

## **LOCAL ENTERPRISE PARTNERSHIP (LEP) REVIEW**

**Councillor Mrs Macpherson**

**Leader of the Council**

### **1 Purpose**

- 1.1 The government publication [Strengthened Local Partnerships](#) published on 24 July 2018 sets out a range of leadership, governance, accountability and geography reforms for LEPs. The review asks that LEP chairs and other local stakeholders come forward with considered proposals by the end of September 2018 on geographies which best reflect real functional economic areas, remove overlaps and, where appropriate, propose wider changes such as mergers.
- 1.2 AVDC falls within both the South East Midlands LEP (SEMLEP) and Bucks Thames Valley LEP (BTVLEP). The purpose of this report, which will also be considered by the Economy and Business Development Scrutiny Committee on 11 September, 2018, is to allow Members to consider the possible options regarding future geography of the LEP arrangements in relation to the overlapping situation that currently exists for AVDC.

### **2 Recommendations**

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| <ol style="list-style-type: none"><li>2.1 To note the report, as well as the feedback from the Scrutiny Committee that will be reported verbally to the Cabinet meeting.</li><li>2.2 To consider the options at paragraph 4 of the report, and to then form a view on the best way forward for LEP arrangements in Aylesbury Vale.</li></ol> |
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### **3 Supporting information**

- 3.1 Local Enterprise Partnerships (LEPs) were set up as locally-derived business-led partnerships between the private and public sector to drive forward economic growth across the country. Announced in 2010 and established in 2011 by the Department for Business, Innovation and Skills, LEPs replaced the former Regional Development Agencies as part of Government's ambition to shift power away from central government.
- 3.2 LEPs have responsibility for around £12billion of public funding up to 2021 and are the mechanism for channelling the Local Growth Fund to localities delivering their investment priorities. One of the great strengths of LEPs is their ability to bring together business and civic leaders across local administrative boundaries and provide strategic direction for a functional economic area.
- 3.3 There are now 38 LEPs in existence (following the merger in 2017 of Northamptonshire LEP with South East Midlands LEP).
- 3.4 In July 2018 the Government published its long anticipated review of LEPs 'Strengthened Local Enterprise Partnerships' which sets out a range of leadership, governance, accountability and geography reforms to ensure LEPs are well positioned to supercharge economic growth and drive forward investment in local businesses across the country. The review is also set in the context of ensuring that LEPs are securely placed to develop the Local Industrial Strategies and to boost their performance, increase their diversity and ensure they're operating in an open and transparent way.

- 3.5 Amongst the various commitments is a call to LEP Chairs and other stakeholders across England to come forward with considered proposals by the end of September 2018 on revised geographies which best reflect “real” functional economic areas; the most appropriate geographical levels to maximise the efficiency and effectiveness of decision-making and delivery going forward, removing overlaps and where appropriate, proposing wider changes such as mergers. Attached as appendix 1 is a copy of the review and the further detailed guidance issued in August 2018 about the process for implementing the review.
- 3.6 Overlapping geographies emerged when LEPs were first formed on a voluntary basis and there are currently 33 local authorities in more than one LEP area. Aylesbury Vale is one such authority; being a member of both SEMLEP and BTVLEP.
- 3.7 AVDC was one of the founding members of SEMLEP, which it joined when it first established in March 2011 and was approved by Government as covering a geography that represents a functional economic area for this part of England and as a natural evolution and extension of a designated growth area Milton Keynes South Midlands (MKSM) set up in 2003. After the first wave of LEPs had been approved, there were certain parts of the country that were not represented/covered by a LEP, including the “white space” of southern Buckinghamshire.
- 3.8 The BTVLEP was the last LEP to be established at the end of 2012, and Aylesbury Vale was asked by Central Government to volunteer to be a member of the BTVLEP, as the wider Thames Valley LEP did not want to cover the southern Buckinghamshire area. This overlapping situation was therefore created from a Government initiated proposal to ensure that there was no white space and that the rest of Bucks could be covered by a LEP that was viable at that time. The only way this could be achieved was for Aylesbury Vale to be a part of BTVLEP too.
- 3.9 AVDC agreed to be in this overlapping arrangement only on the understanding that there was a memorandum of understanding in place between all of the parties to set out how the LEPs would operate and to protect the interests of Aylesbury Vale in this overlapping arrangement. A copy of this is attached as Appendix 2.
- 3.10 Government now considers that retaining overlaps dilutes accountability and responsibility for setting strategies for places and allocating funding. It is therefore seeking transparent and consistent arrangements to ensure that all businesses and communities are represented by one Local Enterprise Partnership and are able to see a single vision and a compelling plan for their area. This will ensure that each LEP is in the best position to identify and align local interventions that maximise their economic impact and to meet the Government’s increased ambition for the activity and responsibility of the LEPs which may include the allocation of money from the UK Shared Prosperity Fund (post-Brexit pot comprising of previous EU structural funds).
- 3.11 A simple unwinding of the 2011/12 arrangement would place the AVDC singly in SEMLEP according to objective economic geography criteria.

#### **4 Options considered**

- 4.1 The request from Government is to remove any situation in which a lower tier or unitary authority is covered by two LEPs whose geographies do not overlap.

- 4.2 There are therefore a number of possible arrangements for Aylesbury Vale and future LEP arrangements which could be put forward:
1. Just be a member of BTVLEP.
  2. Just be a member of SEMLEP.
  3. Merger of BTVLEP and SEMLEP.
  4. Merger of BTVLEP and Oxfordshire Local Enterprise Partnership (OXLEP)
  5. Creation of a “Super LEP” – a merger of BTVLEP, SEMLEP and OXLEP.
- 4.3 The table attached as appendix 2 sets out the broad pros and cons to each of these possible arrangements.
- 4.4 Also attached as appendix 3 as a background document is a report that was prepared in 2013 by independent consultants SQW regarding the issue of overlap in respect of Aylesbury Vale which considered the first two options only and set out the arguments for these options concluding that; *‘the strongest strategic alignment and rationale regarding functional economic geographies is for AVDC to be part of SEMLEP’*.
- 4.5 It is important that proposed arrangements are informed by robust and up-to-date evidence, as well as a wider understanding and appreciation of how local areas can best respond to the national imperative to boost productivity as well as the context of national policy and the growth agenda including growth corridors, sectors and expertise. There are also practical considerations to have regard to including that LEPs must also operate over a significant enough size and scale to provide the strategic direction and efficient delivery of future programmes.
- 4.6 The review comments that there is no universally accepted approach to measuring or defining ‘functional economic areas’ and boundaries vary depending on the model used (housing market areas or labour market etc). There are also a number of indicators which help inform functional economic areas and which include using data on commuting, Travel to Work Area (TTWA) and house price data.
- 4.7 Most of Aylesbury Vale is part of the Milton Keynes TTWA and links very closely to that part of the region with 11% of commuters into Milton Keynes coming from Aylesbury Vale (over 40% of the commuters to MK come from neighbouring Central Beds, Aylesbury Vale and South Northamptonshire) and 10% of MK’s out-commuters commute to Aylesbury Vale. The area to the south of Buckinghamshire, looks to the Thames Valley travel and the west of London and is part of the High Wycombe TTWA. There is almost no net ‘county dividend’ from commuting between the north and south of the county, with 51% of people living and working in Aylesbury Vale compared to 19% of people living and working in South Bucks.
- 4.8 In terms of average house prices, Buckinghamshire is also demonstrating a county of two halves; a house in Aylesbury Vale in 2017 averagely costs £328,749 and in South Bucks; £592,870 and in 2015, the mean house price in MK was £184,900. The rateable value in Aylesbury Vale is £85.71 per sq.m and in South Bucks, it is £127.94 per sq.m (2017) and for Milton Keynes it is £88 per sq.m (2012).
- 4.9 There are also other data sets that can be used regarding future LEP configurations:
- The relative size and scale of the area to be covered

- Productivity – the business GVA in that area
  - The number of local authorities in the partnership
  - Interaction with larger cross corridor regional boundaries Northern Powerhouse; Midlands Engine and OX-MK-Cams Corridor.
- 4.10 Due in part to the physical constraints, there are differing patterns in the County for growth; in 2017, 63.8% of Buckinghamshire new build housing growth was located in Aylesbury Vale, rising to 70% of house building starts. This is set to continue with VALP including 8,000 additional homes for the period up to 2033 to help with the unmet need of the Southern Bucks districts. Aylesbury Vale is projected to account for 68.1% of Bucks population growth to 2026 and 67% for 2026-2036.
- 4.11 The National Infrastructure Commission (NIC) in its report 2017 ‘Partnering for Prosperity’ recognises the economic potential of the Cambridge – Milton Keynes – Oxford corridor which must be a national priority. Government investment in significant infrastructure projects of East West Rail and the Oxford – Cambridge Expressway provide a once-in-a-generation opportunity for transformational growth. Aylesbury Vale is at the heart of these infrastructure investments enhancing east-west connections between Oxford and Milton Keynes and beyond as well as improving connections to London. The NIC consider current rates of housebuilding in the corridor will need to double delivering up to one million new homes by 2050 and that by removing constraints to growth arising from the area’s housing shortage, the arc area could sustain a transformational level of growth, supporting around 1.1m new jobs and increasing output by £163bn per annum.
- 4.12 To deliver the step-change in growth anticipated in the NIC report, a fundamental shift in the scale at which local authorities collaborate on planning and infrastructure is needed and has resulted in the establishment of a Central Area Growth Board with 17 of the 18 authorities (BCC has not joined) in the SEMLEP and BTVLEP footprints that are locally defined as being within the Cambridge Milton Keynes and Oxford corridor. A series of Growth Deals are being discussed with MHCLG between partners within the CAGB and Aylesbury Vale has a key role to play in progressing the recommendations of the NIC.
- 4.13 Funded by MHCLG through a Planning Delivery Grant, Aylesbury Vale is working with Milton Keynes and South Northants Councils on the strategic growth options linked with the long term growth options linked to Milton Keynes and considering the growth implications and potential of this part of the housing market area. Similarly, South Bucks and Chiltern District Council have a partnership project with Windsor, Maidenhead and Slough to consider the housing and planning issues associated with that housing market area.
- 4.14 The individual LEP areas are also working on Local Industrial Strategies which are to come together to form an overarching corridor wide strategy, seen as one of three Government trailblazer areas. It is also within this overall context to which the LEP review arrangements must also be considered in order for the LEPs to operate efficiently and effectively and for the arrangements to represent the best geographical fit which enables agile and coherent decision making which is representative to the area the LEP represents now and in the future.
- 4.15 It is clear that the LEP review process offers an ideal opportunity for LEPs to seize the opportunities that will present themselves in the run up to the





HM Government

# Strengthened Local Enterprise Partnerships



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July 2018

ISBN: 978-1-4098-5305-3

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## Executive summary

Since their establishment in 2010, Local Enterprise Partnerships have been integral to economic growth across England. Following the publication of our modern Industrial Strategy, that sets out an approach to ensuring prosperous communities throughout the country, we have reviewed our policy towards Local Enterprise Partnerships to ensure that they continue to support Government in meeting this ambition.

In the Industrial Strategy, Government committed to work with Local Enterprise Partnerships to bring forward reforms to leadership, governance, accountability, financial reporting and geographical boundaries. It is critical that Local Enterprise Partnerships are independent and private sector led partnerships that are accountable to the communities they support. At the same time, it is important to set out a model that will underpin future national and local collaboration. This will be essential to the development of Local Industrial Strategies and in the context of the future UK Shared Prosperity Fund.

This document sets out the conclusions of our policy review. It includes a series of Government commitments alongside a number of additional changes that Government will work with Local Enterprise Partnerships to implement.

### **Role and responsibilities:**

Over recent years Local Enterprise Partnerships have played a key role in convening local economic stakeholders to develop evidence-based economic strategies. They have helped to identify key investment opportunities and interventions with the potential to increase growth in towns, cities and rural areas across the country. Local Enterprise Partnership Chairs have also acted as authoritative advocates for their local economy.

Government will:

- Publish a **statement on the role and responsibilities** of Local Enterprise Partnerships. Local Enterprise Partnerships will focus on enhancing productivity. This will be achieved through the development and delivery of their Local Industrial Strategy.
- Publish a **further statement on Local Industrial Strategies** to guide locally-led work. This statement will be published over the summer. Government will aim to agree Local Industrial Strategies with all areas of England by early 2020.
- Commission an **annual economic outlook** to independently measure economic performance across all Local Enterprise Partnerships and the areas they cover.

Government will support all Local Enterprise Partnerships to:

- Develop an evidence-based **Local Industrial Strategy** that sets out a long-term economic vision for their area based on local consultation.
- Publish an **annual delivery plan and end of year report**. This will include key performance indicators to assess the impact of their Local Industrial Strategy, funding and interventions. It will inform objective assessment on Local Enterprise Partnership performance both nationally and locally.

