

# The Local Enterprise Partnership

## Growth and Devolution

### Thought Piece Summary

March 2015

The LEP Network has brought together the views of the 39 Local Enterprise Partnerships (LEPs) to celebrate the strides that have been made in driving economic growth and to articulate what LEPs view as important, as the devolution debate continues post – General Election 2015.

This pamphlet summarises 10 key points.



# Celebrating the LEPs

LEPs deliver. This is especially important during a time in our nation's history of difficult economic conditions.

## Highlights include:

**39 local strategies** that look out to **2030**, with **£12bn** allocated by HMG to project activity that will stimulate economic growth.



**£730m Growing Places Fund (GPF) allocated** to 323 projects, leveraging £2.8 billion of extra investment (incl £1.8bn from private sector), safeguarding of 13,000 jobs and the creation of 640 apprenticeship places (as at June 2014).

**£30 million of GPF has been repaid** by projects and LEPs have established sustainable revolving funds.



LEPs catalyst role in **£2.85bn** being allocated from Regional Growth Fund (RGF) programmes will lever **£16bn** from private sector investment, projected to deliver almost **600k jobs** by mid 2020s.



LEPs have established or partnered in...

**24  
Enterprise  
Zones**

The establishment and provision of local business support through **39 local Growth Hubs** - by April 2016 every local LEP will have one.

# What is our ask?

What are the areas that LEPs see as important? The successes to be built on? The roles to be retained and resources to be strengthened?

It is critical that there is no diminution of business leadership in LEPs. 'Business led' credentials are enshrined in LEPs and must be reinforced. LEPs have to be supported to continually grow local private sector involvement.

## **1. Keep LEPs focused on private sector productivity**

The role of LEPs has always been to create the conditions for the private sector to be more productive. Every LEP continues to be committed to this being their core focus and rationale for being. This is what keeps the private sector engaged and around the table.

## **2. Support LEPs to bring private sector leadership**

All LEPs want to remain true to their business-led nature. LEPs were established unequivocally to provide a means for business to have a significant voice in local strategic economic leadership. The private sector must continue to be at the centre of local economic development decision making, and be enabled to lead the local debate on how to help the private sector become more productive.

## **3. Consult LEPs on any evolution of their role**

LEPs are firm in the view that they don't need another layer of scrutiny or more complicated governance arrangements. If there is any evolution in the role of LEPs, the local private sector must be involved in discussions. Business wants to continue providing the strategic leadership that LEPs are charged with, and in particular to explore additional tools and resources that will support the local growth agenda.

### **Celebrate: LEPs work in partnership**

The 39 LEPs across England have mobilised significant support from the private sector. They have collaborated to powerful effect with Universities, Colleges and other learning providers. They have fought hard to bring the public, private and third sectors together in 39 very different places, with a clear focus on driving private sector productivity.



#### **4. Recognise local needs - there is no “one size fit all”**

Every LEP is different and local arrangements will differ from place to place. ‘Horses for courses’ is one of the LEPs’ core strengths. It is important that local areas develop the governance arrangements that allow LEPs to function alongside and as a critical part of, wider local governance arrangements.

Given that LEPs are structured differently and are at different stages of maturity, they do not believe that there should be a single LEP model. Some LEPs are strategic commissioning bodies, some will deliver directly, some are catalysts, commissioners and coordinators.

#### **5. Retain 39 - it works locally**

Any evolution in the LEP model should avoid working on a mistaken belief that “refining” LEP numbers or structures to larger and fewer entities would create economies of scale or critical mass. This approach would be at the cost of detachment from the local realities of organisations and partnerships working together to drive growth. Supporting LEPs as they continue working collaboratively across LEP areas will be more effective than “forced” mergers into larger areas.

#### **6. Let LEPs get on with the job**

LEPs have clear plans and activities and just want to get on with their programmes. LEPs have done excellent work building strong local partnerships that have created Local Growth Deals. LEPs have arrived at their workable models, and have developed very effective partnerships. They won’t relish the thought of unpicking any of this, when they want to concentrate on the job at hand.

Any changes to the LEP landscape would only serve to distract LEPs from their central purpose of helping the private sector to be more productive. It will also undermine LEPs’ strong track record in partnership development. Added to that, more time is needed to assess whether the deployment of the Local Growth Deal funding is effective. The outcomes, in many cases, will not be evident for many years.

#### **7. LEPs urge greater cross departmental co-ordination**

LEPs want to see a better joined up Government that connects cross department economic development areas together to help improve local delivery. An example being skills where responsibility sits across a number of Departments, including the Department for Education (DfE), the Department for Work and Pensions (DWP), and the Department for Business Innovation and Skills (BIS).

## Celebrate: LEPs do not operate as islands

There are many examples where LEPs are working together on cross LEP transport schemes, sharing knowledge on business support delivery, or partnering across LEP boundaries on financial instruments. LEPs know that business doesn't operate within boundaries.



### 8. LEPs seek greater devolution of Whitehall funding

LEPs encourage genuine redirection of central budgets into a bigger pot for the Local Growth Fund, as championed in Lord Heseltine's 'No Stone Unturned' report. There are a number of areas where local business and communities having greater control over the resources needed to support and protect the economy, would clearly benefit further local economic growth.

### 9. Don't underestimate the expectations on LEP leadership

LEPs are led by the private sector, and a committed group of Chairs. The expectations put on Chairs (most of whom are voluntary) require a significant amount of their time and involvement, that should not be underestimated.

LEPs would like to see further reductions in bureaucracy and greater ability to influence how funds are allocated. This will reduce the expectations put on private sector board members, and help attract further private sector involvement in the debate.

### 10. Adequately resource LEP executive teams

There should be an adequate level of resource for LEPs to manage their programmes, within the parameters of retaining a lean and minimalist structure. LEPs consider themselves to be under resourced for the size of programmes they are being asked to develop and oversee.

Core funding (for management and administration) needs to be considered in line with LEP responsibilities and to be sustainable with a longer term commitment of at least 5 years to allow more effective financial planning. LEPs could be granted the freedom to look at using an appropriate and small proportion of their programme funds to resource support for local management and implementation.

## About the LEP Network

In a nutshell the LEP Network is a gateway to news and information that enables Local Enterprise Partnerships (LEPs) to come together on areas of shared importance, engage with government, and share knowledge and good practice.

The Network is also there to help those outside the world of LEPs understand what a LEP is, what LEPs are trying to do and how to engage further with the relevant LEP.

The LEP Network Management Board is a representative group of LEP Chairs, who have stepped forward and been nominated by the 39 LEPs to help direct and oversee the LEP Network on behalf of the 39 LEP Chairs. The Management Board Chairs come from all parts of the LEP landscape, including large City LEPs, small economy LEPs, rural LEPs, coastal LEPs and London.

## Contact the Network



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