant on efficient logistics, such as retail, manufacturing, and agriculture. It facilitates the movement of goods, including food products, machinery, and raw materials, boosting the local and national economy. The port also supports offshore energy operations, including wind farms and the nearby Heysham Nuclear Power Station.</p> <p>Alongside its strategic importance economically, the port provides hundreds of jobs in maritime, logistics, and support services, directly contributing to regional employment. Its efficiency in handling unaccompanied freight helps alleviate congestion at larger ports such as Liverpool. With ongoing investments in infrastructure, the Port of Heysham is expected to further enhance trade links and bolster economic resilience in the northwest of England.</p> <p>Given these factors, Lancaster University and Port of Heysham should be designated as a nationally significant asset within the Growth Plan.</p>
Foundations for Growth	

<p>The LGP identifies 4 enablers to economic growth.</p> <p>Firstly, Quality of Place and Culture is highlighted and is based around a refresh of the ReMade cultural strategy for Lancashire.</p> <p>Secondly Inclusive Growth focuses on the Lancashire Skills and Employment Strategy and the new Lancashire Business Board. It also proposes a new Skills escalator and a strong relationship with the Integrated Care Board through schemes such as WorkWell.</p> <p>Thirdly, the strength of Lancashire's Higher and Further Education Assets is identified including the following:</p> <ul style="list-style-type: none"> • University of Lancashire (formerly UCLAN) • Lancaster University • Edge Hill University • AMRC NW • FE Colleges • Lancashire Data Observatory <p>Finally the Lancashire Infrastructure Strategy focuses on what is needed to underpin the LGP delivery and covers the following topic areas:</p> <ul style="list-style-type: none"> • Transport • Housing • Key Employment Sites 	<p>Lancaster is one of England's 15 designated historic cities, which does not merit mentioning in the Plan. It would be impossible to think of strategic economic plans for other areas of similar scale and focus which did not mention this fact.</p> <p>The Lancaster/Morecambe/Heysham conurbation should not be labelled "small".</p> <p>This section discusses skills, infrastructure, and innovation, yet does not fully incorporate Lancaster's role in driving regional talent development.</p> <ul style="list-style-type: none"> • Lancaster University trains thousands of high-skilled graduates annually, many of whom remain in Lancashire. • The Lancaster Digital Hub supports business growth and digital transformation yet is not featured. • Lancaster's proximity to the National Cyber Force in Samlesbury positions it as a key digital economy player. <p>A stronger emphasis on Lancaster's skills pipeline and digital infrastructure would improve the credibility of the Growth Plan.</p> <p>The Electech Cluster, while mentioned in the document was founded and based in Lancaster and is a thriving network of businesses, researchers, and organisations specialising in electronics, electrical engineering, and emerging technologies. This cluster brings together high-tech companies, Lancaster University, and innovation hubs to drive advancements in semiconductors, photonics, digital communications, and power electronics.</p> <p>Anchored by Lancaster University's world-class research in fields like quantum technology and cybersecurity, the Electech Cluster plays a key role in fostering collaboration between academia and industry. It provides businesses with access to cutting-edge facilities, skilled graduates, and research expertise, enabling innovation and commercial growth.</p> <p>For businesses, the cluster means greater opportunities for networking, research partnerships, and funding access. It supports</p>
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	<p>start-ups, SMEs, and multinational corporations, helping them develop new technologies, scale operations, and compete globally. The cluster also strengthens Lancaster's economy by attracting investment, creating high-value jobs, and positioning the region as a leader in advanced electronics and digital industries.</p> <p>The plan lacks specific strategies for rural areas. Given Lancaster District's extensive rural hinterland, incorporating policies to support agriculture, rural tourism, and local enterprises is crucial.</p>
Our Asks	
<p>Section 7 of the LGP provides what Lancashire's "asks" are. These can be summarised as follows:</p> <ul style="list-style-type: none"> • Targeted Government Policy and Investment • Investment to drive industries of the future (Heysham is mentioned) • Refocus devolved skills and employment investment to lift local job productivity • Develop a pipeline of strategic transport projects 	<p>The Growth Plan makes key funding requests, but none are explicitly earmarked for Lancaster-based projects.</p> <ul style="list-style-type: none"> • Eden Project Morecambe is a £100 million investment opportunity, yet it is not given further priority. For Morecambe to capitalise on the opportunity much more needs to be done to provide context and setting for this unique attraction. • Lancaster's Canal Quarter Regeneration Project is absent, despite being a key cultural and economic development initiative. • Investment in Lancaster University's research facilities should be a major ask, considering its national/global impact. • The Strategic Rail Programme is inadequate in addressing the district's needs and potential.
Governance, Monitoring and Evaluation	
<p>The success of the LGP will be monitored on an ongoing basis as part of the wider performance management framework for the LCCA.</p> <p>The draft LGP proposes monitoring indicators covering the following areas:</p> <ul style="list-style-type: none"> • Economic Growth and Development • Infrastructure and Connectivity • Skills and Employment • Quality of Place and Culture • Housing and Community 	<p>Governance structures lack representation from Lancaster. Given the district's economic significance, ensuring representation at the Combined County Authority level would promote fairer regional decision-making.</p>