## Leadership and organisational capacity:

Successful Local Enterprise Partnerships are led by influential private and public sector leaders, acting as champions for their area's economic success. Since their formation Local Enterprise Partnerships across the country have benefitted from business expertise and acumen. They have created new partnerships between the public and private sector across administrative geographies that represent the diversity of local businesses and communities.

Local Enterprise Partnerships prioritise policies and actions on the basis of clear economic evidence and intelligence from businesses and local communities. Their interventions are designed to improve productivity across the local economy to benefit people and communities with the aim of creating more inclusive economies. To do this effectively Local Enterprise Partnerships must have robust governance arrangements that provide the operational independence to take tough decisions and hold local partners to account for delivery. This also requires Local Enterprise Partnerships to have the organisational capacity to fulfil their roles and responsibilities. They must have the means to prioritise policies and actions, and to commission providers in the public, private sector and voluntary and community sector to deliver programmes.

Government will:

- Increase **regular dialogue** with Local Enterprise Partnerships. This includes the **Prime Minister chaired Council** announced in the Industrial Strategy, as well as a **senior official sponsor** for every Local Enterprise Partnership from across government departments.
- Actively **work with Local Enterprise Partnerships to advertise opportunities** for private sector leaders to become a Local Enterprise Partnership Chair when vacancies emerge. While these are not public appointments, we will offer to list vacancies on the Centre for Public Appointments website.
- Offer an **induction and training** programme for Local Enterprise Partnership board members and officers on working with Government. We will work with the LEP Network, Local Government Association and other professional development bodies to develop this programme.
- Provide **up to £20 million between 2018-19 and 2019-20 in additional capacity funding to support Local Enterprise Partnerships** to implement the review and to provide the strategic and analytical capability needed to develop ambitious Local Industrial Strategies.

Government will support Local Enterprise Partnerships to:

- **Consult widely and transparently** with the business community before appointing a new Chair; and introduce **defined term limits** for Chairs and Deputy Chairs in line with best practice in the private sector.
- Establish more **representative boards of a maximum of 20 persons** with the option to co-opt up to five additional board members. Our aspiration is that two-thirds of board members should be from the private sector;
- **Improve the gender balance and representation of those with protected characteristics on boards** with an aim that women make up at least one third of Local Enterprise Partnership boards by 2020 with an expectation for equal representation by 2023, and ensuring all Local Enterprise Partnership boards are representative of the businesses and communities they serve.

- **Provide a secretariat independent of local government** to support the Chair and board in decision making.
- **Develop a strong local evidence base of economic strengths, weaknesses and comparative advantages** within a national and international context. This will be supported by **robust evaluation of individual projects and interventions**.

### **Accountability and performance:**

Local Enterprise Partnerships already recognise that they must operate to the highest standards of accountability and transparency in the use of public funding. Government has strengthened its approach to assurance processes for the Local Growth Fund. Additional guidance has also been provided to Local Enterprise Partnerships on transparency.

We want to build on that progress and go further. We will clarify Government's approach to robust monitoring and intervention. This will be based on a standardised national framework that ensures Local Enterprise Partnerships remain autonomous and independent bodies with local decision making powers. Sitting alongside this, the Government will agree with the LEP Network how it will support Local Enterprise Partnerships to share best practice, undertake peer-review and work together as a sector to embed a culture of good governance and self-regulation.

Local Enterprise Partnerships operate on organisational structures that support local decision making and provide greater assurance over the management of public funding. These structures should enable clear lines of accountability for delivery with local partners, as well as democratic, public and business scrutiny of decision making.

Government will:

- Continue to maintain **overall accountability for the system** of Local Enterprise Partnerships and local growth funding, and implement in full the recommendations of the Ney Review and any future recommendations that may be made as the performance of Local Enterprise Partnerships is scrutinised and reviewed.
- Assess and publish annual performance against **quantitative and qualitative measures** set out within Local Enterprise Partnership delivery plans.
- Set out within a revised National Assurance Framework a clear statement on an **escalating approach to intervention** in any instances where Local Enterprise Partnerships demonstrate that they are found to be underperforming.
- Develop with the LEP Network and Local Enterprise Partnerships a **sector-led approach to assessing and improving performance** through regular peer review.

Government will support all Local Enterprise Partnerships to:

- Have a **legal personality**, such as incorporation as companies, or mayoral combined authorities or combined authorities where they exist.
- Set out clearly and transparently the **responsibilities of the Chair, Board, Director, and Accountable Body**, including over spending decisions, appointments, and governance.
- Actively participate in relevant **local authority scrutiny panel** enquiries to ensure effective and appropriate democratic scrutiny of their investment decisions.
- Hold **annual general meetings** open to the public to attend to ensure the communities that they represent can understand and influence the economic plans for the area.

## Geography:

One of the great strengths of Local Enterprise Partnerships is their ability to bring together business and civic leaders across local administrative boundaries and provide strategic direction for a functional economic area. This will remain central to the success of Local Enterprise Partnerships; however, it is right to review the current geographic boundaries to ensure that they are fit for purpose for the expanded role we are proposing here.

Overlapping geographies emerged when Local Enterprise Partnerships were first formed on a voluntary basis. Since 2011, however, the context in which Local Enterprise Partnerships operate has altered significantly. They now oversee significant amounts of public funding and have an authoritative voice in shaping national and local policy. It is important that accountability for decisions and responsibility for investment is clear. On balance, Government considers that retaining overlaps dilutes accountability and responsibility for setting strategies for places and so will seek to ensure that all businesses and communities are represented by one Local Enterprise Partnership. Close collaboration between Local Enterprise Partnerships will replace overlapping responsibilities. In looking to remove overlaps, we will also need to ensure that Local Enterprise Partnerships are operating over a significant enough scale to provide the strategic direction and efficient delivery of future programmes.

Government will:

- Ask Local Enterprise Partnership Chairs and other local stakeholders to come forward with **considered proposals by the end of September on geographies which best reflect real functional economic areas, remove overlaps and, where appropriate, propose wider changes such as mergers**. Government will respond to these proposals in the autumn and future capacity funding will be contingent on successfully achieving this.

Government will support all Local Enterprise Partnerships to:

- **Collaborate across boundaries** where interests are aligned when developing strategies and interventions to maximise their impact across their different objectives.

## Mayoral combined authorities:

Government has supported local partners to establish mayoral combined authorities as democratically accountable bodies focused on driving growth. Part of the case for establishing these bodies over specific geographies is that these are functional economic areas that are conducive towards the development of strategy, policy and interventions. Government remains open to conversations with other local areas that wish to explore the potential for devolution, where clear local support and a strong economic case for doing so can be demonstrated.

Greater alignment and collaboration between mayoral combined authorities and Local Enterprise Partnerships is administratively efficient and leads to a greater economic impact, whilst still retaining private sector acumen in decision making. The precise nature of the relationship between these two institutions, however, will need to take account of the governance arrangements established for each area.

Government will:

- **Consolidate its engagement with mayoral combined authorities and their Local Enterprise Partnerships** with a collaborative approach to agreeing a Local Industrial Strategy.

In mayoral combined authority areas, we will work with each Local Enterprise Partnership and mayoral combined authority to:

- **Ensure Local Enterprise Partnerships have a distinctive role in setting strategy and commissioning interventions** to drive growth, jobs and private sector investment.
- Require **Local Enterprise Partnerships and mayoral combined authorities to develop local agreements** which clearly set out roles and responsibilities and accountability.
- **Encourage Local Enterprise Partnerships and mayoral combined authorities to move towards coterminous geographies where appropriate** in line with the wider discussions on Local Enterprise Partnership geographies.

The subsequent chapters of this paper provide detail on next steps and further detail on the reforms we will ask of Local Enterprise Partnerships in each of these areas. **Local Enterprise Partnerships will need to clearly set out how they will adopt these changes.** As referred to above, **we will provide up to £20 million of additional funding between 2018-19 and 2019-20 to support the implementation of these changes and embed evidence in Local Industrial Strategies.**

# Introduction

The Industrial Strategy sets an ambitious, long-term vision to make Britain the world's most innovative economy, with good jobs and greater earning power for all. Every region in the UK has a role to play in boosting the national economy, driven by local leadership and ambitious visions for the future. We want to have prosperous communities throughout the country and strengthened Local Enterprise Partnerships will help deliver this vision in England.

## **Evolution of Local Enterprise Partnerships**

Local Enterprise Partnerships are private sector led partnerships between businesses and local public sector bodies. They were announced in 2010 to bring private sector expertise into local economic decision making and to encourage collaboration and strategic decision making at a functional economic area. This was part of Government's ambition to shift power away from central government to local communities, citizens and independent providers, as set out in the Local Growth White Paper 2010.

Following the 2013 Spending Review Local Enterprise Partnerships acquired considerable new levers over growth – particularly funding to deliver the interventions that stimulate growth. Through three rounds of Growth Deals the Government is giving over £9 billion to help Local Enterprise Partnerships to deliver their investment priorities. Local Enterprise Partnerships also perform a strategic oversight function for EU Structural and Investment Funds.

Local Enterprise Partnerships have increased private sector involvement in economic decision making, encouraged greater collaboration between public sector leaders across administrative boundaries, and ensured that effective investments are made across areas in growth priority projects.

While Local Enterprise Partnerships have played an important role in supporting local growth, we know that performance has varied. Last year, Mary Ney (Ministry of Housing, Communities and Local Government Non-Executive Director) led a review into Local Enterprise Partnership governance and transparency. Government accepted all the review recommendations and made compliance with these a condition of funding for 2018 - 19. The Government has subsequently accepted in full the recommendations of the recent Public Accounts Committee report on Governance and departmental oversight of the Greater Cambridge Greater Peterborough Local Enterprise Partnership.

## **Reformed Local Enterprise Partnerships and the Industrial Strategy**

The Industrial Strategy (published in November 2017) confirmed that the Government remained firmly committed to Local Enterprise Partnerships. As part of this commitment the Prime Minister agreed to chair a biannual 'Council of Local Enterprise Partnership Chairs'. This will provide an opportunity for Local Enterprise Partnership leaders to inform national policy decisions. The first of these meetings took place on 19<sup>th</sup> June 2018.

The Industrial Strategy stated that Government would work to strengthen Local Enterprise Partnerships to ensure that all parts of England stand ready to play their part in the growth of our economy after our exit from the European Union. The Government confirmed a

review of Local Enterprise Partnerships to deliver this objective, so that they are securely placed to drive growth through the development of the Local Industrial Strategies in partnership with areas, harnessing distinctive strengths to meet the Government's Grand Challenges and in the context of the UK Shared Prosperity Fund.

This document marks the conclusion of the Ministerial review of Local Enterprise Partnerships and sets out Government's expectations of their roles and responsibilities. Government will support Local Enterprise Partnerships to meet this level of ambition by working with them to strengthen leadership and capability, improve accountability and manage risk, and provide clarity on geography.

## Approach to the review

In November 2017 the Industrial Strategy announced a review into the roles and responsibilities of Local Enterprise Partnerships that set out to identify reforms to leadership, governance, accountability, financial reporting and geographical boundaries.

Ministers in the Ministry of Housing, Communities and Local Government; the Department for Business, Energy and Industrial Strategy; and Her Majesty's Treasury convened an advisory panel, comprised of experts from Local Enterprise Partnerships, business, local authorities and business representative organisations in order to obtain an overview of both issues and practice. The panel met four times in December, January, March and May and has agreed the joint statement included as an annex below.

Government has worked with the LEP Network and received submissions from them and other organisations to inform the development of these reforms. In addition, through the annual performance review process we have held discussions with each Local Enterprise Partnership on their growth ambitions and challenges. Government has also carried out a series of in-depth deep dives into Local Enterprise Partnerships' governance, accountability and transparency to help to identify best practice.

Government will implement the commitments set out in this document and will work with Local Enterprise Partnerships to take forward all the recommended actions we have set out in preparation for Local Industrial Strategies across England and in the context of the UK Shared Prosperity Fund.



## Role and responsibilities

Cities, towns and rural areas across England face a range of economic opportunities and challenges. Over recent years, Local Enterprise Partnerships have assessed these local needs and tailored economic policy responses accordingly. They must continue to carry out this critical role.

### **The case for change:**

Local Enterprise Partnerships were initially established to “provide the clear vision and strategic leadership to drive sustainable private sector-led growth and job creation in their area”<sup>[1]</sup> Their roles and responsibilities were relatively unspecified in order to allow for arrangements reflecting different circumstances across the country. They replaced the former Regional Development Agencies which delivered poor value for money; covering sprawling government office regions, the Regional Development Agencies were distant and remote from local business, and the arbitrary regions had no connection with natural economic areas.

