

LEP Review

D2 Joint Committee for Economic Prosperity

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Based around key themes of:

- Roles and responsibilities
- Leadership and organisational capacity
- Accountability and Performance
- Geography
- Mayoral Combined Authorities

Aim to work with LEPs to develop revised proposals on geography by 28 September

Detailed plan for implementing changes before 31 October (at latest)

Extra £20m nationally 2018/19 - 2019/20 to support LEPs with the changes

KEY ISSUES

Roles and Responsibilities

- LEPs to deliver Local Industrial Strategy
- LEP to prioritise investment opportunities and allocation of LGF
- Co-ordinate partners / private and public
- Advocacy and voice for the area
- Levers for growth and planning responsive to commercial development

Actions

- First Local Industrial Strategies agreed March 2019
- LEPs produce Annual Delivery Plan and year end report
- Consistent approach to Delivery Plans – April 2019
- Revise Assurance Framework – Autumn 2018

KEY ISSUES

Leadership & Organisational Capacity

- Chairs strong private sector background and collaborative
- Improve diversity of LEP representation
- Skills and capability
- Ensure robust mechanisms

Actions

- Consult widely before Chair appointment and wider gender balance and representation
- Term limits for Chair and Deputy
- Private sector form 2/3 of LEP representation
- Maximum 20 permanent reps with option of 5 annual co-optees
- Independent secretariat (not local government)
- Develop strong local evidence base

KEY ISSUES

Accountability and Performance

- Self regulating
- Sector led / regular peer improvement
- National Assurance Framework
- Government intervention if underperformance or non compliance
- PMF measured via Individual Delivery Plans

Actions

- Legal personality with S151 or equivalent (role to be clarified)
- Single Accountable Body within each area
- Clear lines of accountability for decisions (delegation scheme)
- External scrutiny and oversight – Government to set out
- Use academics in strategies
- Government guidance on PMF measures and accountability

KEY ISSUES

Geography

- Chairs and stakeholders come forward with 'considered proposals' by end September on:
 - Geographies which best reflect real functional economic areas
 - Remove overlaps and where appropriate propose wider changes such as mergers

Actions

- Removing all instances where 2 or more LEPs overlap
Expects collaboration between LEPs to maximise impact
- In effect Spring 2020
- Aim to simplify fund allocation and complex local growth landscape

KEY ISSUES

Mayoral Combined Authorities

- 6 Mayors in CAs May 2017 – 7 May 2018 SCR CA
- Tyneside progressing
- Open to conversations with others – strong local support and economic case can be shown
- Clarity of relationship LEP and Mayoral CA's

Actions

- Consolidate approach to Mayoral CAs and LEPS for agreeing Local Industrial Strategies
 - Clarity of roles and responsibilities published agreements (five themes):
 - Advisory and challenge function – ensure that there is a strong independent voice
 - Alignment of decision-making across a clear geography – clear and transparent decision-making process
- Continued...*

Mayoral Combined Authorities – Actions Continued

- Accountability – how the formal accountability relationship between the LEP and Mayoral CA will work
 - Efficiency and corporate identity – how the LEP and Mayoral CA will work together in their approach to staffing, branding etc
 - Overview and scrutiny – how the Committees will interact with the LEP
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- Encourage LEPs and Mayoral CA's to move towards coterminous boundaries in line with wider discussion on LEP geographies

MANAGING THE TRANSITION

- Maintain momentum and move quickly to implement changes and establish themselves in their new form
- Set out a plan for reform
- Write to LEP Chairs to communicate the importance of the review and will work to develop revised proposals on geography by 28 September and a detailed plan for implementing changes before 31 October
- Transition/Local Industrial Strategies – will provide £20m of additional funding 2018/19 – 2019/20 – what's it for and how to access?
- Update national LEP Assurance Framework so these changes are included within Local Assurance Frameworks ahead of April 2019

DISCUSSION

Considerations:

- **Views on governance and engagement**
- **Views on private sector representation**
- **Views on proposals for private sector representation forming 2/3 of LEP Board – impact on local government representation**
- **Inputting into LEP response to review**