<p>Development</p> <p>The LGP proposes regular monitoring reports, and stakeholder feedback as part of its evaluation of success.</p>	
Major Projects	
<p>Finally the LGP concludes by proposing a list of major signature projects which are:</p> <ul style="list-style-type: none"> • Samlesbury EZ and Innovation Hub • Warton EZ • Blackburn Cyber Skills and Innovation Quarter • Blackpool Airport EZ and Silicon Sands • Blackpool Central Leisure Development • Burnley Town Centre • Heysham Nuclear • Morecambe Seafront and Eden • Preston Station Quarter • Springfields • Strategic Rail Programme • Talbot Gateway / Multiversity 	<p>As throughout the document there is a dominance of the “central belt” It is worth noting that both Heysham and Morecambe are identified here but this appears to be inconsistent with the Growth Plan at the start of the document which also includes Lancaster and refers to Heysham as an anchor project.</p>

2.6 ***Requested Changes***

2.7 In order for the City Council to support the emerging the Lancashire Growth Plan the following changes are requested.

2.8 The City Council requests that the following is more fully considered and emphasised in the Growth Plan. Lancaster District is as central and pivotal an economic area in Lancashire, benefiting from a diverse economy, a thriving higher education sector, a revitalised coastal town of Morecambe, and thriving on Lancaster’s status as one of England’s Historic Cities. In synergy with these strengths Lancaster can become a more prosperous contributor to Lancashire in terms of GDP per head, productivity, and business growth, but only with recognition of the area’s potential in its own right and not simply as an “isolated outpost of the Central Belt”.

2.9 Lancaster’s economic growth potential needs to be reflected in:

- Recognition as one of the key drivers of Lancashire’s future economic expansion
- The additional support required to overcome challenges and barriers that may limit growth.
- Recognition of its success in comparisons with other Lancashire districts and