This approach has led to significant local innovation. However, we think there is more opportunity to share best practice across the country and provide clarity on where Local Enterprise Partnerships should focus activity. By being clearer on roles and responsibilities we intend to set out a well understood model that allows Local Enterprise Partnerships to make the most effective use of available resources and funding.

Evidence also suggests that the best economic strategies integrate all influential economic players into decision-making.<sup>[2]</sup> Successful economies require more than a single institutional or leadership model – they are dependent upon strong networks and sustained partnerships.

Private sector leadership remains integral to the Local Enterprise Partnership model. Businesses provide essential market intelligence to inform local decision making. Councils are also critical. They provide political accountability and community knowledge. They support business growth through their statutory functions, investment in economic infrastructure, and wider role in creating quality places. Successful Local Enterprise Partnerships have also worked closely with universities, business representative organisations, further education colleges, the voluntary sector, and other key economic and community stakeholders. It is Government’s expectation that Local Enterprise Partnerships continue this collaboration in order to draw on the best local knowledge and insight.

In line with the Industrial Strategy, we will set all Local Enterprise Partnerships a single mission to deliver Local Industrial Strategies to promote productivity. This should include a focus on the foundations of productivity and identify priorities across Ideas, People, Infrastructure, Business Environment and Places. In certain parts of the country this may

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[1]

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/32076/cm7961-local-growth-white-paper.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/32076/cm7961-local-growth-white-paper.pdf)

[2] <https://www.gov.uk/government/publications/future-cities-comparative-urban-governance>

involve an emphasis on skills whilst in others it may be land supply, congestion or working with relevant local authorities in the delivery of housing where it is a barrier to growth. In others, it may involve harnessing distinctive strengths to meet the Government's Grand Challenges. And for others, it may involve identifying weaknesses in productivity across their local areas or communities and promoting inclusive growth by using existing national and local funding, such as in isolated rural or urban communities. This focus will ensure the benefits of growth are realised by all and that there are the right conditions for prosperous communities in an area.

Local Enterprise Partnerships will support the supply of skills to an area as they respond to the Skills Advisory Panels programme, and will develop even stronger local labour markets and skills governance through Skills Advisory Panels (these will, where possible, use existing infrastructure). These boards will convene local employers, learning providers and other partners, to achieve a better alignment of the local employment and skills offer. This analysis will feed into the development of Local Industrial Strategies.

### **How Government will support this change:**

We have reviewed our previous statement on the responsibilities of Local Enterprise Partnerships. Whilst Local Enterprise Partnerships will determine their own specific priorities, we are clear that they should focus their activities on the following four activities to support the development and delivery of their Local Industrial Strategy:

- **Strategy:** Developing an evidence-based Local Industrial Strategy that identifies local strengths and challenges, future opportunities and the action needed to boost productivity, earning power and competitiveness across their area.
- **Allocation of funds:** Identifying and developing investment opportunities; prioritising the award of local growth funding; and monitoring and evaluating the impacts of its activities to improve productivity across the local economy.
- **Co-ordination:** Using their convening power, for example to co-ordinate responses to economic shocks; and bringing together partners from the private, public and third sectors.
- **Advocacy:** Collaborating with a wide-range of local partners to act as an informed and independent voice for their area.

We will publish a further **statement on Local Industrial Strategies** to inform locally-led development across the country. This will set out how Local Enterprise Partnerships will identify priorities across the foundations of productivity. As set out in the Industrial Strategy, Government intends to discuss the operation of Local Industrial Strategies in the devolved nations with the relevant devolved administration and other stakeholders.

In addition, Government will **commission an annual economic outlook** to measure and publish economic performance across all Local Enterprise Partnerships and benchmark performance of individual Local Enterprise Partnerships. We will work with academics, and think tanks and the LEP Network to further develop the scope of this work.

### **How Local Enterprise Partnerships will support this change:**

Government will work with Local Enterprise Partnerships to **develop Local Industrial Strategies. These will set out a collective and shared strategic course for the long-**

**term.** The first Local Industrial Strategies will be agreed with Government by March 2019. We will adopt a phased approach to working with places. We aim to **agree Local Industrial Strategies across England by early 2020.**

Building on the work already being developed across the country, all places should continue locally-led work in a range of areas, including: ensuring priorities are based on objective evidence, engaging with local stakeholders to build a focused set of priorities; and ensuring local ambitions are aligned to the national Industrial Strategy.

In addition, we expect all Local Enterprise Partnerships will follow best practice within the sector and **produce an annual delivery plan and end of year report.** These will be published and shared with Government and will include a set of headline outcome indicators based on local priorities to benefit people and communities, and a detailed and well developed understanding of the local economic evidence base across their area. These documents will inform objective assessments of Local Enterprise Partnership performance both nationally and locally. Local Enterprise Partnerships will need to work closely with key delivery partners, notably councils, to determine and agree the economic development priorities, interventions and funding that will be set out in their delivery plans.

We expect that these delivery plans would include how Local Enterprise Partnerships are investing existing Local Growth Fund awards, and delivering other local growth programmes such as Enterprise Zones and Growth Hubs. We will also expect that these delivery plans would include detail on how Local Enterprise Partnerships will work with local authorities to make the most of their existing levers to drive economic growth and ensure that the planning system is responsive to commercial development. They would also include details on the allocation of any other national and local funds, alongside approaches to monitoring and evaluation, and how the Local Enterprise Partnership plans for consultation and engagement with public, private and voluntary and community based bodies. Government will work with Local Enterprise Partnerships to develop a consistent approach to delivery plans that recognises different local priorities. These will be ready for April 2019.

The revised Local Enterprise Partnership Assurance Framework, to be published in early Autumn 2018, will provide further clarity on the development of Local Enterprise Partnership delivery plans.

## Leadership and organisational capacity

The leadership that Chairs have provided has been central to Local Enterprise Partnerships' success. In the Industrial Strategy, Government set out a commitment to ensure that all Local Enterprise Partnerships are driven by influential local leaders, acting as champions for their area's economic success. Local Enterprise Partnerships provide a platform for businesses, local elected leaders, universities, skills providers and voluntary and community sector organisations to shape policies for their area, bringing in business expertise and acumen, as well as forming new partnerships between the public and private sector across existing administrative geographies.

Local Enterprise Partnerships must have the operational independence and organisational capacity to deliver on the roles and responsibilities set out in this document. They must have the means to prioritise policies and actions, and to commission providers in the public, private and voluntary sectors to deliver programmes. Local Enterprise Partnership board members should be provided with adequate support, coupled with proportionate governance requirements, to enable them to perform their role effectively.

### **The case for change:**

The intention has always been that Local Enterprise Partnerships should be led by Chairs who are visible, active participants in the business community, supported by boards with a strong business and community voice.

Chairs must have a strong private sector background and experience of building effective organisations to ensure they are equipped with the skills needed to steer the work of a Local Enterprise Partnership. Chairs must be able to work collaboratively with a range of stakeholders, including local people, businesses and their representatives, elected officials, education institutions and voluntary and community sector bodies, holding stakeholders to account for delivery and ensuring tough decisions are taken. They must also act as an advocate for the place and be able to represent the concerns of its people, institutions and businesses, both locally and at the highest levels of Government.

As the role of Local Enterprise Partnerships evolves, it is increasingly important for Chairs to be strategic operators – able to interpret the external environment, articulate the Local Enterprise Partnership's position within it and amplify the board's stated ambitions. As Local Enterprise Partnerships invest significant amounts of public money, it is critical that Chairs have an eye on the detail and ensure that the correct processes are in place to provide assurance on both how funding is allocated and how it is managed. The support that they receive to carry out this greater strategic function must also be strengthened, including through the appointment of a Deputy Chair for each Local Enterprise Partnership.

The Industrial Strategy highlighted the role for communities in driving productivity across the country; Local Enterprise Partnerships must therefore be accountable to their area and representative of the communities they serve. We need to do more to improve the diversity of Local Enterprise Partnership Chairs and board members, both in terms of protected characteristics and also in drawing from a more diverse representation of sectors and all parts of their geography, with representation from more entrepreneurial and growing start-

ups and from the voluntary and community sector bodies who will often work with and deliver services on behalf of the most vulnerable in society.

As Local Enterprise Partnerships represent a broad coalition of interests and are responsible for allocating public funding, it is essential that recruitment exercises for Chair and board vacancies operate on the basis of merit, fairness and openness in line with the Nolan Principles. There must be consistent and publicly-outlined processes to enable effective recruitment of people who can bring new ideas and approaches, and help increase board diversity. Reflecting their broader role in promoting the development of prosperous communities, Local Enterprise Partnerships should look for board members who bring a range of expertise to their role, as the best do at present, for example business leaders who are also charity trustees, school governors or who lead social enterprises as well.

With a new enhanced role for Local Enterprise Partnerships, it is important these leaders possess the necessary skills and that their organisations have the capability to deliver on the fundamental task of generating local economic growth. This should include the ability to effectively gather and analyse evidence around the economic strengths, weaknesses and barriers to growth of the area; identify the priority areas for investment; and develop an investment plan to secure the necessary funding to take this work forward. To ensure effective and efficient focus on the priorities for local economic growth and to deliver impact, there should be robust monitoring and evaluation of programmes which is used to inform decisions around awarding, continuing or withdrawing funding.

### **How Government will support this change:**

There will be an increase in regular **Government dialogue** with Local Enterprise Partnerships, to reflect their strengthened role. This includes the Prime Minister-chaired 'Council of Local Enterprise Partnership Chairs', which was announced in the Industrial Strategy. This will allow Chairs to identify key areas for action, inform national policy, and enable closer cooperation with Government on delivering the Industrial Strategy objectives. To complement this, each Local Enterprise Partnership will be supported by a senior official sponsor from across Whitehall, to provide additional guidance on working with Government.

Government will actively **work with Local Enterprise Partnerships to advertise opportunities** for private sector leaders to become a Local Enterprise Partnership Chair when vacancies emerge. While these are not public appointments, we will offer to list vacancies on the Centre for Public Appointments website. This will help open up recruitment exercises to a broader pool of potential candidates, and at the same time underline the importance of the role to helping shape and deliver Government policy.

Some Local Enterprise Partnerships have proactively sourced formal support to build the capability of newly recruited board members. Government will build on this good practice and introduce an **induction and training** programme for Local Enterprise Partnership board members and officers, to ensure board members are adequately supported to provide challenge and direction to their Local Enterprise Partnership and understand how best to work with Government. We will work with the LEP Network, Local Government Association and other professional development bodies to develop this programme.

To understand what support Local Enterprise Partnerships will need to implement these changes we will commission an independent benchmarking of the capacity and capability of all Local Enterprise Partnerships against best practice, so that performance requirements match resources available. In addition, **we are providing additional capacity funding in 2018 for each Local Enterprise Partnership that clearly sets out how they will adopt these changes and are ready to develop Local Industrial Strategies**. This funding will also help to strengthen Local Enterprise Partnerships' ability to more actively involve local communities and organisations in their activity. We will ask Local Enterprise Partnerships to develop an implementation plan before they receive their allocation of this funding.

### **How Local Enterprise Partnerships will support this change:**

Government expects that each Local Enterprise Partnership **consults widely and transparently with the business community before appointing a new Chair, and appoints a Deputy Chair**. This process, including members of the appointment panel, should be set out by the Local Enterprise Partnership in their local assurance framework. Government will support this by advertising vacancies and actively supporting recruitment into these roles but appointment to positions on Local Enterprise Partnership boards will remain a decision for the Partnership. In line with best practice in the private sector, Local Enterprise Partnerships will want to **introduce defined term limits for Chairs and Deputy Chairs** where these are not currently in place.

Businesses pay the taxes, create the jobs and provide the economic growth that will deliver the ultimate outcomes of the Industrial Strategy: higher living standards and higher levels of productivity. Government's aspiration is that Local Enterprise Partnerships work towards strengthening the representation from the private sector, increasing **representatives from the private sector so that they form at least two thirds of the board**, to ensure that each Local Enterprise Partnership can truly be said to be business-led. In order to maintain focused board direction and input, Government will work with Local Enterprise Partnerships to establish a **maximum permanent board of 20 people**, with the option to co-opt an additional five board members with specialist knowledge on a one year basis.<sup>1</sup>

The composition of Local Enterprise Partnership boards is an important ingredient in their success. These boards must be able to take into consideration a breadth of interests of different local leaders and stakeholder groups to ensure that their growth strategies are relevant, representative and widely supported across their area. We want to ensure all Local Enterprise Partnership boards are truly representative of the communities that they serve. Government expects refreshed Local Enterprise Partnership boards to **improve their gender balance and representation of those with protected characteristics**. Our aim is for Local Enterprise Partnership boards to have equal representation of men and women by 2023. As a step towards achieving this, we will replicate the target set in the

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<sup>1</sup> Any private sector board member must fit the definition of 'private sector' as defined by the National Accounts Sector Classification. A private sector member must be or have been employed by an organisation not included as central government, local government or a public corporation as defined for the UK National Accounts.

