

The rise of LEPs: their future role and strategies for engagement



LEPs – past, present and future

Pete Holmes

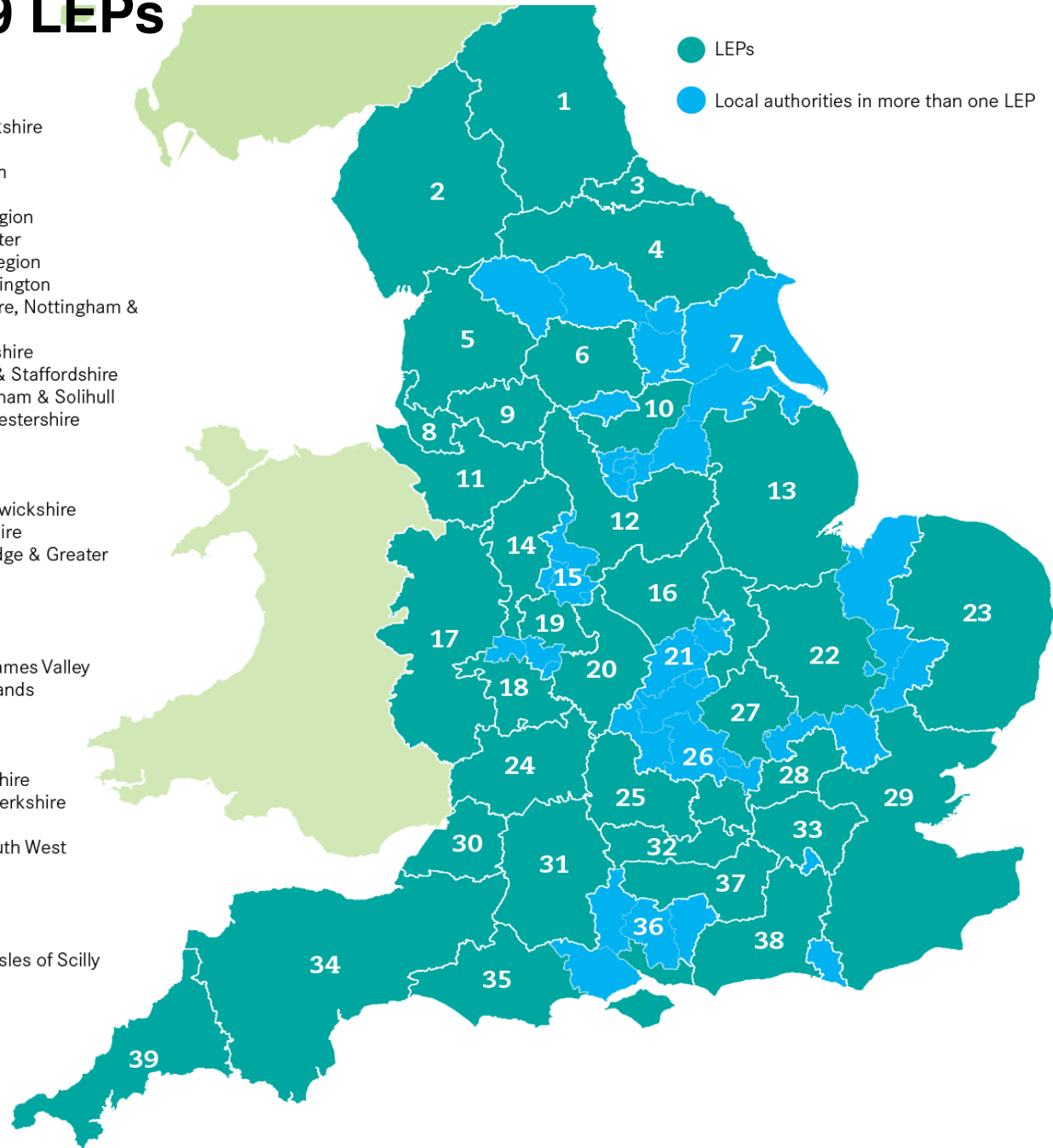
**Assistant Director BIS East Midlands and
South East Midlands**