- some of the Growth Plan's current focus and attention.
 - Our area's outstanding role in provision of education and workforce skills.
 - Better reflection of the opportunities in heritage tourism, creative and knowledge-based industries of the area
 - Reflection of what Lancaster District needs to do to exceed growth expectations.
- 2.10 Lancaster's economy is projected to grow steadily but at a slower rate than it could unless structural improvements are made. Key indicators suggest:
 - GVA growth (10.9% in 2022) has been strong, outpacing the UK's real growth rate of 4.1%, but sustaining this will be challenging.
 - GDP per head (£22,966) is below the UK average (£36,844) and significantly lower than Preston (£31,284) and Fylde (£38,158).
 - Productivity (£35.50 GVA per hour worked) is 10.6% below the national average, showing room for improvement.
- 2.11 While Lancaster's knowledge economy and tourism sector offer strong potential, infrastructure, business innovation, and investment must improve to overperform economic forecasts. The key drivers of Lancaster's Future Growth will come from:
- 2.12 Higher Education and Knowledge-Based Industries: Lancaster outperforms most of Lancashire in terms of workforce education levels due to Lancaster University, a world-class research institution that fuels innovation, start-ups, and highly skilled employment.
 - Lancaster University is ranked in the top 15 UK universities, contributing £1 billion annually to the local economy.
 - The university attracts thousands of international students and researchers, boosting local spending and housing demand.
 - It has a strong reputation in technology, environmental sciences, and business, areas that could drive economic expansion.
- 2.13 However, a major challenge is retaining graduates in Lancaster, as many leave for Manchester, Liverpool, or London after studying. Policies to encourage local graduate employment are essential.
- 2.14 Not mentioned in the Growth Plan is Lancaster's second University. The University of Cumbria is a dynamic, multi-campus institution offering a wide range of undergraduate, postgraduate, and professional development courses. Established in 2007, it was formed from the merger of St Martin's College, Cumbria Institute of the Arts, and the University of Central Lancashire's Cumbrian campuses. The university specialises in education, health, business, social sciences, science, the environment, and the creative arts.
- 2.15 The Lancaster campus of the University of Cumbria is one of its key sites, offering a range of courses in health, social care, business, and education. It is not the largest campus—that distinction belongs to Fusehill Street in Carlisle—but it remains an important hub for teacher training, nursing, and allied health professions.
- 2.16 The Lancaster campus plays a vital role in training professionals for key public sector roles. With a strong focus on applied learning, it prepares graduates for careers in healthcare, education, and business, supporting workforce development across the North West and beyond. It has strong ties with the NHS and local schools, ensuring that students receive practical, firsthand experience.

- 2.17 *Tourism and Leisure:* Morecambe's journey to re-invent itself at the forefront of the UK's coastal visitor experience is welcome. However, the District's strength also lies in Lancaster's designation as one of England's Heritage Cities, Lancaster has an advantage in cultural tourism, attracting visitors interested in history, architecture, and heritage sites.
- Lancaster Castle, the City and Maritime Museum, Williamson Park, and Georgian architecture make it one of the most historically significant cities in the North West.
 - Tourism contributes significantly to GVA, with Lancaster's visitor economy outperforming other districts like Burnley and Pendle.
 - With proper investment, Lancaster could rival other peer historic cities as a high-value cultural tourism destination.
- 2.18 However, infrastructure constraints (transport links, hotel capacity, and tourism marketing investment) currently limit visitor spending and overnight stays and support is needed.
- 2.19 *Business and Investment:* Lancaster has strong business survival rates, suggesting a sustainable business environment. However, business density and start-up rates are still lower than the most dynamic area of Preston.
- Lancaster had 15.9% business growth (2011–2018), below the UK average (28.3%).
 - There was however higher growth in knowledge-intensive sectors, including tech, education, and creative industries.
 - Stronger SME survival rate than Burnley and Blackpool, but business expansion remains a challenge.
- 2.20 To unlock faster business growth, Lancaster needs more investment in digital infrastructure, business incubators, and funding support for high-growth industries.
- 2.21 *Transport and travel:* Lancaster benefits from good rail and road links to Manchester, London, and Scotland, but road connectivity and digital infrastructure require improvement.
- The M6 motorway connects Lancaster well, but congestion around Lancaster city centre, access to central Morecambe and constrained A6 corridor remain an issue and constraint on growth.
 - Digital connectivity (broadband speeds) is below the UK average, limiting the city's attractiveness for digital businesses.
 - The Port of Heysham is an underutilised asset that could be further developed for trade and logistics.
- 2.22 To sustain growth, Lancaster must improve transport, logistics, and digital connectivity to complement Preston. While infrastructure is mentioned, the plan could more explicitly address transport links within Lancaster District, such as improving connections between Lancaster, Morecambe, Heysham, and Carnforth, to stimulate economic activity. In particular, The strategic rail programme fails to refer to the other West Coast Mainline (WCML) Station in Lancashire (i.e. other than Preston). Lancaster Railway Station is an important stop on the WCML for Scotland and London-bound services and as an interchange for services to Morecambe, Carnforth, Leeds and Barrow. The Growth Plan should place greater priority on maintaining Lancaster's status as a stop on the WCML and reference the need to

improve rail links to Morecambe in readiness for the delivery of Eden, and to improve links to Heysham (serving the Port and the nuclear power stations) and more reliable services to Carnforth and Barrow, including BAE Systems.