Hampton-Alexander Review for FTSE 350 boards; Local Enterprise Partnerships should aim for a minimum of a third women's representation on their boards by 2020.<sup>2</sup>

It is vital to ensure that local leadership has access to the advice and information they need to make informed and impactful decisions. Whilst local government representatives on boards can draw on the advice of their officials, other board members do not have the benefit of this level of support. Local Enterprise Partnerships will **need to provide a secretariat independent of local government to support the Chair and board** in decision making.

We are determined to help local areas learn from what works best and where, so that we can work together to refine and maximise the impacts of major investments. Government will support all Local Enterprise Partnerships to **develop a strong local evidence base of economic strengths, weaknesses and comparative advantages** within a national and international context. We will **require robust evaluation of individual projects and interventions**. The additional funding that Government is providing each Local Enterprise Partnership will help to develop this capability and we will work with the LEP Network to develop and share best practice.

The revised Local Enterprise Partnership Assurance Framework, to be published in the Autumn, will provide further clarity on the leadership and capability requirements set out above.

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<sup>2</sup> <https://www.gov.uk/government/publications/ftse-women-leaders-hampton-alexander-review>

## Accountability and performance

As autonomous local partnerships, Local Enterprise Partnerships are primarily accountable to the communities within their area. In practice, the full and active role of senior local authority representatives on these boards provides a strong and direct link back to local people and are one part of the Local Enterprise Partnership's democratic accountability. Whilst Local Enterprise Partnerships are individually accountable, Government remains accountable for the overall system and ensures appropriate mechanisms are in place to drive standards of accountability and performance across the network.

### Case for change:

Government has awarded significant funding streams to Local Enterprise Partnerships, most notably the £9 billion through the Local Growth Fund. As this funding has increased, Government and Local Enterprise Partnerships have developed systems of governance and accountability to ensure that the devolved funding from central Government budgets is being managed effectively.

There have been criticisms around the accountability and performance of some Local Enterprise Partnerships. The level of transparency local partners want to see has been limited by the absence of comparability across differing Local Enterprise Partnership legal personalities and accountability frameworks. Furthermore, the significant differences in structures between Local Enterprise Partnerships contributes to the lack of consistency across the network. This has prevented Government from applying more targeted and transparent rules on performance. It has also meant that the public have been unclear on the role and the impact of Local Enterprise Partnerships in their areas.

Whilst Local Enterprise Partnerships have made significant progress in strengthening their accountability and transparency arrangements over the past few years, Government's greater ambitions for these institutions requires a renewed commitment to accountability and a strengthened approach to performance to ensure that Local Enterprise Partnerships operate to the highest standards.

### How the Government will support this change:

Government's primary ambition is for Local Enterprise Partnerships to operate as a self-regulating sector, working with local partners and their peers through the LEP Network to drive improvements in governance and delivery and strive for excellence. The Government, the LEP Network and Local Enterprise Partnerships will develop a **Local Enterprise Partnership sector-led approach to assessing and improving performance through regular peer review**.

Although Local Enterprise Partnerships are locally accountable for their decisions, as the arbiter of the system and as the primary funding provider for Local Enterprise Partnerships, **Government will retain accountability and oversight over the system as a whole**. Local Enterprise Partnerships recognise the need to adhere to standards of transparency and accountability clearly set out in the National Assurance Framework. This is one element of the wider assurance system, which also comprises of Local Enterprise Partnership reporting to Government on agreed outputs, evaluation frameworks and



annual performance reviews. In January 2018 we issued best practice guidance in response to the recommendations of the Ministry of Housing, Communities and Local Government Non-Executive Director Review into Local Enterprise Partnership governance and transparency.

Well performing Local Enterprise Partnerships are critical to creating successful local economies. To help ensure Local Enterprise Partnerships are performing to their highest standard there need to be clear expectations both from Local Enterprise Partnerships themselves and from Government around overall Local Enterprise Partnership performance and the performance of individual programmes. These will be used to support decisions around the level of control held over future funding programmes. The Government will set out more detail on how this system could work in due course.

**Government will publish a statement regarding its approach to intervention** in a revised National Assurance Framework where there are instances of non-compliance or underperformance. This will ensure that any intervention is proportionate and provides the appropriate levels of support to rectify issues. In the majority of cases, our intervention will be minimal as the sector matures and self-regulates to effectively address underperformance at the local level and through the network of Local Enterprise Partnerships. Where there are significant concerns, we will proceed using a spectrum of options ranging from regular, minuted performance meetings, the agreement of action plans with milestones and risk based deep-dives. In the most extreme instances, this could include direct intervention to express the Government's loss of confidence in the Local Enterprise Partnership by withholding or withdrawing funding.

The performance of each Local Enterprise Partnership differs based on the individual circumstances of their place. Each Local Enterprise Partnership's **overall performance will be held to account through measures agreed in their delivery plans**. The Government will work with Local Enterprise Partnerships to ensure that they have these plans in place by April 2019.

Government will continue to monitor Local Enterprise Partnerships through annual performance reviews and quarterly monitoring of data returns for major growth programmes to monitor risk. Performance assessments will be grounded in the three themes encompassing the objectives of a Local Enterprise Partnership: 'Governance', 'Delivery' and 'Strategy'. In order to strengthen this system, we will introduce a mid-year review session with each Local Enterprise Partnership. This will enhance the existing annual performance review meetings and will focus significantly on strategic direction whilst also providing a forum for Government to highlight concerns with senior Local Enterprise Partnership officials.

#### **How Local Enterprise Partnerships will support this change:**

Government will **support all Local Enterprise Partnerships to have a legal personality**. Where they are not already incorporated as companies, Local Enterprise Partnerships that are not in mayoral combined authorities or combined authorities should take steps to become companies. Where Local Enterprise Partnerships are integrated within mayoral combined authorities and combined authorities exist, they may elect to use this legal personality. This new legal structure should be in place by April 2019, ahead of any release of further local growth funding. Ensuring that all Local Enterprise Partnerships

have a legal personality reflects their more prominent role in local growth, that they are their own business-led organisations and will allow them to enter into legal commitments to take on further responsibilities in the future.

Local Enterprise Partnerships will continue to be individually accountable for the allocation of funding and the delivery and evaluation of projects, with Section 151 Officers (or equivalent) maintaining accountability for the proper conduct of financial affairs within the Local Enterprise Partnership. Local Enterprise Partnerships and Accountable Bodies are responsible for the success and day to day operations of the Local Enterprise Partnership. In addition, the revised National Assurance Framework will provide further clarity on the role of the Section 151 Officer and Accountable Body with regards to governance and financial oversight. Local Enterprise Partnerships will want to identify **a single Accountable Body within in each area** that is responsible for all Local Enterprise Partnership funding.

As legal entities, all Local Enterprise Partnerships will be required to hold an annual general meeting. **We will set an expectation that these are open to the public and businesses to attend and be properly promoted.** This provides Local Enterprise Partnerships with the opportunity to update the wider public on progress on growth plans and its ambitions for future growth and ensure the communities that they represent can understand and influence the economic plans for the area. To ensure that all businesses in an area have equal access to their Local Enterprise Partnership, we will not permit any Local Enterprise Partnership to operate on a paid-membership basis.

Local Enterprise Partnerships must be clear on who in their organisation is responsible for their activity – and who ought to be held to account. **We will expect all Local Enterprise Partnerships to set out exactly who is accountable for spending decisions, appointments, and overall governance** locally. Schemes of delegation must be clear and the Partnership should explicitly address the accountability arrangements and relationships between the Board, Chair, Local Enterprise Partnership CEO, Accountable Body and Sub-Boards (in MCA areas this should also include the Combined Authority Board and the Mayor).

The Government will **support Local Enterprise Partnerships to set out how they will ensure external scrutiny and expert oversight**, including participating in relevant local authority scrutiny panel enquiries to ensure effective and appropriate democratic scrutiny of their investment decisions. We want this to provide an opportunity to Local Enterprise Partnerships to engage local partners and independent experts – such as academics - when developing their strategies, whilst reassuring their partners that taxpayers money is being put to best use.

This legal framework and additional detail on assessing performance within the National Assurance Framework will provide a greater level of clarity for all partners whilst ensuring that Local Enterprise Partnerships remain independent, private sector led institutions.

The Government will continue to provide guidance on the accountability requirements and assurance and performance management process for Local Enterprise Partnerships.

## Geography

A strength of Local Enterprise Partnerships from the outset was their ability to bring together public and private sector leaders across functional economic areas to set a strategic vision and make decisions that transcend local administrative boundaries. However, in certain parts of the country, the benefits of this geographic scale have been tempered and the geographic boundaries have not provided the clarity needed to businesses and communities.

It is essential that communities served by Local Enterprise Partnerships are able to see a single vision and a compelling plan for their area. This will ensure that each Local Enterprise Partnership is in the best position to identify and align local interventions that maximise their economic impact.

### **The case for change:**

When Local Enterprise Partnership geographies were first decided in 2011 they had a more strategic role with limited delivery responsibilities. Since then, the context in which they operate has changed greatly; as Government has committed over £9 billion from the Local Growth Fund to Local Enterprise Partnerships through three rounds of competitive Growth Deals.

To be fit for purpose as their roles and responsibilities are expanded once again, we need to ensure that Local Enterprise Partnership geographies provide simplicity, accountability and practicability. Whilst in most areas the existing arrangement has worked in practice, greater clarity and consistency is required if they are to meet Government's increased ambition. It is therefore the right time to revisit geographic boundaries.

The recent Public Accounts Committee inquiry into Local Enterprise Partnership assurance processes was clear that we need to provide clarity and accountability on how we deliver value for taxpayers' money. Local Enterprise Partnership accountability practices have been addressed throughout the wider review. The removal of overlaps forms a component part of a wider initiative to make these organisations more transparent, consistent and robust in the way that they allocate funding to drive growth across the country.

We must ensure that decision-making and delivery operate at the most appropriate geographical levels that maximise efficiency and effectiveness. In a number of instances since 2011, Local Enterprise Partnerships have amended their original boundaries, including the successful merger of Northamptonshire Local Enterprise Partnership and South East Midlands Local Enterprise Partnership, and we would expect any consideration of geographical changes to consider the most effective size and scale to operate over.

There is no universally accepted approach to measuring or defining functional economic areas and boundaries vary depending on the method used.<sup>3</sup> However, we acknowledge

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<sup>3</sup> For example housing market definitions <https://www.gov.uk/government/publications/future-cities-comparative-urban-governance>, compared to labour market containment definitions

that economic geographies often cross administrative boundaries and we want to see continued collaboration between Local Enterprise Partnerships and local authorities where this is the case.

### **How the Government will support this change:**

As Local Enterprise Partnerships are central to future economic growth, Government will ask Local Enterprise Partnership Chairs and local stakeholders to come forward with considered **proposals by the end of September on geographies which best reflect real functional economic areas, remove overlaps and, where appropriate, propose wider changes such as mergers.**<sup>4</sup> We will encourage **Local Enterprise Partnerships and mayoral combined authorities to move towards coterminous boundaries where appropriate** in line with the wider discussions on Local Enterprise Partnership geographies. These proposals should be submitted by 28 September 2018. Government will respond to these proposals in the autumn and future capacity funding will be contingent on successfully achieving this.

We recognise that Local Enterprise Partnerships are independent bodies and will have to work closely with local stakeholders to reconfigure their geographies to meet the future roles and responsibilities of Local Enterprise Partnerships. Once any changes to Local Enterprise Partnership boundaries have been agreed, we will work with each Local Enterprise Partnership to ensure that revised geographies come into effect by spring 2020 at the latest, recognising the need to deliver against existing commitments as well as transition to the new policy and funding landscape over these new geographies. This will simplify the allocation of future growth funding and rationalise the increasingly complex local growth landscape.

### **How Local Enterprise Partnerships will support this change:**

Local Enterprise Partnerships should build on the strength of their existing partnership working to collaborate on common issues. Whilst we are removing all instances in which two or more Local Enterprise Partnerships geographies overlap, this is not to say that local partners should not participate in the development of other Local Enterprise Partnerships' strategies. The Government **expects collaboration between Local Enterprise Partnerships** where interests are aligned when developing strategies to maximize their impact across their different objectives. This helps to ensure a more efficient use of resources and secure a better outcome than operating in isolation. This collaboration need not be restricted to neighbouring Local Enterprise Partnerships and will be particularly important where partnerships share a common interest or particular themes, for example, aerospace technologies.