Local Enterprise Partnerships

- Announced in Budget June 2010, cover whole of England
- 39 voluntary, public/private partnerships, private sector led
- Very variable (geography/population covered – including overlaps; legal status; priorities; capacity)
- 5 LEPs in East Mids and South East Mids – D2N2, GLLEP, LLEP, NEP and SEMLEP
- No regions – other LEPs come into play – GCGP (Rutland), SCR (includes 5 Districts in Derbys and Notts) and Hull and Humber (includes North and North East Lincs)

The 39 LEPs

1. North Eastern
2. Cumbria
3. Tees Valley
4. York & North Yorkshire
5. Lancashire
6. Leeds City Region
7. Humber
8. Liverpool City Region
9. Greater Manchester
10. Sheffield City Region
11. Cheshire & Warrington
12. Derby, Derbyshire, Nottingham & Nottinghamshire
13. Greater Lincolnshire
14. Stoke-on-Trent & Staffordshire
15. Greater Birmingham & Solihull
16. Leicester & Leicestershire
17. The Marches
18. Worcestershire
19. Black Country
20. Coventry & Warwickshire
21. Northamptonshire
22. Greater Cambridge & Greater Peterborough
23. New Anglia
24. Gloucestershire
25. Oxfordshire
26. Buckingham Thames Valley
27. South East Midlands
28. Hertfordshire
29. South East
30. West of England
31. Swindon & Wiltshire
32. Thames Valley Berkshire
33. Pan London
34. Heart of the South West
35. Dorset
36. Solent
37. Enterprise M3
38. Coast to Capital
39. Cornwall & the Isles of Scilly



LEP Funding

- **Start up and Capacity** funding
- **Growing Places Fund** - £730m allocated across all LEPs to establish revolving funds and select infrastructure priorities

Regional Growth Fund

- £2.6bn competitive fund, supporting projects and programmes that use private sector investment to create economic growth and sustainable jobs
- £2.4bn allocated leveraging over £13 bn private sector investment and creating or safeguarding over 500,000 jobs
- £358m in Round 3 allocated to 29 LEP/LA Intermediaries (including D2N2, LLEP and NEP)
- Round 4 outcomes due to be announced in July

Enterprise Zones

- 24 Zones across England
- Core offer (simplified planning regime, business rate discounts and (in some zones) enhanced capital allowances.
- LEPs benefit from retention of business rates from the zone for 25 years.
- EM/SEM LEPs with an EZ: D2N2, LLEP and SEMLEP
(also Markham Vale in SCR)

Lord Heseltine's Review

- *'No Stone Unturned'* published October 2012
- Government response March 2013 – 81 out of 89 recommendations accepted, 5 rejected, 3 in SR
- Increasing Whitehall asks of / offers to LEPs - and increasing focus on their performance
- Single Local Growth Fund from 2015
- LEPs to develop multi year strategic plans
- Funding to be allocated through Local Growth Deals
- Support LEP capacity

