

Central Area Growth Board Report

19 October 2023

Update on the Future of Regional Working and the Local Enterprise Partnership

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1. Recommendations

- 1.1 That subject to its agreement at SEMLEP board on 18 October 2023, that the Central Area Growth Board formally endorse the recommendation that West Northamptonshire Council should be the host local authority to take on all LEP functions, including strategic economic planning and business representation on or before 1 April 2024.
- 1.2 That an update is provided to the 12 December 2023 meeting of the Central Area Growth Board on progress of detailed implementation process for future of LEP functions.
- 1.3 That an update is shared on future plans for a Business Board to ensure that a strong, independent and diverse local business voice is embedded in the future arrangements at the meeting on 12 December 2023.

2. Background

- 2.1 For the 2 August 2023 Growth Board meeting, officers prepared a paper on the future of Local Enterprise Partnership (LEP) services. During that meeting Leaders formally endorsed the approach that an Expression of Interest process (if current funding is made available by government) for the services outlined in the paper, was run with Local Authority partners as soon as practical.

3. LEP Functions – Task and Finish Group and Expression of Interest Process

- 3.1 A Task and Finish Group, was established on the future of LEP functions and met on 15 August. All 6 local authorities were represented. It was chaired by Laura Church, Chief Executive of Bedford Borough Council. The area lead from Government, the s151 officer from Luton Borough Council and the SEMLEP Chief Executive were also present.
- 3.2 The Group discussed how to take forward the recommendation from the CAGB that an Expression of Interest (EOI) exercise should be initiated in the light of the letter from Ministers and further guidance. The Chief Executive of Bedford wrote

to all local authorities asking them to complete an EOI template and submit if they were interested in taking on LEP functions.

- 3.3 Two EOIs were received from West Northamptonshire Council and Luton Borough Council. An objective process was put in place for deciding between the two and as a result of this process, West Northamptonshire received the higher score. There were however strengths in Luton's EOI, including some interesting ideas around working with business and business representative organisations and marketing the key sectors for the area.
- 3.4 The SEMLEP Board meeting on Wednesday 18 October are recommended to agree that **West Northamptonshire Council** should be the host local authority for the transfer of LEP functions and that West Northamptonshire should consider taking on board some of the innovative suggestions in the EOI from Luton.

4. Summary of Current LEP Functions

- 4.1 LEP functions currently include:

Core Functions – This activity includes management, finance and communications, plus work on inward investment, sector advisory groups, analysis and evidence gathering for the whole area (including as an example labour market information) and delivery against regional policies.

This also includes the following two functions defined within the government's letter;

- **Business representation** – embedding a strong, independent and diverse local business voice into local democratic institutions - Government encourages single upper tier local authorities, or local authorities working together across a prospective devolution deal geography or functional economic area, to create or continue to engage with an Economic Growth Board (or similar) made up of local business leaders and relevant representative bodies to (a) provide the view of local businesses as part of regional decision making and (b) work with local leaders to create a broad economic strategy for the area.
- **Strategic economic planning** - Government encourages areas to produce – or continue to update – economic strategies to support local decision making, building on the plans currently developed and overseen by LEPs. Areas should share data, intelligence, and analysis as appropriate to support the needs of current and future government programmes.

Growth Hub - In areas where there is no devolution deal, government expects local authorities to work together to ensure seamless Growth Hub provision across the area, which will continue to support businesses and to provide a convening point for broader business support provision.

Careers Hub - In areas where there is no devolution deal, government expects local partners, such as local authorities, to work together to ensure Careers Hubs delivery continues so far as possible over existing geographies.

5. Next Steps

- 5.1 Detailed discussions around the future of existing LEP services and the implementation of the transfer can now be started between West Northamptonshire Council officers, the SEMLEP Chief Executive and Luton Borough Council as the Accountable Body. It is recommended that these are overseen by the Central Area Growth Board and an update provided to its December meeting by the Leader of West Northamptonshire Council and relevant officers.
- 5.2 West Northamptonshire will ensure that all local authority partners are engaged in shaping the future LEP functions, including the approach to strategic economic planning and business representation.
- 5.3 The Central Area Growth Board will draw up plans for a Business Board to ensure that a strong, independent and diverse local business voice is embedded in the future arrangements (see item 3). A report will be prepared for the next meeting of the CAGB setting out detailed proposals for the future model of LEP functions including how it will ensure that a strong, independent and diverse local business voice is embedded in the future arrangements.