

Agenda Item 3

Title:	Buckinghamshire Place Based Growth Model
Purpose:	To update the LEP Board on the development work undertaken to optimise Local Economic Development in the context of Government policy and to seek approval to a new operational structure.
Recommendation(s):	To agree the transition towards a new Buckinghamshire Place Based Growth Model, as outlined in this report. To agree the despatch of the appended draft Secretary of State letter. To agree the transfer of Broadband Gainshare income into a Pooled Investment Fund and for the Enterprise and Investment Board to take over the management of the EZ programme, in line with the current approved EZ MoU.
Impact on Risk Register:	The Local and National Assurance Frameworks will need to be considered throughout this process to ensure continued compliance.

Background

Following the LEP Board updates in September and December 2022 on the Levelling Up White Paper and the topic of integration, the LEP/Council Steering Group has continued to develop a local proposition in response to the Government's policy. In brief, Government has linked future national economic funding to devolution and, while ten deals have now been committed on this basis, it is unlikely that Buckinghamshire will secure an early County Deal or receive significant national funding from sources such as the Levelling Up Fund. In the likely delay of a Buckinghamshire County Deal, the focus has been to determine how Buckinghamshire may respond to the local Levelling Up agenda within the current financial climate, driving greater effectiveness on the use and generation of the local resource base to meet the challenge. Inclusive economic growth under these circumstances will require enhanced organisation team working and business leadership at the level of place.

The paper appended to this report **Appendix 1** has been developed by the Steering Group for comment and approval. The content relates to governance changes and the transfer of some seed funding into a 'Pooled Investment Fund' (PIF). It refers to MOU agreements that will need to be drafted and agreed should the principle of transition be accepted. Further LEP Board decisions will be required in due course on any further financial contribution to a pooled investment fund. **Appendix 2** contains draft letters to the Government ministers who are responsible for overseeing current LEP activity to ensure that there is no Government objection to the proposed integration process outlined here. LEP Board approval would be subject to assurance that the proposed changes remain within the LEP Assurance Framework.

Proposal

The Steering Group are recommending to both the LEP and Buckinghamshire Council that we transition to a place based approach that would feature the relaunch of a Buckinghamshire Place Based Growth Board, supported by four delivery boards and the creation of a Pooled Investment Fund that will assist Buckinghamshire deliver on its Levelling Up priorities. A key feature of this new approach would be a more

integrated and inclusive approach to growth. This would be designed to meet the objectives of the current economic programme, supporting employment and productivity growth and enhanced utilisation of skills base, while also aligning objectives on tackling Levelling Up place-based challenges, reducing disparity and integration of housing and town centre regeneration programmes (see Appendix 1).

Detailed terms of reference will be established for the Place Based Growth Board and each of the supporting boards, including the inter-relationship between the different parts of the governance structure.

In respect of the adjustment between LEP and Enterprise and Investment Board the following principles have been established:

- Retain LEP as constituted body and re-brand locally as the Enterprise and Investment Board (EIB).
- Maintain LEP delivery and reporting requirements to Government.
- LEP to agree a proportion of its funds to be vested in the PIF.
- LEP to manage the PIF, assess, appraise and approve projects to meet PBGB vision and criteria.
- PIF to start with a resource injection from Broadband gainshare and to also take over the management of the Enterprise Zone income from the EZ Board, but in line with the existing EZ MoU to ensure optimisation of development within the EZ area. The EIB will also seek to leverage external and new funding sources.
- LEP would continue to help shape economic strategy utilising evidence base.
- LEP would continue to support Growth and Skills Hubs to a jointly agreed MOU.

We have maintained close dialogue with the Cities and Local Growth Unit through this process and would seek endorsement from both sponsoring departments to the new arrangements. A draft letter to the BEIS and DLUHC Secretaries of State, ensuring that there are no objections to these proposals, is attached for approval.

Outcome

A new structure is recommended to establish a Buckinghamshire Place Based Growth Board to set the vision of inclusive growth within Buckinghamshire and to enable delivery through greater cooperation and generation of local resource. Monitoring and assessment arrangements will highlight necessary joint operational adjustments and ensure that this change would result in greater impact and a more responsive investment environment for business than the current programme, that is heavily dependent upon departmental funding. Buckinghamshire LEP will continue to deliver upon its contractual commitments, determine where to place its resource for best effect and seek to establish a larger and more ambitious programme of economic activity than has been possible to date. Ultimately, this will help to grow the delivery capability and economy of Buckinghamshire.

Board members are asked to:

- **Agree the transition towards a new Buckinghamshire Place Based Growth Model, as outlined in this report.**
- **Agree the despatch of the appended draft Secretary of State letter.**
- **Agree the transfer of Broadband gainshare income into a Pooled Investment Fund and for the Enterprise and Investment Board to take over the management of the EZ programme, in line with the current approved EZ MoU.**