City Deals

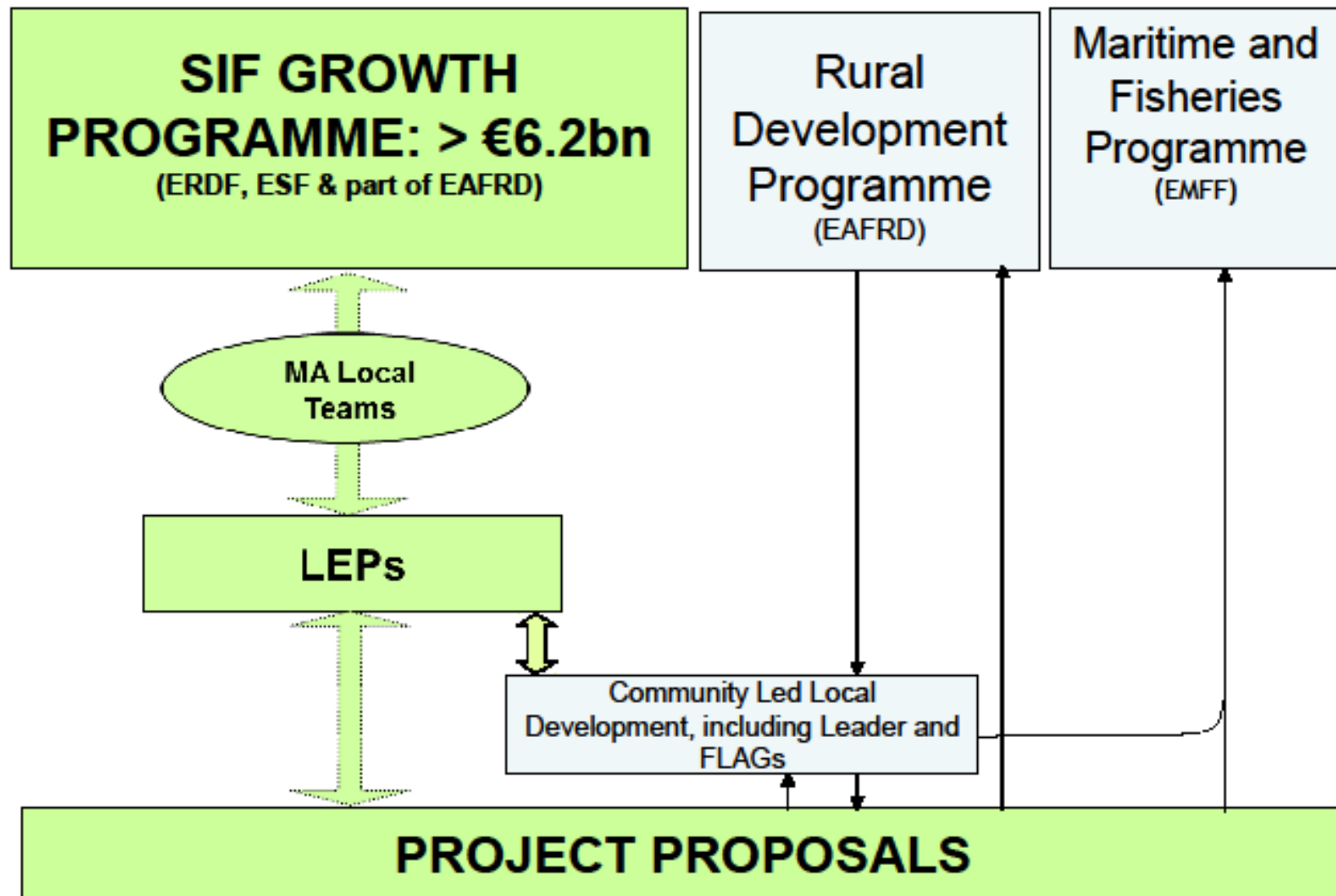
- Focused on delivery of economic growth by removing barriers
- **Wave 1:** 8 largest core cities outside London (inc Nottingham and Sheffield) – deals agreed
- **Wave 2:** 20 Cities. The next 14 largest cities by population size and the 6 fastest growing cities outside London
- Wave 2 includes Leicester/Leicestershire and Milton Keynes/SEM) also Cambridge, Coventry and Hull and Humber - in development and negotiation by end of 2013

European Structural and Investment Funds 2014-2020 – LEP roles

Lead role for LEPs – notional 7 year allocations

- Develop strategy, working with wide range of partners
- Select projects (commissioning, bidding and co-financing)
- Identify match funding
- Spend allocation (on time and in line with EU regulations)
- Ensure outcomes delivered
- Monitor delivery against strategy and programme priorities
- Not responsible for administering the funds (remains with Managing Authorities)