2.23 Workforce and Skills: Lancaster's population is more educated than most, but many graduates leave for better job opportunities elsewhere.

- Lancaster University produces thousands of skilled graduates annually, but many relocate to bigger cities.
- Lack of large corporate employers in Lancaster limits high-paying job opportunities.
- The proportion of workers in high-skilled jobs is lower than Preston and South Ribble.

2.24 Support for key initiatives to attract high-value businesses and encourage graduate retention is crucial for the area's long-term economic success.

2.25 Housing growth / planning: Whilst Lancaster's cost of living is lower than central Lancashire, there are increasing housing affordability concerns exacerbated by a lack of supply to meet increasing demand.

- House prices in Lancaster are rising faster than incomes, leading to affordability challenges.
- More affordable housing is needed for young professionals and key workers to encourage their retention within the district.
- Lancaster's urban centre requires regeneration to attract more businesses and investment. This includes investment in the city's gyratory network. The Development Consent Order (DCO) for the Bay Gateway sets out highway and public transport requirements that must be implemented by 31 October 2026. For the avoidance of doubt, these requirements are set out in the **appendix** to this report.

2.26 Addressing housing and urban planning will be essential for future economic growth. Existing strategic mixed-use land allocations in the adopted Local Plan at North Lancaster and East Lancaster can provide greater housing capacity and an opportunity for commercial development. Further opportunities to meet identified needs must be explored through the forthcoming Local Plan Review.

2.27 To accelerate growth and outperform economic forecasts, Lancaster needs targeted investment in the following areas:

(i) Retaining Graduates and Expanding High-Value Employment

- Develop business clusters around Lancaster University (tech, environmental science, healthcare innovation).
- Offer incentives for businesses to locate in Lancaster and employ local graduates.
- Strengthen collaboration between academia and industry to drive research-led innovation.

(ii) Expanding the Heritage and Visitor Economy

- Increase investment in cultural tourism marketing and events to position Lancaster as a premier heritage destination.
- Improve visitor infrastructure (hotels, transport links, guided experiences).
- Create stronger links between tourism and local businesses to maximise economic impact.

(iii) Boosting Business Growth and Productivity

- Expand business support schemes to increase start-up success rates.
- Improve digital infrastructure to attract knowledge-based businesses.
- Build on and enhance transport connectivity to regional business hubs (Preston, Manchester).

(iv) Urban Development and Housing Strategy

- Develop affordable housing projects for young professionals.
- Regenerate Central Lancaster with mixed-use developments to attract more businesses.
- Improve transport rail and road infrastructure in the district to reduce congestion.

3.0 Details of Consultation

3.1 The Lancashire Growth Plan is currently out to wider consultation to which all can respond.

4.0 Options and Options Analysis (including risk assessment)

	Option 1: Provide a Detailed Response to the Consultation	Option 2: D Not Respond
Advantages	Important omissions are for Lancaster and the wider area are clearly stated in public and the views will be communicated to the LCCA	None
Disadvantages	None	The views of Lancaster City Council are not heard and made public
Risks	That the views are not taken account of	Nothing changes

5.0 Officer Preferred Option (and comments)

5.1 The preferred options for the response are as outlined above.

6.0 Conclusion

6.1 The Lancashire Growth Plan 2025–2035 presents an ambitious vision but fails to adequately acknowledge Lancaster’s contributions. Key improvements should include:

- Explicit recognition of Lancaster University as a key driver of Lancashire’s economic and research growth.
- Greater integration of the Lancaster, Morecambe and Heysham urban area into spatial and investment priorities.
- Fairer distribution of infrastructure funding, particularly for transport, digital, and regeneration projects.