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<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/commutingtoworkchangestotraveltoworkareas/2001to2011>, and variations of each.

<sup>4</sup> This will also include removing any situation in which a lower tier or unitary authority is covered by two Local Enterprise Partnerships whose geographies do not overlap.

## Mayoral combined authorities

Since 2012, City Deals, Growth Deals and Devolution Deals have shifted power and funding to local areas to enable them to take strategic decisions about local priorities. These deals have enabled places to develop long-term plans and create the right conditions for prosperity.

Both Local Enterprise Partnerships and mayoral combined authorities are seeking to drive growth at a strategic economic geography, through place-based and locally-controlled policies and funds. It is essential that these bodies work together to respond to future opportunities and challenges.

### **The case for change:**

The election of six mayors in mayoral combined authority areas in May 2017 was an historic step in the Government's mission to deliver an economy that works for everyone, and the seventh city region mayor was elected in Sheffield City Region in May 2018.<sup>5</sup> The Government and local leaders agreed a 'minded to' deal with North of Tyne at Budget 2017. On 20 July 2018 all of the authorities consented to deal. As a result the Government will proceed to lay the orders in Parliament. Government remains open to conversations with other local areas that wish to explore the potential for devolution, where clear local support and a strong economic case for doing so can be demonstrated.

In all of these areas, Local Enterprise Partnerships and local authorities have worked together effectively throughout the process of negotiating and implementing devolution deals. In this, Local Enterprise Partnerships have taken a distinct role from that of the mayoral combined authority, providing private sector expertise and challenge to drive and inform strategy and investment decisions, including on local growth funding, business support and skills.

It is crucial at this point to ensure that investors, businesses and the public have a clear understanding of the relationships between Local Enterprise Partnerships and mayoral combined authorities as they take on an ever greater strategic role. The relationship between these bodies reflects local priorities and varies from place to place. Government is committed to working with Local Enterprise Partnerships and mayoral combined authorities to ensure clarity and transparency on their respective roles and responsibilities, address potential inefficiencies and help strike the right balance between integrated decision-making and delivery on the one hand, and appropriate challenge and scrutiny on the other.

### **How Government will support this change:**

Government will **consolidate its engagement with mayoral combined authorities and their Local Enterprise Partnerships with a collaborative approach to agreeing Local Industrial Strategies**. As set out in the Industrial Strategy, places in England with a Mayoral combined authority will have a single Local Industrial Strategy led by the mayor

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<sup>5</sup> Government signed the Cornwall devolution deal in July 2015. The content of this section does not apply to Cornwall as this deal does not include a Mayoral Combined Authority.

and supported by the Local Enterprise Partnership. To ensure the maximum buy-in of key local stakeholders, we will expect mayoral combined authorities to work in partnership with their Local Enterprise Partnership to jointly develop and agree these strategies.

### **How Local Enterprise Partnerships and mayoral combined authorities will support this change:**

To help ensure that Local Enterprise Partnerships have a distinctive role from the mayoral combined authorities, we **will support Local Enterprise Partnerships and mayoral combined authorities to develop and publish agreements – brought together in a single document with relevant financial assurance frameworks – which set out their respective roles and responsibilities** in a way that recognises the variation between places, while providing sufficient clarity on accountability for public funding.

We have set out five themes below which we would want to see addressed in these agreements:

- **Advisory and challenge function:** how local partners will ensure that there is a strong, independent voice for the Local Enterprise Partnership in the decision making process within mayoral areas, and that the Local Enterprise Partnership Chair and Board are able to draw directly on appropriate support and expertise from staff.
- **Alignment of decision-making across a clear geography:** how local partners will work together to ensure a clear, transparent decision-making process which minimises the impact of differences in organisations' geographical boundaries. To assist with clarity and transparency, we would encourage areas to move towards coterminous Local Enterprise Partnership and mayoral combined authority boundaries, but recognising that this will not be possible in all cases.
- **Accountability:** how the formal accountability relationship between the Local Enterprise Partnership and the mayoral combined authority will work. We would expect local partners to designate the mayoral combined authority as the formal Accountable Body for the Local Enterprise Partnership in terms of handling public money.
- **Efficiency and corporate identity:** how the Local Enterprise Partnership and the mayoral combined authority will work together in their approach to staffing, branding and other resources and assets.
- **Overview and scrutiny:** how the Overview and Scrutiny Committees of the mayoral combined authority and local authorities will interact with the Local Enterprise Partnership.

A move towards more aligned geographies would greatly strengthen democratic decision making and scrutiny between the Local Enterprise Partnership and mayoral combined authorities. We will **encourage Local Enterprise Partnerships and mayoral combined authorities to move towards coterminous boundaries where appropriate** in line with the wider discussions on Local Enterprise Partnership geographies.

As agreed with Government, the London Local Enterprise Partnership is chaired by the Mayor of London and operates through the Greater London Authority (GLA) which acts as its accountable body for funding provided by Government. All decisions must comply with the GLA's corporate governance, financial, legal and procurement frameworks and processes. We will work with London Economic Action Partnership to implement the changes outlined in this document as relevant.

The revised National Local Enterprise Partnership Assurance Framework and revised Single Pot Assurance Framework, to be published in the autumn, will provide further clarity on the requirements for mayoral combined authorities and Local Enterprise Partnerships in these areas.

# Managing the transition to strengthened Local Enterprise Partnerships

We want to ensure that Local Enterprise Partnerships maintain their momentum and move quickly to implement these changes and formally establish themselves in their new form.

This document has set out a plan for reform, to ensure Local Enterprise Partnerships continue to drive growth and remain credible organisations locally and nationally. This provides Local Enterprise Partnerships with defined role and responsibilities, and provides clarity on activities and objectives to deliver on the ambitions of the Government's Industrial Strategy.

We will write to Local Enterprise Partnership Chairs to communicate the importance of the review and will work with them to develop revised proposals on geography by 28 September 2018 and a detailed plan for implementing the changes outlined in this document before 31 October 2018 at the latest. In order to deliver their role effectively, Local Enterprise Partnerships need financial support. As referred to above, to support Local Enterprise Partnerships in implementing these changes and embed evidence in Local Industrial Strategies, we will provide up to £20 million of additional funding between 2018-19 and 2019-20 to support Local Enterprise Partnerships to adopt these changes.

We will update the National Local Enterprise Partnership Assurance Framework so that these changes are included within Local Assurance Frameworks ahead of April 2019. The National Assurance Framework will be an essential part of our wider Local Enterprise Partnership assurance system to ensure that Local Enterprise Partnerships have in place the necessary systems and processes to manage devolved funding from central Government budgets effectively.

We recognise that some reforms will take longer to implement, particularly as we leave the European Union and Government considers key funding arrangements such as the UK Shared Prosperity Fund. We will work with these Local Enterprise Partnerships to ensure these reforms are implemented in a measured way and with least disruption to existing programmes.

This document has set out a step change in approach for both Local Enterprise Partnerships and Government. We will continue to work with Local Enterprise Partnerships to understand how the network can identify and apply best practice and develop a programme of training for Local Enterprise Partnership boards and executive teams. This will be supported by regular engagement from senior government officials, to ensure Local Enterprise Partnerships and all parts of Government work strategically together to deliver economic growth and prosperity across the country.



## Annex – Advisory Panel Joint Statement

The Industrial Strategy made clear Government “remains firmly committed to Local Enterprise Partnerships”, but that “performance has varied” across the country. The Industrial Strategy set out that Government will review Local Enterprise Partnerships.

To inform this review Ministers in MHCLG, BEIS and HMT established an external advisory panel. The panel met four times between December 2017 and May 2018 to discuss LEP best practice and opportunities for reform. The panel also provided advice on best practice in comparable private and public sector organisations.

Following these discussions and other engagement with officials, the advisory panel agrees that ministers should consider the following statement in concluding the review:

- LEPs provide a rich partnership of private sector organisations, local government, education – including universities – and other key local institutions and will be central to the delivery of the Industrial Strategy, driving growth and productivity across England. These partners each make unique and critical contributions to the LEP model, ensuring its distinctive role, which the ministerial review of LEPs should recognise and promote. To ensure LEPs are credible organisations locally and nationally, working with stakeholders from across the public and private sector, LEPs should have a clear and simple mission, focused on strategy-setting and the prioritisation of resources. Partnership working is the key determinant of a successful LEP and should be promoted across the country, so LEPs can set effective strategies for long term change and economic improvement.
- The panel recognises the important recommendations of Mary Ney’s Review of Local Enterprise Partnership Governance and Transparency and agrees that LEPs should have consistent, formalised and transparent governance arrangements. All LEPs should have the institutional capacity and capability to develop and maintain a robust evidence base to support and monitor the strategic vision and performance of an area. The review could consider how local authorities support LEPs, and how LEPs and other bodies such as the LEP Network collaborate to share best-practice and promote effective peer review within the sector.
- To ensure LEPs maintain a culture of constructive challenge and bring strategic leadership for growth across their area, they should have a distinctive role from individual local government institutions, including combined authorities. LEPs should not crowd out or duplicate business organisations, which represent businesses at the local level, and the LEP review should consider how Government can ensure these distinct roles are maintained. The review should ensure that the accountable body role undertaken by a local authority is facilitated in appropriate membership arrangements and recognises the risk management role that body fulfils on behalf of the LEP. The review could also consider increasing the proportion of private sector members on LEP boards, but should remain cognisant of the need for clear accountability.
- Effective boards represent the diverse communities and businesses of their economies, and those local bodies which contribute to growth. The best LEP boards draw on the expertise of an area’s business leaders and enable these individuals to

engage with local and national government, and the education and skills sector, to identify, articulate and invest in economic priorities and support innovation. All LEPs should engage small- and medium-sized business leaders as well as larger firms in their governance, and be representative of their areas' communities. Government and LEPs should show leadership on promoting diversity on boards and in effective decision-making.

- LEPs' activities should work towards targeted key performance indicators and effectively evaluate the impact of their projects, programmes and investments. The panel recognises the importance of local autonomy and differentiation, and that LEPs should hold themselves to account and be held to account by others on the basis of their performance against these measures. Transparent performance measures and expectations could be accompanied by a more nuanced range of actions and support from Government with regards underperforming LEPs. It is vital to provide stakeholders with confidence that all LEPs can deliver on the core roles and responsibilities set out for them.
- It is important to ensure LEP boundaries provide clarity and transparency in decision making and recognise functional economic areas, whilst seeking to optimise opportunities for cross-LEP collaboration where common economic priorities are evident.

The terms of reference the advisory panel considered as part of the ministerial review were:

- Define with greater clarity the strategic role of LEPs in driving growth and productivity for business; people; ideas; infrastructure; and place.
- Strengthen business leadership and corporate governance to ensure that LEPs remain diverse private sector-led organisations that can shape and challenge local economic decision making, through the adoption of best practice.
- Establish clear accountability through rigorous financial reporting and enforcement of transparency in decision making.
- Assess the impacts of boundary overlaps to ensure clarity, transparency and representation of functional economic areas.
- Improve organisational capability and planning certainty, including looking at options for a common incorporation model; how LEPs are resourced and the standardisation of organisational structures and reporting.
- Define the relationship between LEPs and Local Authorities, as well as new organisational structures such as Mayoral Combined Authorities.

The panel members were:

- Dr Adam Marshall – Director General of the British Chambers of Commerce
- Cllr Anne Western – Leader of the Labour Group, Derbyshire County Council, and Vice-Chair of the Local Government Association's People and Place Board
- Cllr Bob Sleight OBE – Deputy Mayor of the West Midlands Combined Authority and Leader of Solihull Council
- Christine Gaskell MBE – Cheshire and Warrington Local Enterprise Partnership Chair and representative of the LEP Network Management Board

- Professor Diane Coyle CBE – Bennett Professor of Public Policy, University of Cambridge, and Co-Chair of the Industrial Strategy Commission
- Cllr Gordon Birtwistle – Councillor and former MP for Burnley
- Cllr Judith Blake – Leader of Leeds City Council
- Professor Judith Petts CBE – Vice Chancellor of University of Plymouth and Heart of the South West Local Enterprise Partnership Board Member
- Cllr Manjula Sood MBE – Deputy Mayor of Leicester City Council
- Martin McTague – Policy Director at the Federation of Small Businesses
- Mary Ney – Non-Executive Director at the Ministry of Housing, Communities and Local Government, and former Chief Executive of the Royal Borough of Greenwich
- Sherry Coutu CBE – Chair of the Scale-Up Institute, Chair of the Financial Strategy Advisory Group, University of Cambridge, and Non-Executive Director for the London Stock Exchange Group
- Stephen Greenhalgh – Joint Managing Director of J&J Omerod PLC



Department for  
Business, Energy  
& Industrial Strategy



Ministry of Housing,  
Communities &  
Local Government

2 August 2018

By email: [Hilary.chipping@semlep.com](mailto:Hilary.chipping@semlep.com)

Cc. [agl@annlimb.co.uk](mailto:agl@annlimb.co.uk)

Dear Hilary,

### **Update on Industrial Strategy: Implementing the Review of Local Enterprise Partnerships**

Following last week's publication of Strengthened Local Enterprise Partnerships, I am writing to provide details of the next steps that your LEP is required to take to implement the recommendations of the review and our plans to work with the LEP Network to support you with this work. I am aware that many of you have already engaged with the review through conversations with your Area Deputy Directors and Cities and Local Growth Area Leads.