ENGLAND EU SIF PROGRAMME 2014-2020



EU STRUCTURAL & INVESTMENT FUNDS CORE THEMES

CORE THEMES	Minimum spending levels at national level required by the regulations		
	Less Developed Regions	Transition Regions	More Developed Regions
Innovation	At least 50% ERDF must be spent on these 4 themes, of which approx 12%? on low carbon (% tbc)	At least 60% ERDF must be spent on these 4 themes, of which approx 15% on low carbon (% tbc)	At least 80% ERDF must be spent on these 4 themes, of which at least 20%? on low carbon
SME Competitiveness			
Low Carbon			
ICT			
Climate Change Adaptation			
Environmental Protection			
Sustainable Transport			
Employment	At least 60% ESF must be spent on up to 4 sub-priorities within these themes	At least 70% ESF must be spent on up to 4 sub-priorities within these themes	At least 80% ESF must be spent on up to 4 sub-priorities within these themes
Skills			
Social Inclusion (at least 20% value of ESF)			
<i>Institutional Capacity</i>			

European SIF Funds 2014-2020

–timetable and next steps

- EU rules require involvement of wide range of partners to develop and deliver strategies (including civil society)
- Interim guidance published, allocations and detailed guidance imminent
- **LEPs consulting stakeholders/convening events**
- **Draft strategy by end September, Final strategy in January**

Local Growth Strategies, Local Growth Deals, Single Local Growth Fund

- Detail expected to be announced in Spending Round (SR)
- Strategies will need to be ambitious multi-year plans based on strong evidence, value for money, effective partnership working and local accountability
- Strategies will be the route to 'Local Growth Deal'

Local Growth Strategies, Local Growth Deals, Single Local Growth Fund

- Competitive Deals, every LEP will receive some funding
- Deals will set out use of Single Local Growth Fund, other resources, increased flexibilities and wider influence to deliver growth
- Single Local Growth Fund detail to be set out in SR – today or soon after
- **Negotiation during 2014, funding from 2015**
- **LEPs already developing or developed strategies**

Rachel Quinn Chief Executive One East Midlands



Opportunities for the VCS



- Structural
- Strategic
- Operational and specialist
- Experiential



Structural

- 2% of workforce
- 11,000+ registered organisation across EM
- Spend of £1.2bn in EM economy
- £2.5bn + of capital and fixed assets
- Volunteers
- High level and diverse skill base
- Geographical spread
- Established networks and communication



Strategic

- EU Code of Conduct on Partnerships
- HMG guidance to LEPs
- Match funding – cash, assets and volunteers
- Cross-sector partnerships and relationships
- Co-financing relationships – SFA, NOMS, DWP
- Assessment and analysis of social inclusion, poverty and disadvantage
- Equality and diversity in outcomes
- Reach and intelligence

Operational and Specialist



- Thematic
 - Digital inclusion
 - Learning, skills and employability
 - Micro and social enterprise growth
 - Young people
 - Health and wellbeing
 - Low carbon and environmental sustainability
- Focus on disadvantage
- Rural and urban
- Social Innovation
- Sector support and development



Experiential

- ESF, ERDF and EAFRD experience (strategic and delivery)
- Co-production – inter and cross sector
- Complex (multi funded) projects
- Successful anti poverty and inclusion work
- Stimulating community led local development activity (LEADER)
- Relationships and working arrangements



More information.....

- Local events
 - Derbyshire – 2nd July @ Derbys YMCA
 - Northants – 11th July @ Kings Park Conf. Ctr.
 - Notts – 12th July @ Nottingham VA Centre
 - Lincs and Leics – dates tbc
- One EM briefing
 - Downloaded from each of the events pages at www.oneeastmidlands.org.uk

Alison Adams
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Questions

- What do we want from a relationship with LEPs?
 - What can we offer?
 - What do we expect in return
- What role should infrastructure play?
- How do we encourage front-line involvement?



More Information and resources are on the Reach & Impact web page:

<http://www.oneeastmidlands.org.uk/reachandimpact>