6.2 Lancaster District plays a crucial role in Lancashire’s economy with strengths in higher education, tourism, and knowledge-based industries. Its economic performance is moderate relative to Lancashire overall, with some clear strengths and weaknesses:

- Higher GVA than several more heralded districts highlighted in the Plan (for example, Blackpool and Burnley).
- Strong business survival rate and SME growth.
- Above-average employment rate.
- High productivity in knowledge-based sectors (education, digital industries).

But challenges remain in:

- Lower than average GDP per head compared to Preston, Fylde, and South Ribble.
- Productivity levels need improvement.
- Pockets of deprivation in Morecambe and central Lancaster.

6.3 A more balanced and inclusive approach would ensure that the city council's area should play a driving role in Lancashire's economic future, has great growth potential and is not an unconnected, small outlier to the Central Belt. The Growth Plan's mission will itself be undermined as it:

- Does not recognise the scale of the district's local ambition and needs.
- Downplays its existing connectivity, sector strengths and added value.
- Concentrates on East / West links, diminishing North/South links and the area's relationship to the South Lakes and beyond.
- Fails to recognise the Lancaster/Morecambe/Heysham area as a connected urban centre with prime conditions for sustainable growth if better supported in key strategic areas of transport, regeneration, and business development.

55 Mentions of Blackpool

<p>CONCLUSION OF IMPACT ASSESSMENT (including Health & Safety, Equality & Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing):</p> <p>These are as set out in the report.</p>
<p>LEGAL IMPLICATIONS</p> <p>There are no legal implications with regard to this report</p>
<p>FINANCIAL IMPLICATIONS</p> <p>There are no direct financial implications arising from this report.</p>
<p>OTHER RESOURCE IMPLICATIONS, such as Human Resources, Information Services, Property, Open Spaces</p> <p>None</p>
<p>SECTION 151 OFFICER'S COMMENTS</p> <p>It is important for the Council to respond to this consultation as future Funding Streams will</p>

be directly related to the implementation of this plan. It is therefore essential that districts voices and issues are clearly communicated.

MONITORING OFFICER'S COMMENTS

Council responses to consultations are delegated to this Committee. The Monitoring Officer has no further comments to add.

BACKGROUND PAPERS

Draft Lancashire Growth Plan February 2025
<https://lancashire-cca.gov.uk/sites/default/files/2025-03/Lancashire%20Growth%20Plan%20consultation%20version%20Feb%202025.pdf>

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APPENDIX A:

Bay Gateway Development Consent Order: Complementary Traffic Measures

(6) The link road must not be fully opened to vehicular traffic until an action plan of complementary traffic measures has been submitted to and approved in writing by the relevant planning authority, which must have regard to the findings of Lancaster and Morecambe Vision Board Study and include:

- (a) A review of the City Centre gyratory systems;
- (b) An investigation into the extension of the proposed Park and Ride network beyond the site at Junction 34 of the M6 Motorway;
- (c) A detailed feasibility study for a rapid transit route from Lancaster city centre, rail station and bus station to Morecambe and Heysham; and,
- (d) A schedule of those measures that are to be implemented.

The action plan must aim to prevent road traffic growth within the central Lancaster area increasing to predicted “do minimum” levels between the opening and design years of the link road (thereby negating planned relief) and contain a timetable for implementation of the measures to be carried out.

(7) The complementary traffic measures set out in the schedule to the action plan approved in accordance with sub-paragraph (6) must be carried out in accordance with the approved timetable or no later than 10 years of the opening of the link road whichever is the earlier.

(8) The link road must not be fully opened to vehicular traffic until the undertaker has completed statutory consultation upon a proposal to make a traffic regulation order prohibiting HGVs from roads forming part of the A6 in central Lancaster and along A589 Morecambe Road east of the link road, except for access.