

Agenda Item 3

Title:	BLEP Integration Update
Purpose:	To inform the Board on the progress and timetable for the LEP transition and integration with Buckinghamshire Council and to consider and comment on the draft Asset Purchase Agreement that is scheduled to be signed by this board at its meeting on February 29th.
Recommendation(s):	That the board note the contents of this report and provide feedback on the process for developing the Asset Purchase Agreement and its contents, to enable a final draft to be presented to this board for completion. Note the progress in relation to the TUPE transfer of LEP staff.
Response To Risk Register	As a private company it is the responsibility of Board Members to ensure that the assets of a company are used appropriately in line with the approved articles of association.

Recap of December 2024 Board Meeting

At the December 2024 LEP Board Meeting Peter Collins from Sharpe Pritchard shared an outline of the processes and timetable that would need to be undertaken for the winding up of the BLEP Company as a going concern and the transfer of its assets to Buckinghamshire Council based on the principles of a 3-stage timeline encompassing **Asset Transfer; Private Sector Board Resignation; Company Close-Down**.

The board agreed to seek an additional board meeting as soon as possible upon asset transfer to enable the BLEP Board to approve transfer documents, change of articles of association and the resignation of private sector members. An additional board date has now been scheduled for February 29th, 2024, to undertake those duties and to allow the asset transfer to take place ahead of March 1st as requested by this board.

Government Guidance

On December 19th additional correspondence was received from Levelling Up Minister Jacob Young and Minister for Enterprise, Markets and Small Business Kevin Hollinrake about the expectations of business boards within local authority structures and the requirements of local authorities taking on LEP Functions a copy of this letter is attached as **Appendix 1** to this report. A link to this guidance is attached [Guidance for Local Authorities](#)

In summary, eligible Upper Tier authorities such as Buckinghamshire Council will be expected to deliver the functions previously delivered by LEPs – namely business representation, local economic planning, and the delivery of Government programmes where directed. They will also be expected to review and where necessary, refresh economic strategies within 6 months of receiving funding. The correspondence also highlighted that core funding of up to £240k for 2024/25 will be available for every authority taking on LEP functions and we understand that this will be no lower than £200k. Emily Manser and James Ives from the Cities and Local Growth Unit will both be at the board meeting and will update on the annual reporting and sign off processes that will need to be undertaken by BLEP and Buckinghamshire Council prior to asset transfer. Emily may also outline the reporting requirements for the Buckinghamshire Growth Board and its structures post-integration.

Asset Purchase Agreement

A draft asset purchase agreement has been prepared on behalf of BLEP by Peter Collins of Sharpe Pritchard and was shared with Buckinghamshire Council on January 4th with initial feedback being received from the Council on January 19th. Peter Collins has met with the Chair, Vice Chair and CEO of BLEP to take instruction on the drafting and negotiations associated with this document. A copy of this draft agreement, incorporating the Council's initial feedback is attached as **Appendix 2** to this report.

This document has been based on a framework more generally used within commercial mergers or takeovers and sets out the terms on which the transfer of assets will be undertaken and specifies the expected responsibilities of Buckinghamshire Council in relation to the honouring of contract and loan commitments, future liabilities, the use and deployment of transferred funds and assets and employment regulations. Board Members are asked to consider if the appropriate assurances are clearly outlined within this asset purchase document.

Peter Collins will be at the meeting to talk Board Members through the draft agreement and points of discussion with Buckinghamshire Council in relation to assurances and warranties sought by both parties, the potential use of retained funds to support the transfer of functions and assets of the LEP and the guarantees being proposed in connection with the TUPE process.

Transition Working Group

In addition to developing the asset purchase agreement both Richard Harrington and Ian Barham have been closely involved within the transition working group which is being chaired by Steve Bambrick and supported by other Council colleagues. The group has now established 4 work streams aiming to support the transition process before March 1st. The 4 workstreams are: -

Employment - This workstream is overseeing the TUPE process. The consultation for the Transfer of Undertakings Protection of Employment Regulations (TUPE) process was originally due to close on January 9th but has been extended by two weeks until January 23rd to allow the LEP team to consider the proposals for a senior management restructure within the Planning, Growth and Sustainability Directorate within Buckinghamshire Council. A further consultation meeting took place with the whole LEP team on January 8th and over the past week one to one meetings have been taking place between Steve Bambrick and all members of the LEP Team. Becky Nash from You HR will be present at the meeting to report on the TUPE process and to answer any questions that board members may have. We understand that following TUPE, some staff may be required to undertake a further round of employment consultation related to the integration and restructure of the Planning, Growth and Sustainability Directorate.

Operational - This workstream has two primary focusses, the first is to prepare for the new governance and delivery arrangements for the integrated team working to support the Growth Board programme and the establishment of the Enterprise & Investment Board and investment fund. This workstream is also overseeing the preparation for a new Service Level Agreement with BBF for Growth Hub and Skills Hub services. At the Growth Board meeting on February 8th new Terms of Reference for the Growth Board and the Enterprise & Innovation Board are to be considered. The second is to review the operational arrangements required for the smooth transition of functions. There are some practical issues in particular the migration of electronic assets such as LEP files, mailboxes and data-sources. A project manager is being appointed by Buckinghamshire Council to support this process and to liaise with the LEPs IT suppliers.

Finance & Assets – The financial side this workstream is looking at the requirements for developing the final accounts and settling any tax liabilities for the LEP ahead of or after transfer and for the closure of

the LEP bank account. All payments owed to BLEP by Buckinghamshire Council will be settled before the end of February to ensure a clear transition, further information on these transfers is detailed in the budget paper within this board pack. This workstream is also overseeing the process for novating or transferring contracts and legal operations leading up to the transfer of assets as highlighted above.

Communications - The latest of the workstreams to be established is overseeing the messaging and communications action plan needed around the integration process, this includes the use of existing LEP and Council channels and events and meetings for briefing key audiences. This workstream is also looking at the future requirements and transfer, archiving or rebranding website and social media collateral.

The action plans for all 4 workstreams are attached as **Appendix 3** to this report.

Future Timetable

Over the next month all details of the asset purchase agreement will need to be finalised and prepared ahead of signature on February 29th. At this point if everything is in order and the asset purchase has been signed and articles of association amended to enable the company to operate with 3 Public Sector Directors, the Private Sector Members of the LEP Board will resign and leave the remaining Public Sector Directors to formally close down the company over the following 3 months and before the end of June 2024.

A guide to support those Public Sector Directors is being prepared to guide them through the winding-up process, this will include the process for payment of any outstanding LEP creditors or winding-up costs to be met by Buckinghamshire Council, the formal closure of the LEP Bank Account and the corporate responsibilities and notifications to HMRC and Companies House.

Board members are asked to:

Note the contents of this report and provide feedback on the process for developing the Asset Purchase Agreement and its contents, to enable a final draft to be presented to this board for completion. Note the progress in relation to the TUPE transfer of LEP staff.