



D2 JOINT COMMITTEE FOR ECONOMIC PROSPERITY

D2N2 UPDATE ON LEP REVIEW

1.0 PURPOSE OF REPORT

- 1.1 This report provides an update on progress by the D2N2 LEP in implementing the recommendations of the LEP review, in particular the removal of the overlap and recruitment of additional private sector board members.

2.0 DISCUSSION/ DECISION REQUIRED BY THE COMMITTEE

- 2.1 This report is for noting.

3.0 CONTEXT

- 3.1 Members will be aware of the paper on 'Strengthened Local Enterprise Partnerships' published on 24th of July, 2018¹ which set out the roles and responsibilities of LEPs in driving local growth. The report covers how Government and LEPs will work together to strengthen leadership and capability, improve accountability, manage risk and provide clarity on LEP geography.
- 3.2 Overall the D2N2 LEP is well placed to implement the recommendations of the review and is continuing to make progress in the areas that require action.

4.0 IMPLEMENTING THE LEP REVIEW

- 4.1 Since the last Joint Committee, the LEP has continued to make progress. Following the submission of the Implementation Plan to Government at the end of October, formal acknowledgment has been received on proposals to address the review recommendations.
- 4.2 Whilst there is still further work required to fully address all aspects of the review- in particular work on the removal of the overlap - progress towards full compliance has been recognised through the allocation of £100,000 (of the £200,000 available) to implement the review and support the development of the D2N2 Local Industrial Strategy.
- 4.3 Below is a progress update on each of the four areas where further work is still required to ensure full compliance.
- 4.3 **GEOGRAPHY**

¹ *Strengthened Local Enterprise Partnership's* - published by Ministry of Housing, Communities and Local Government on 24th July 2018, available online at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/728058/Strengthened_Local_Enterprise_Partnerships.pdf

Work is ongoing to remove the overlap with Sheffield City Region LEP (SCR) which affects five of our districts (Bassetlaw, Bolsover, Chesterfield, Derbyshire Dales and North East Derbyshire).

The Government's position on the removal of overlaps has remained consistent, with a clear policy position stating that failure to remove overlaps across the LEP network would disadvantage those LEP areas through restricted access to various funding streams, including: the full £200,000 for implementing the review and developing the Local Industrial Strategy; £75,000 towards establishing Skills Advisory Panels; and more importantly, the UK Shared Prosperity Fund.

Since the last Joint Committee meeting, D2N2 has held further meetings with leaders of the districts in the overlap areas, and with the new Chair of Sheffield City Region, James Muir, to seek a way forward. At the request of the districts, a meeting was held on the 9th of January 2019 with D2N2 and SCR LEP representatives, the relevant district authorities and representatives from BEIS to seek further clarity on the removal of the overlap and the implications of non-constituent membership of the South Yorkshire Combined Authority. BEIS representatives re-confirmed Government's commitment to see the removal of all overlaps and clarified that non-constituent membership of the Combined Authority did not determine or affect membership of either LEP.

Following that meeting a joint letter from the respective leaders of Bolsover District, Derbyshire Dales and North East Derbyshire was sent to the Chairs of both D2N2 and SCR LEP, with an 'in principle agreement to remove the overlap by remaining within D2N2 LEP', whilst still retaining non-constituent membership of the South Yorkshire (SCR) Mayoral Combined Authority. D2N2 has acknowledged the letter as a positive move forward and confirmed it would wish to meet the districts jointly with SCR to discuss the expressed conditions.

Both Bassetlaw and Chesterfield district councils have yet to formally confirm their position in relation to the overlap. Chesterfield District Council is due to discuss the matter at a full council meeting scheduled for the 27th February 2019.

Whilst there is still no formal resolution across all five districts, good progress is being made towards reaching an outcome, recognising that dual membership of LEPs cannot continue. D2N2 LEP will continue to work closely with the districts and Sheffield City Region towards a resolution.

4.4 BOARD COMPOSITION

The D2N2 LEP undertook a recruitment exercise for additional private sector Board members to strengthen representation and meet the requirement for a 2/3rd private sector majority. At the close of the deadline, 21 expressions of interest had been received.

A Nominations Committee from the Board led by the Chair, including Deputy Chair David Williams, Paul Harris, Cllr. Barry Lewis and Jane Howson has since met to review the applications with a view to making formal recommendations to the next D2N2 Board in March.

4.5 SINGLE ACCOUNTABLE BODY

The review recommends that all LEPs should have a single accountable body from April 2019. Given that D2N2 had multiple arrangements, a formal selection process was undertaken to appoint a single authority which was awarded to Derbyshire County Council.

4.6 INDEPENDENT LEGAL IDENTITY

The review requires all LEPs to have an independent legal identity by the 1st of April 2019. On the 18th October 2018, the D2N2 Board agreed to form a Company Limited by Guarantee in order to comply with the review. Formal articles of association will be drafted and plans put in motion to incorporate D2N2 by the 31st of March 2019

5.0 RECOMMENDATIONS

5.1 Members are asked to note the report.