



Department for Levelling Up, Housing & Communities

LOCAL ENTERPRISE PARTNERSHIPS CORE FUNDING GUIDANCE – Arrangements for 2023-24

Introduction

1. This note sets out information and guidance for Local Enterprise Partnerships (LEPs) (and the Mayoral Combined Authorities (MCAs) into which LEP functions have been integrated) on how to access the Government's offer of core and capacity resource funding for 2023-24. It should be utilised in conjunction with the application form, and FAQ which provides further information.
2. This application is for single payment of core funding covering April 2023-March 2024 for the sum of £250,000.
3. A LEP Network Capacity Funding payment of £78,000 will be made alongside the payments to LEPs.
4. Payment will be made under powers of Section 31 of the Local Government Act (2003), from DLUHC to designated local authorities who act as LEPs' Accountable Bodies.

Application Process

5. It is expected that LEPs, or the MCAs into which LEP functions have been integrated, submit an outline operating budget, which summarises overall spend/ planned spend for the funding period of April 2023 – March 2024 and confirms that a local agreement has been reached as to how the funding should be spent.
6. Eligible use of core funding is limited to activities which directly support the operation of the LEP and delivery of LEP functions.
7. Please note that where salaries are included in the form, details including FTE, should be provided.
8. The funding application form for 2023-24 (April 2023-March 2024) is attached and should be submitted **no later than 5pm 26 May 2023**.

Payment conditions

9. Unlike previous years, **there are no payment conditions connected to this payment** of core funding. The condition to secure match funding has been

removed, however, LEPs may wish to still secure match funding on their own terms.

Local Match Funding (if sought)

10. Where a LEP chooses to continue to seek match funding, it should ensure the match is in scope. The key principle is that any local resources should be wholly under the control of the LEP. The table below sets out what is in scope or out of scope in terms of matching core funding from Government.

In scope for match	Out of scope for match
Public and/or private financial contributions towards the LEP's running costs	Local authority or private sector premises loaned to the LEP or other in-kind support
Staff resources from partners which must be placed wholly under the direction and control of the LEP	Local authority or private sector-controlled staff and resources
Private sector Board members' time in leading specific projects which goes beyond fulfilling their function as a Board member. ¹	Local authority or private sector advice or consultation services
	Private sector Board members' time in fulfilling the functions of the Board.
	Other Government funding schemes e.g: <ul style="list-style-type: none"> • Growing Places Fund • EU funding • LEP core funding from Government carried over from previous financial year
	Funding which the LEP has already used as a basis for matched funding in another project/area.
	Funding from local authorities which was previously used by the LEP as match funding.

11. The LEP Chair and the Section 73/151 Officer from the accountable local authority will need to verify that they are satisfied the local match funding is consistent with the principles above. The LEP Chair will need to be satisfied that local matched resource is under the LEP's direction to be deployed as it deems appropriate.

Payment mechanism

12. Funding will be paid through an un-ringfenced Section 31 grant to the designated local authority which act as the LEP's accountable body (or to the MCA into which the LEP functions have been integrated). It will be for the LEP and the local authority to agree on local arrangements for managing the funding itself in meeting LEP/partner expenditure.

¹ Where private sector board members' time is being used as in-kind match you should provide a methodology setting out how this has been calculated.

13. The local authority bank details that you provide in the application form must be up to date.

Timescales for 2023-24 funding

14. Please submit your completed application form to localgrowthassurance@levellingup.gov.uk by 5pm 26 May 2023. We will review your application and may require further information.

15. Please ensure **all** columns are completed as required, as leaving parts of the form blank may lead to a delay in your core funding being released.

16. Once the review is complete, we will process your application with a view to making payments in June 2023. If you have any queries about this process, please contact localgrowthassurance@levellingup.gov.uk or your local Area Lead.

Assurance and Compliance Team, May 2023

LEP Core Funding: FAQ 2023-24

1. When will the core funding payment be made?

We intend to make payment to the LEPs' authorised bodies before the end of June 2023 as a section 31 payment to the relevant Accountable Body. There is a quick turnaround time to receive and process core funding applications to support the payment process. This process is reliant on accurate and timely submission of applications.

2. Is the application process the same as that used for previous years?

The application process is the same as in previous years.

3. What are the conditions stipulated with this year's core funding?

LEPs are no longer required to demonstrate match funding to enable the release of core funding for 2023-24. However, LEPs may still chose to obtain match funding and present this in their application form.

4. Will the LEP network remain active?

The LEP Network will receive a funding payment of £78,000 in 2023-24. This payment will be made alongside the LEP core funding payments. The LEP Network will be our key working partner in continuing to deliver the outcomes of the LEP review, and in supporting the LEP information gathering exercise, and future integration activity.

For further queries on other assurance topics, please refer to the accompanying document.