As I set out at the LEP Network event before publication, the recommendations outlined in Strengthened Local Enterprise Partnerships clearly demonstrate Government's continued commitment to LEPs and will enable you to develop Local Industrial Strategies that will provide distinctive and long-term visions of how a place will maximise its contribution to UK productivity. This in turn will shape the design and implementation of the UK Shared Prosperity Fund.

I am sure you already have downloaded a copy but for convenience, a copy of the review is attached to this letter and a link to the wider announcement can be accessed on [GOV.UK](https://www.gov.uk).

### **Implementing the recommendations of the LEP review**

Over the summer the LEP Network will be convening a number of working groups, chaired by a LEP Chair, and which my Unit will be supporting. These working groups, will provide an opportunity for you to collectively agree guiding principles to help ensure consistency and generate shared understanding of what is needed to implement the review. These groups will consider the key areas where we know that some LEPs will have to make significant changes as a result of the review. For example, the first working group that the LEP Network is convening is on geography. The LEP Network will be in contact to provide you with more information on these working groups. I encourage all LEPs to engage in these discussions and to use them to inform your own plans at an individual LEP level, alongside the on-going discussions with your Area Lead.

The Government is making up to £200,000 available in 2018-19 to each LEP to fund a timely and effective implementation of the LEP review, and the development of an evidence base for Local Industrial Strategies. A LEP's allocation of this funding will be received once it has

submitted the proposals outlined below and Government is content that these plans will address the recommendations of the review.

Annexes A-D of this letter provides you with detail of the work that LEPs need to undertake to deliver against the recommendations of the review and receive the additional funding. As part of this, LEPs should review the implementation guidance note (Annex A).

In the coming months, your LEP should provide an initial response setting out how you will fulfil the recommendations; outlining the approach you are going to take to achieve this. For the initial response, LEPs should:

1. Develop and submit proposals on geography no later than **28 September 2018**. If no changes are proposed, LEPs should outline why. A template for your response is included in Annex B.
2. Develop and submit a plan for implementing the review recommendations no later than **31 October 2018**. A template for your response is included in Annex C.
3. Include the proposal for additional funding alongside your implementation plan. A template to submit this proposal is outlined in Annex D.

These proposals should be submitted to [LEPpolicy@communities.gsi.gov.uk](mailto:LEPpolicy@communities.gsi.gov.uk) copying in your Area Lead.

We encourage you to engage widely in conversations with local partners, including Accountable Bodies, to develop these plans. Your Area Lead will be available to support you at working level, drawing on the policy teams as necessary, and of course, I would be very happy to discuss any issues further with you during this period.

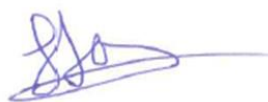
If you have any questions relating to the requirements above, please contact your Area Lead in the first instance who will liaise with policy officials as required to resolve your query.

### **Next steps**

As you are aware, Government will revise the National LEP Assurance Framework in Autumn 2018 to reflect the recommendations of the review. LEPs should be prepared to update plans to reflect any additional guidance outlined in the document. We will ensure that this will not, however, prevent LEPs from planning a response to the review and submitting initial proposals in the interim period.

I know that this is a step change for LEPs and it will require close working between yourselves and central government. We are committed to supporting you and will work together with all LEPs and the LEP Network to develop a shared understanding of the recommendations to enable you to implement these changes.

I would like to thank you for your work to date and look forward to continuing working productively to implement these important local growth reforms.



**STEPHEN JONES**

**STATEMENT OF CO-OPERATION AND PARTNERSHIP BETWEEN BUCKS  
THAMES VALLEY LOCAL ENTERPRISE PARTNERSHIP AND SOUTH EAST  
MIDLANDS LOCAL ENTERPRISE PARTNERSHIP**

Bucks Thames Valley Local Enterprise Partnership (BTVLEP) and South East Midlands Local Enterprise Partnership (SEMLEP) agree to work together on aspects of our functional economic areas that will benefit from the adoption of a collaborative approach.

We identify these areas as:

1. sharing and exchanging economic data and any other appropriate and relevant resources that are not of a commercially sensitive nature
2. holding early discussions on funding bids and supporting each other's bids where this makes sense
3. undertaking joint initiatives such as influencing national government on shared priorities for transport or other major infrastructure issues of common interest
4. collaborating on other matters where economic development policies or initiatives benefit from taking a holistic approach

This agreement is based on trust and on the shared belief that co-operation and effective partnering will be carried through in practice by all involved in BTVLEP and SEMLEP. In so doing, we will all seek to act within the framework of the UK code of Corporate Governance and will abide by the seven principles of public life (Nolan principles)

This agreement also recognises that occasions may arise when:

- BTVLEP or SEMLEP may wish to pursue collaborative work with other areas without the involvement of each other;

- there are matters for which a competitive approach adopted separately by BTVLEP and SEMLEP is appropriate; or
- it is unclear because of its geographic coverage whether a policy or initiative should be led by SEMLEP or BTVLEP.

If such occasions arise, the Chairs, following consultation with members of their LEP, will discuss the issue and subsequently seek conformation from their Boards and Executive teams of decisions agreed, acting within the framework of the UK code of Corporate Governance and in accordance with the seven principles of public life (Nolan principles) .

This agreement will be reviewed regularly, and a minimum annually, at Chair, Board and Executive team level meetings in order to monitor its implementation. In the unlikely case that co-operation should break down the Chairs of the two LEP Boards will take action to resolve any issues.

SIGNED by



Name: Alex Pratt

Position: Chair

Date: 2 March 2012

for and on behalf of BUCKS THAMES VALLEY LOCAL ENTERPRISE PARTNERSHIP

SIGNED by



Name: Dr Ann G Limb OBE DL

Position: Chair

Date:

for and on behalf of SOUTH EAST MIDLANDS LOCAL ENTERPRISE PARTNERSHIP

APPENDIX 2

Option	Pros	Cons
1. Just be a member of Bucks TVLEP	<p>Bucks TVLEP remains and keeps the existing partnership arrangements in place</p> <p>Bucks LEP rated as good in the 2018 audit by Central Government in the deep dive process</p>	<p>Does not reflect the true functional economic geography of the area (north and south Bucks have different needs)</p> <p>Would mean being a part of one of the smallest LEP (37<sup>th</sup> out of 38 LEPs and almost 30% smaller than Oxfordshire's)</p> <p>BTVLEP needs to be formally constituted as a legal entity</p>
2. Just be a Member of SEMLEP	<p>SEMLEP remains and keeps the existing arrangements in place</p> <p>Better reflects the real functional economic geography of the area and reflects one of the key arguments made in the district councils Unitary proposal</p> <p>Links the Vale with the other areas in SEMLEP that are also experiencing growth and connected through work on the NIC corridor</p> <p>It is already a legal entity</p> <p>SEMLEP rated as good or exceptional across all themes evaluated by Central Government in the deep dive process. While the overall RAG score is good in many areas SEMLEP goes above and beyond requirements</p>	<p>Would require the County to be in two LEPs if the southern districts were to be part of the Berkshire TV LEP</p> <p>Would need to make arrangements for the Enterprise Zones management to be transferred to SEMLEP</p>
3. Merger of Bucks TV LEP and SEMLEP	<p>Would create a larger LEP that reflects the lower tier/unitary membership of the Central Area Growth Corridor</p> <p>Would avoid BCC needing to be a member of two LEPs</p> <p>SEMLEP's legal body and articles could be easily amended to reflect new membership and arrangements</p> <p>SEMLEP experienced in managing merger situations and this could be implemented in a relatively short timeframe</p>	<p>Would require clarity about how the Membership and representation of a wider geography would work</p> <p>May result in the southern district areas feeling on the edge as it covers a number of functional economic areas</p>



APPENDIX 2

Option	Pros	Cons
<p>4. Merger of Bucks TV LEP and Ox LEP</p>	<p>Would create a larger LEP with synergies between some elements and cross overs of some of the Central Corridor group</p> <p>Would avoid any authority being a Member of two LEPs</p> <p>Existing legal entity of OXLEP could be used and amended</p>	<p>Does not reflect the real functional economic area for the Vale or Southern Bucks areas.</p> <p>Would require clarity over how the Membership and representation of a wider geography would work</p> <p>Would be a combination of functional economic areas and areas on the edge may not feel represented</p> <p>Not currently seen by OXLEP as an option to be pursued with the current arrangements on the growth deal with central Government</p>
<p>5. Creation of “Super LEP” – a merger of Bucks TV LEP, SEMLEP and Ox LEP</p>	<p>Would fully reflect the central growth area membership and provide a good joined up approach in response to the Corridor activity</p> <p>Would create one of the few ‘super’ LEPs that should attract significant investment and Government attention</p> <p>Existing legal status of SEMLEP or OXLEP could be used and amended</p>	<p>Would require clarity over how the Membership and representation of a wider geography would work</p> <p>Would be a combination of functional economic areas and could possibly cover too large an area</p> <p>Areas on the edges may not feel fully engaged/represented</p>

# Findings and recommendations regarding LEP membership

## *A report to Aylesbury Vale District Council (AVDC)*

12 December 2013

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### Introduction

This paper results from a facilitated discussion held on Monday 9<sup>th</sup> December 2013 between AVDC's Cabinet and the Chairs and Chief Executives of Buckinghamshire Thames Valley Local Enterprise Partnership (BTVLEP) and South East Midlands Local Enterprise Partnership (SEMLEP). The purpose of the discussion was to explore issues associated with AVDC being a member of both LEPs and therefore in an 'overlapping scenario'.

This paper reports on the key findings resulting from the discussion and recommends what actions should be taken. It is consistent with the detailed notes of the meeting which are attached to this note.

### Key findings

The arguments for single LEP membership (whether that is with BTVLEP or SEMLEP), and for membership of one or other LEP, are summarised in Table 1, together with comments on the strength of the arguments.

**Table 1: The case for AVDC to be in only one LEP**

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<b>The arguments for single LEP membership</b>	<b>Comments</b>
Business confusion and concern about duplication and waste of resources	This is based on a survey undertaken by Bucks Business First. Business views are very important in considering LEP membership, but it is unclear how representative the survey results are.
Indications from government related bodies that overlapping membership is illogical and unsustainable	There have been various recent criticisms of overlaps, although it was acknowledged that change is unlikely to be imposed from the centre, at least before the next election. AVDC is one of over 25 local authorities which have overlapping LEP memberships – so it is by no means unusual in that regard. Nevertheless, longer term it seems likely that there will be some rationalisation of overlaps.
Clarity in terms of governance, and in securing and allocating Growth Fund and other external financial support	Dual membership undoubtedly causes complications, but these can be addressed. There is an existing MOU between the two LEPs which can be updated to take into account these issues, particularly allocation of Growth Fund.
<b>The arguments for AVDC to be a member of BTVLEP only</b>	
Businesses associate with Buckinghamshire as a place	Business perceptions are important, and many local businesses will undoubtedly associate with the Buckinghamshire 'brand'. However, businesses are also interested in access to markets, and the SEMLEP area has more synergies in terms of growing markets than BTVLEP.

