



SHARED INTELLIGENCE



# Local Enterprise Partnerships Will Growth Happen?

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# Context



- LEPs operational in most parts of England – 36 LEPs covering 95% of the country
- LEPs vary hugely - different histories of working in partnership & different levels of capacity
- There are lots of demands on LEPs – locally, from commentators & from government – but not all of these demands are suitable for all LEPs
- LEPs are not like-for-like replacements of RDAs – most importantly they do not have the resources
- Significant decrease in funding available - what is available is smaller, piecemeal & more short-term
- LEPs need time to establish formal structures – but are already under pressure to deliver economic development **now**

# Different kinds of LEPs



LEPs based  
on existing  
partnerships

LEPs based  
on new  
institutional  
arrangements

Single  
county LEPs

City Region /  
MAA's

Completely  
new  
partnerships

# The Broad Challenge



## Approval of LEPs is only the beginning:

LEPs must now prove that they can be effective working partnerships that *lead* the economic development of local places

## However:

Must also avoid the danger of *mission creep* and *avoid being reactive* rather than forward-thinking. This is especially important given that fewer resources will constrain the ability to act

# What have LEPs been doing?



## Some examples:

- Finalising staffing, structure and governance
- Capacity fund proposals
- Leading and supporting RGF bids
- Developing enterprise zone (EZ) bids
- Operational planning
- Building relationships with other LEPs
- Creating and deepening ties with local businesses

# Resourcing – an opportunity and a challenge



## Funds

- RGF
- European Funding
- Property and Regen Fund
- BIS start-up & capacity fund
- Heritage Lottery fund

## New funding instruments

- Enterprise Zones
- TIF
- CIL
- Retention of business rates

## Pooling Resources

- Sharing services
- Prudential borrowing
- New Homes Bonus

## Private Sector

- Private sector contributions
- BIDs
- In kind contributions

# Recent Work



## Resourcing Local Enterprise Partnerships

A discussion note

By February 2011, a total of 31 LEPs have been approved by Government and more are likely throughout 2011. The Partnerships are expected to provide the clear vision and strategic leadership to drive sustainable private sector-led growth and job creation in their area. However, they have not been provided with much in the way of resources to carry out this ambitious task.

Given the scale of public spending cuts, the LEPs have no real money and will have to come up with some innovative and largely untested ways of funding both their running costs and their project activity if they are to make any impact on their local economies.

This paper has been prepared by Shared Intelligence as one of a series of reports on behalf of Local Government Improvement and Development and is a contribution to a continuing discussion on the issues. It demonstrates how LEPs are responding to the resourcing challenge and what ideas and lessons are being learned in England and elsewhere.

### CONTENTS

1. What are the LEPs' resourcing needs?
  2. First Challenge - How will LEPs fund their operational costs?
  3. Second Challenge - How will LEPs fund their project programmes?
  4. Conclusions
- Annex - Funding options for LEP interventions



## LEPs: Leadership and Governance

A discussion note

The government has stipulated that LEPs will be 'business-led'. However, this has not defined how this should be achieved other than that suggest that LEP boards should have equal representation from business and civic leaders, and be chaired by a prominent business leader. This raises a number of leadership and governance issues for LEPs. These issues are explored in this paper.

This is one of three discussion papers prepared by Shared Intelligence for Local Government Improvement and Development (LGID), part of the Local Government Group. This paper is based on a review of LEP interviews with business representative organisations, 20 local officials leading the development of their LEPs, and government officials with responsibility for LEPs.

### CONTENTS

1. Introduction.....
2. What does 'business-led' really mean?.....
3. Do the attributes required to lead a LEP differ from those required to lead other local organisations?.....
4. What roles will LEP board members play and what does the composition of LEP boards?.....
5. If form follows function what governance arrangements are needed for LEPs?.....
6. Conclusions.....



## Working with the Private Sector

A discussion note

By February 2011, a total of 31 LEPs have been approved by Government and more are likely throughout 2011. The Partnerships are expected to provide the clear vision and strategic leadership to drive sustainable private sector-led growth and job creation in their area.

The private sector is expected to have a central role in the work of LEPs and equal representation from business and civic leaders. Businesses will drive economic growth - with private investment, and strong local leadership. However, a closer working relationship with the private sector raises challenges as well as opportunities for LEPs, and this paper explores a range of important issues that require discussion and consideration.

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### CONTENTS

1. Introduction.....
  2. What is the role of the private sector in LEPs?.....
  3. What types of business leaders are involved in LEPs?.....
  4. How ARE businesses being engaged?.....
  5. What are the keys to effective partnership working?.....
- Moving forward: conclusions.....

# Key issues for Local Government



- New ways of working, pooling resources & expertise, rethinking delivery of economic development services
- Working across boundaries to deliver sub-regional programmes of activity
- Setting real priorities across LEP area & agreeing phased approach
- Engaging with the private sector & establishing effective working arrangements
- Leading at different spatial levels within LEP's & across LEP boundaries



# Key issues for Business



- Ensuring that time and resources invested in the LEP are productive & that business views drive the LEP's activities
- Ensuring that debate turns into practical actions & outcomes
- Minimising bureaucracy & maximising transparency in decision-making
- Ensuring that actions contribute to the economic success of the area & continued investment in the local economy
- Maintaining momentum & continuing to attract new private sector partners into the LEP

# Moving forward



1. Focus on a small number of real and realistic priorities
2. Work to align and pool resources before looking at what external resources might be available
3. Ruthlessly focus on agreed priorities and where there is a real chance of getting something done
4. Act as effective advocates for the LEP area on those issues that are important but where the action is longer term and/or with others

# Moving forward 2



What you said:

1. How to set LEP priorities and plans – and who sets them?
2. Where is the involvement / representation of different partners?
3. How to balance the local and immediate with long-term agenda?
4. What can we learn from LSPs?
5. Who is communicating what LEPs are doing?
6. Who is representing / advocating to government on common LEP issues?