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Concerns about the impact of overlapping membership on BTVLEP's strategic objective to achieve greater containment through achieving a better balance between jobs and housing growth in the county.	This is a problem for BTVLEP and the other Bucks local authorities because AVDC is accommodating a major proportion of the LEP area's housing growth, as well as jobs.
A view among other local authorities in Bucks that AVDC should commit fully to BTVLEP	This probably reflects the above concern –and that AVDC has had more funding that it should have had under the arrangement.
BTVLEP is focused on implementation, and has the relevant expertise as well as detailed knowledge of AV	This largely reflects the expertise of the chief executive of BTVLEP, who was previously CEO of Aylesbury's delivery vehicle, AVA. However, the argument is mainly in relation to expertise and knowledge: both LEPs will be strongly focused on implementation once their strategies are agreed.
AVDC would be a 'big fish in a small pond'. It is the largest district in Bucks, which is the smallest LEP in the country	This means AVDC may have more influence over decisions made by BTVLEP than those made by SEMLEP, although it only has one vote on each Board. However, it could also be argued that there is more to play for in SEMLEP, which is one of the larger LEPs with a big growth agenda.
AVDC will lose out to other areas in SEMLEP because they will have a stronger claim on funding, particularly for regeneration	The primary objective of LEPs is to support economic growth, and AV has strong potential in that regard, whichever LEP it is associated with. If projects in AVDC offer good value for money and high economic returns, logic suggests that they will be supported by Government and by SEMLEP

**The arguments for AVDC to be a member of SEMLEP only**

Functional economic geographies suggest AVDC is more closely related to the SEMLEP area than the rest of Bucks.	AVDC falls within Milton Keynes travel to work area (TTWA) and strategic housing market area (SHMA). However, AV is a large district and different parts of it have different external linkages – some businesses and people look southwards towards the rest of Bucks and London, others look north and east towards Milton Keynes and the south Midlands, still others look westwards towards Oxfordshire.
Strategic ambition - AVDC is a growth area for housing and business – this is similar to the rest of SEMLEP, not the rest of BTVLEP	Both areas have ambitions to grow their economies, but the scale of economic and housing growth proposed for SEMLEP is greater, and more akin to that planned by AVDC
AVDC chose to join SEMLEP when it was first established (March 2011). Later (Jan 2012) it joined BTVLEP following a request from DCLG.	This indicates AVDC's original preference to be part of SEMLEP, which followed from involvement in its predecessor partnership, MKSM.

Source: SQW

From AVDC's perspective, the key points appears to be:

- There is no short term imperative to change. Government won't intervene, at least for the time being. If, in due course, there is pressure from government to remove overlaps, then AVDC will have to decide which LEP to join on an exclusive basis. But it doesn't need to decide yet.
- If and when a choice needs to be made, SEMLEP appears to be better aligned strategically to the ambitions of AVDC and its businesses.
- If there is any review of LEPs, then SEMLEP appears more secure than BTVLEP. Revisions which involve integration of the smallest LEPs (BTVLEP is the second smallest) seem more likely than disintegration of the largest (with the exception of

SELEP, which includes the whole of Essex, Kent and East Sussex, and which was always an anomaly since it is as large as the East of England region which it partially replaced).

- Overlaps make governance more difficult, but adjoining LEPs should be collaborating anyway. Overlaps force a resolution to governance issues, but these are wider than just concerning overlapping authorities.
- In relation to funding threats and opportunities, AVDC could lose out, but it could also gain. In practice, it seems likely that government will judge all LEP proposals on their merits – what they will they deliver for what investment. Therefore if there are projects within AV that provide excellent returns on public sector investment, they are likely to be supported whether the District Council is part of BTVLEP, SEMLEP or both. It seems very unlikely that either LEP will choose not to fund projects in AV due to its dual membership, if it has secured funding from the government for those projects. Nor is there any convincing argument to conclude that either LEP will lose government funding by not having ‘exclusive rights’ over projects in AV, provided the funding and governance arrangements for implementation of these projects is clear.

## Recommendations

- There is currently no persuasive reason to change AVDC’s current position of being a member of both BTVLEP and SEMLEP. In fact, over the next few months while the LEPs economic strategies and implementation plans are being finalising, any change to the current status could be highly disruptive and could lead to AVDC and both LEPs securing less Government funding than would be the case if the SEPs are clearly aligned and consistent in their prioritisation of projects in AVDC.
- The existing MOU between BTVLEP and SEMLEP should be reviewed and endorsed by the two LEP Boards. The revised version should be more specific about governance arrangements and the coordination of all investment priorities and decisions which affect both LEPs (including all those in AVDC).
- AVDC should keep under review Government guidance (formal and informal) on LEPs, particularly regarding overlapping memberships, and plan ahead in case advice changes or LEP boundaries are reviewed.
- In case AVDC is forced to choose between LEPs, the strongest strategic alignment and rationale regarding functional economic geographies is for AVDC to be part of SEMLEP. This seems likely to remain the case were any realignment of LEPs to take place, but of course until the details of any realignment are known it is not possible to be firm on this point.
- The government should ensure that the same civil servant has responsibility for LEPs with common overlapping districts. This would help to ensure consistency of treatment and coordination with government on funding decisions.

## Annex A: Implementation guidance note – next steps.

This document outlines the next steps that a Local Enterprise Partnership (LEP) should take so it can begin to implement the review.

Please note that over the summer the LEP Network will be convening a number of working groups. At these working groups, LEPs will agree guiding principles to help ensure consistency in the implementation of the review. All LEPs are encouraged to engage in these discussions and use these to inform your own plans.

In the coming months, your LEP should provide an initial response setting out how you will fulfil the recommendations; outlining the approach you are going to take to achieve this. The length and detail of these responses should be proportionate to the changes required by the LEP<sup>1</sup>. For the initial response, LEPs should:

1. Develop and submit proposals on geography no later than **28 September 2018**. If no changes are proposed, LEPs should outline why. A template for your response is included in Annex B.
2. Develop and submit a plan for implementing the review recommendations no later than **31 October 2018**. A template for your response is included in Annex C.
3. Include the proposal for additional funding alongside your implementation plan. A template to submit this proposal is outlined in Annex D.

These proposals should be submitted to [LEPpolicy@communities.gsi.gov.uk](mailto:LEPpolicy@communities.gsi.gov.uk) copying in your Area Lead.

Specific timelines for the implementation of the recommendations are outlined below, and the majority of these recommendations will need to be in place for the beginning of the 2019-20 financial year. These timeframes will be reflected in the National LEP Assurance Framework, which will be revised in Autumn 2018. You should be prepared to update your plans to reflect any additional guidance outlined in the document.

We expect all LEPs to be compliant with the revised National LEP Assurance Framework by the 28 February 2019 to ensure that the necessary systems and processes are in place to manage devolved funding from central Government budgets effectively for the next financial year.

### Proposals on geography

All LEPs should outline proposals in response to the Government's recommendations on geography no later than **28 September 2018**. Proposals should best reflect real functional economic areas, remove overlaps and, where appropriate, propose wider changes such as mergers. If your LEP is proposing no changes to its geographical boundaries, you should respond briefly, outlining why no change is required. If your LEP is proposing changes to its geographical boundaries you should outline why these changes would be suitable for your local area. For LEPs in MCA areas, these proposals should consider the current relationship between the MCA and LEP geographies. This should also include how any proposed changes will align with the development of Local Industrial Strategies.

You should engage with officials in the Cities and Local Growth Unit over the coming weeks and months to discuss any potential geography changes.

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<sup>1</sup> Unless the LEP is making significant changes and needs to provide additional detail, Government does not expect the response to each recommendation to exceed 300 words.

Proposals should be submitted in the format outlined in Annex B and submitted to the [LEPpolicy@communities.gsi.gov.uk](mailto:LEPpolicy@communities.gsi.gov.uk) no later than 28 September 2018, copying in your Area Lead. We will look to keep you informed following receipt of your proposals and respond promptly.

We recognise that LEPs are independent bodies and will have to work closely with local stakeholders to implement any changes. We will work with each LEP to ensure that revised geographies come into effect by spring 2020 at the latest, recognising the need to deliver against existing commitments as well as transition to the new policy and funding landscape over these new geographies.

## **Implementation Plan**

All LEPs must submit the implementation plan template (Annex C) **no later than 31 October 2018** to the LEP policy team in the Cities and Local Growth Unit ([LEPpolicy@communities.gsi.gov.uk](mailto:LEPpolicy@communities.gsi.gov.uk)), copying in your Area Lead.

The implementation plan should provide an initial response setting out how you will fulfil the recommendations; outlining the approach you are going to take to achieve this. You should outline your plans to address each recommendation in Annex C, providing clear timeframes in which you expect to have these plans in place. These proposals should also outline any milestones, issues and risks that the LEP may face in meeting the recommendations outlined in the review.

## **Proposals for additional capacity funding**

The Government is making up to £200,000 available in 2018-19 to each LEP to fund a timely and effective implementation of the LEP review, and the development of an evidence base for Local Industrial Strategies.

You should complete the attached Annex D and return it alongside your implementation plans **no later than 31 October 2018**. Plans should provide a sufficient level of detail on the capacity and capability that this additional funding will bring, and demonstrate how it will be spent by March 2019. You will only receive this funding if Government is satisfied that your proposals on geography, implementation and additional funding address the recommendations outlined in the LEP Review.

It is expected that the majority of additional funding will be used to build in-house capacity and capability in LEPs (e.g. through recruitment and up-skilling) to demonstrate an improvement in analytic, policy and programme management capabilities that will be able to deliver on increased responsibilities. However, we recognise that it will be necessary for some additional funding to be used for other costs and external fees (e.g. costs associated with incorporation).

This funding will be paid by S31 grant to the Accountable Body, to the account used to pay LEP core funding in April 2018. If these details are different please indicate this in section 2 of Annex D.

The Cities and Local Growth Unit will review all geography proposals, implementation plans and funding annexes and will consider the extent to which these correspond to the recommendations of the review. The release of additional funding is contingent on this assessment.

If you have any questions relating to the requirements above, please contact your Area Lead who will liaise with policy officials as required to resolve your query.

## Annex B: Geography proposal response template

LEP Name: [Please complete]

Please outline the LEP's plans to address the geography recommendations below, noting the guidance provided by the Unit. In your response, you should outline any key milestones, risks and issues.

Proposals should be submitted to [LEPpolicy@communities.gsi.gov.uk](mailto:LEPpolicy@communities.gsi.gov.uk) no later than **28 September 2018**, copying in your Area Lead.

# Geography

### Recommendation:

As Local Enterprise Partnerships are central to future economic growth, Government will ask Local Enterprise Partnership Chairs and local stakeholders to come forward with considered **proposals by the end of September on geographies which best reflect real functional economic areas, remove overlaps and, where appropriate, propose wider changes such as mergers.** ...These proposals should be submitted by 28 September 2018. Government will respond to these proposals in the autumn and future capacity funding will be contingent on successfully achieving this.

### Information required in geography proposal:

All LEPs should outline their response to the Government's recommendations on geography no later than **28 September 2018**.

Those LEPs proposing geography changes should provide detail of the proposed changes. In your response you should outline why these changes would be suitable for your local area. These proposals should include timescales for the transition to different geographies. LEPs should work with the LEP Network and neighbouring LEPs to ensure a shared understanding of the geography changes being proposed exists.

For LEPs who are proposing no changes you should respond briefly outlining why no change is required. For LEPs in MCA areas, these proposals should consider the current relationship between the MCA and LEP geographies. All LEPs should aim to have revised geographies (if required), by **spring 2020**.

### LEP response

Please outline the LEP's response to the recommendation. The response should consider the information required, outlined above:

<p><b>Key milestones</b></p> <p>Please indicate any key milestones the LEP is required to meet to address the above recommendation:</p>
<p><b>Key risks and/or issues</b></p> <p>Please indicate any risks or issues that may prevent the LEP meeting the recommendation above. The LEP should also outline how it is mitigating these risks.</p>

<p><b>Recommendation:</b></p> <p>We will <b>encourage Local Enterprise Partnerships and mayoral combined authorities to move towards coterminous boundaries where appropriate</b> in line with the wider discussions on Local Enterprise Partnership geographies. These proposals should be submitted by 28 September 2018. Government will respond to these proposals in the autumn and future capacity funding will be contingent on successfully achieving this.</p>
<p><b>Information required in geography proposal:</b></p> <p>For LEPs in MCA areas, these proposals should consider the current relationship between MCA and LEP geographies.</p>
<p><b>LEP response</b></p>



Please outline the LEP's response to the recommendation. The response should consider the information required, outlined above:

**Key milestones**

Please indicate any key milestones the LEP is required to meet to address the above recommendation:

**Key risks and/or issues**

Please indicate any risks or issues that may prevent the LEP meeting the recommendation above. The LEP should also outline how it is mitigating these risks.



<b>Key milestones</b>
Please indicate any key milestones the LEP is required to meet to address the above recommendation:
<b>Key risks and/or issues</b>
Please indicate any risks or issues that may prevent the LEP meeting the recommendation above. The LEP should also outline how it is mitigating these risks.

## Leadership and Organisational Capacity

<b>Recommendation:</b>
Government expects that each Local Enterprise Partnership <b>consults widely and transparently with the business community before appointing a new Chair, and appoints a Deputy Chair.</b>
<b>Information required in implementation plan:</b>
Within the implementation plan, you should outline your LEP's draft proposed process for consultation of the business community before appointing a new Chair. LEPs should plan to have this process in place by <b>28 February 2019.</b>
<b>LEP response</b>
Please outline the LEP's response to the recommendation. The response should consider the information required, outlined above:

<p><b>Key milestones</b></p> <p>Please indicate any key milestones the LEP is required to meet to address the above recommendation:</p>
<p><b>Key risks and/or issues</b></p> <p>Please indicate any risks or issues that may prevent the LEP meeting the recommendation above. The LEP should also outline how it is mitigating these risks.</p>

<p><b>Recommendation:</b></p> <p>In line with best practice in the private sector, Local Enterprise Partnerships will want to <b>introduce defined term limits for Chairs and Deputy Chairs</b> where these are not currently in place.</p>
<p><b>Information required in implementation plan:</b></p> <p>Within the implementation plan, you should outline how your LEP plans to introduce defined term limits for Chairs and Deputy Chairs. LEPs should plan to have this process in place by <b>28 February 2019</b>. LEPs should also plan to have a Deputy Chair in place by <b>28 February 2019</b>.</p>
<p><b>LEP response</b></p> <p>Please outline the LEP’s response to the recommendation. The response should consider the information required, outlined above:</p>

--

**Key milestones**

Please indicate any key milestones the LEP is required to meet to address the above recommendation:

--

**Key risks and/or issues**

Please indicate any risks or issues that may prevent the LEP meeting the recommendation above. The LEP should also outline how it is mitigating these risks.

--

**Recommendation:**

Government’s aspiration is that Local Enterprise Partnerships work towards strengthening the representation from the private sector, increasing **representatives from the private sector so that they form at least two thirds of the board**, to ensure that each Local Enterprise Partnership can truly be said to be business-led. In order to maintain focused board direction and input, Government will work with Local Enterprise Partnerships to establish a **maximum permanent board of 20 people**,

with the option to co-opt an additional five board members with specialist knowledge on a one year basis.<sup>2</sup>

#### Information required in implementation plan:

LEPs must be accountable to their area and representative of the communities they serve. Therefore, within the implementation plan, your LEP should outline any changes you plan to make to the composition of the board to meet the review recommendations. As part of this you should outline:

- how your LEP plans to increase the private sector board membership to 2/3 private sector.
- how your LEP will ensure that the board does not exceed a maximum of 20 persons.
- arrangements for co-opted members (if applicable).

You should outline how your LEP plans to achieve this board composition over time, for example, in phases. LEPs should plan to have implemented any changes needed to board composition by **the end of the 2019-2020 financial year**.

#### LEP response

Please outline the LEP's response to the recommendation. The response should consider the information required, outlined above:

#### Key milestones

Please indicate any key milestones the LEP is required to meet to address the above recommendation:

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<sup>2</sup> Any private sector board member must fit the definition of 'private sector' as defined by the National Accounts Sector Classification. A private sector member must be or have been employed by an organisation not included as central government, local government or a public corporation as defined for the UK National Accounts.

<b>Key risks and/or issues</b>
Please indicate any risks or issues that may prevent the LEP meeting the recommendation above. The LEP should also outline how it is mitigating these risks.

**Recommendation:**  
Government expects refreshed Local Enterprise Partnership boards to **improve their gender balance and representation of those with protected characteristics**. Our aim is for Local Enterprise Partnership boards to have equal representation of men and women by 2023. As a step towards achieving this, we will replicate the target set in the Hampton-Alexander Review for FTSE 350 boards; Local Enterprise Partnerships should aim for a minimum of a third women’s representation on their boards by 2020.

**Information required in implementation plan:**

Within the implementation plan, your LEP should outline how you will demonstrate the work that you will undertake to encourage board diversity, including enacting any changes in the National Assurance Framework.

All LEPs should aspire to achieve gender balanced boards. The implementation plan should include detail on plans to:

- Take action to ensure that at least one third of the LEP’s appointed board members are women by **the end of the 2019-2020 financial year**.
- Take action to ensure equal representation of men and women on boards by **the end of the 2022- 2023 financial year**.

**LEP response**

Please outline the LEP’s response to the recommendation. The response should consider the information required, outlined above:

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<p><b>Key milestones</b></p> <p>Please indicate any key milestones the LEP is required to meet to address the above recommendation:</p>
<p><b>Key risks and/or issues</b></p> <p>Please indicate any risks or issues that may prevent the LEP meeting the recommendation above. The LEP should also outline how it is mitigating these risks.</p>

<p><b>Recommendation:</b></p> <p>Local Enterprise Partnerships will <b>need to provide a secretariat independent of local government to support the Chair and board</b> in decision making.</p>
<p><b>Information required in implementation plan:</b></p> <p>Within the implementation plan, you should outline how your LEP plans to put in place arrangements to ensure that all board members, whether from a public, private or third sector organisation, can access impartial advice and support from the LEP as a collective enterprise. You should outline the timeframe in which your LEP expects to have this secretariat in place.</p>
<p><b>LEP response</b></p> <p>Please outline the LEP’s response to the recommendation. The response should consider the information required, outlined above:</p>



<b>Key milestones</b>
Please indicate any key milestones the LEP is required to meet to address the above recommendation:
<b>Key risks and/or issues</b>
Please indicate any risks or issues that may prevent the LEP meeting the recommendation above. The LEP should also outline how it is mitigating these risks.

## Accountability and Performance

<b>Recommendation:</b>
Government will <b>support all Local Enterprise Partnerships to have a legal personality.</b>
<b>Information required in implementation plan:</b>

Within the implementation plan, you must outline your LEP's plans to adopt a legal personality. All LEPs should plan to adopt a legal personality by **April 2019**<sup>3</sup>. Government will provide further advice to LEPs on incorporation.

**LEP response**

Please outline the LEP's response to the recommendation. The response should consider the information required, outlined above:

**Key milestones**

Please indicate any key milestones the LEP is required to meet to address the above recommendation:

**Key risks and/or issues**

Please indicate any risks or issues that may prevent the LEP meeting the recommendation above. The LEP should also outline how it is mitigating these risks.

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<sup>3</sup> Where changes to geographies have been agreed, LEPs and Government will agree an appropriate timeframe for incorporation.

**Recommendation:**

Local Enterprise Partnerships will want to identify a **single Accountable Body within in each area** that is responsible for all Local Enterprise Partnership funding.

**Information required in implementation plan:**

Within the implementation plan, you must outline how your LEP plans to adopt a single Accountable Body within each area that is responsible for all Local Enterprise Partnership funding. You should outline the timeframes in which the LEP expects to have this arrangement in place. The plan should also include details about the transition of any funding arrangements<sup>4</sup>. LEPs should have a single Accountable Body in place by **Spring 2020**.

**LEP response**

Please outline the LEP’s response to the recommendation. The response should consider the information required, outlined above:

**Key milestones**

Please indicate any key milestones the LEP is required to meet to address the above recommendation:

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<sup>4</sup> LEPs should outline where programmes, such as Enterprise Zones, will continue under existing Accountable Body arrangements.

**Key risks and/or issues**

Please indicate any risks or issues that may prevent the LEP meeting the recommendation above. The LEP should also outline how it is mitigating these risks.

**Recommendation:**

As legal entities, all Local Enterprise Partnerships will be required to hold an annual general meeting. **We will set an expectation that these are open to the public and businesses to attend and properly promoted.**

**Information required in implementation plan:**

Within the implementation plan, your LEP must commit to hold an annual general meeting; open to the public to attend. Your LEP should hold its first/next public Annual General Meeting in **the 2019-20 financial year.**

To ensure that all businesses in an area have equal access to their Local Enterprise Partnership, we will not permit any Local Enterprise Partnership to operate on a paid-membership basis.

**LEP response**

Please outline the LEP's response to the recommendation. The response should consider the information required, outlined above:

<b>Key milestones</b>
Please indicate any key milestones the LEP is required to meet to address the above recommendation:
<b>Key risks and/or issues</b>
Please indicate any risks or issues that may prevent the LEP meeting the recommendation above. The LEP should also outline how it is mitigating these risks.

<b>Recommendation:</b>
<b>We will expect all Local Enterprise Partnerships to set out exactly who is accountable for spending decisions, appointments, and overall governance locally.</b>
<b>Information required in implementation plan:</b>
Within the implementation plan, you should outline how your LEP plans to review the responsibilities of the Chair, Board, Director, and Accountable Body and discuss plans to outline these responsibilities in a revised Local Assurance Framework. These arrangements should be put in place for <b>the 2019-20 financial year.</b>
<b>LEP response</b>
Please outline the LEP's response to the recommendation. The response should consider the information required, outlined above:

<p><b>Key milestones</b></p> <p>Please indicate any key milestones the LEP is required to meet to address the above recommendation:</p>
<p><b>Key risks and/or issues</b></p> <p>Please indicate any risks or issues that may prevent the LEP meeting the recommendation above. The LEP should also outline how it is mitigating these risks.</p>

<p><b>Recommendation:</b></p> <p>The Government will <b>support Local Enterprise Partnerships to set out how they will ensure external scrutiny and expert oversight</b>, including participating in relevant local authority scrutiny panel enquiries to ensure effective and appropriate democratic scrutiny of their investment decisions.</p>
<p><b>Information required in implementation plan:</b></p> <p>Within the implementation plan, you should outline how your LEP plans to discuss and agree scrutiny and oversight processes with the LEP's Accountable Body Section 151 Officer. LEPs and S151 Officers should refer to forthcoming guidance from CIPFA on the role of the S151 Officer.</p>
<p><b>LEP response</b></p> <p>Please outline the LEP's response to the recommendation. The response should consider the information required, outlined above:</p>

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**Key milestones**

Please indicate any key milestones the LEP is required to meet to address the above recommendation:

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**Key risks and/or issues**

Please indicate any risks or issues that may prevent the LEP meeting the recommendation above. The LEP should also outline how it is mitigating these risks.

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## Mayoral combined authorities

**Recommendations:**

Government will **consolidate its engagement with mayoral combined authorities and their Local Enterprise Partnerships with a collaborative approach to agreeing a Local Industrial Strategy.**

To help ensure that Local Enterprise Partnerships have a distinctive role from the mayoral combined authorities, we **will support Local Enterprise Partnerships and mayoral combined authorities to**

**develop and publish agreements – brought together in a single document with relevant financial assurance frameworks – which set out their respective roles and responsibilities** in a way that recognises the variation between places, while providing sufficient clarity on accountability for public funding.

**Information required in implementation plan:**

For LEPs in mayoral combined authorities, LEPs and the relevant combined authority should discuss the distinct role of the LEP and their future working arrangements.

If appropriate, you should outline your LEP’s plans to review these arrangements and plans to develop a published agreement of roles and responsibilities. The LEP should provide an update on any discussions to date. This should be consolidated in the LEP’s Local Assurance Framework by the **28 February 2019**.

**LEP response**

Please outline the LEP’s response to the recommendations. The response should consider the information required, outlined above:

**Key milestones**

Please indicate any key milestones the LEP is required to meet to address the above recommendation:

**Key risks and/or issues**



Please indicate any risks or issues that may prevent the LEP meeting the recommendation above. The LEP should also outline how it is mitigating these risks.

## ANNEX D: LOCAL ENTERPRISE PARTNERSHIP 2018-19 ADDITIONAL FUNDING FORM

LEPs should complete Annex D and return it alongside your implementation plans **no later than 31 October 2018**. Plans should provide a sufficient level of detail on the capacity and capability that this additional funding will bring, and demonstrate how it will be spent by March 2019. You will only receive this funding if Government is satisfied that your proposals on geography, implementation and additional funding address the recommendations outlined in the LEP Review. These proposals should be submitted [LEPpolicy@communities.gsi.gov.uk](mailto:LEPpolicy@communities.gsi.gov.uk) copying in your Area Lead.

1. Name of Local Enterprise Partnership	
2. Key contact at Local Enterprise Partnership (name, email, and telephone number)	
3. Name and address of Accountable Body	
4. Level of additional funding being sought (up to £200,000).	

5. Local Enterprise Partnership additional funding requirements.	£	Description – activities/resources	Why? The capability gap that it is addressing
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**Please set out in the table the key elements of the partnership's additional budgetary requirements by March 2019 to support the funding request of up to £200K.**

<p><i>e.g £30,000</i></p>	<p><i>Recruitment of an in-house analyst (by Oct 18)</i></p>	<p><i>Recruitment of additional analyst/economist to support on project appraisal, perform economic analysis on area to develop evidence base for Local Industrial Strategies. .</i></p>
<b>Total:</b>		

**6. Provide confirmation that the Local Enterprise Partnership has a clear plan of activity to implement and communicate reforms in alignment with the LEP review policy statement.**

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**7. Signature of Local Enterprise Partnership Chair**

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Printed:

**Date**

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**8. Signature from section 31 accountable local authority**

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Printed:

**Date**

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