



LEP – Sub Committee

LEP - Joint Scrutiny Committee

Private and Confidential: No

Date: Wednesday, 8 March 2023

LEP Chief Executive's Update – March 2023

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Executive Summary

The Lancashire Enterprise Partnership (LEP) has now concluded its Annual Performance Review 22/23 with colleagues from the Department for Levelling Up, Housing and Communities (DLUHC) and has been given a much-improved clearance of its activities with no real outstanding issues or areas for concern.

Recommendation

That the LEP Joint Scrutiny Committee:-

- (i) Note the new central government financial settlement for LEPs in 2023/24.
- (ii) Endorse the preparatory work which is being done with the LEP Board to identify priority activities which will figure in the LEP Business Plan 23/24.
- (iii) Consider the role the LEP can play in supporting the collaborative work of the local authorities around the Lancashire 2050 framework; and
- (iv) Start to consider the trajectory for LEP integration into any future devolution arrangements within Lancashire

Background and Advice

The LEP have begun using informal and formal board meetings to consider priorities for the LEP's Business Plan in 2023/24 and matching these against the available resource.

The Annual Performance Review which endorsed the progress which the LEP had made in 22/23 coincided with a notification on government core grant funding for the LEP in 2023.



The amount offered for 2023/24 is £250,000. This is a further reduction from the £375,000 provided in 22/23 and the £500,000 in 2021/22.

The reduction in funding mirrors the switch of major place-based funding programmes from LEPs (Growth Deals, Getting Building Fund, European Strategic Investment Funds) to local authorities (Town Deals, Levelling Up Funds, UK Shared Prosperity Funds).

Nevertheless, government continues to see a key role of LEPs in providing a strong business voice within local policy making and in improving the delivery and impact of employment, skills and business support activities within sub-regions.

Typically LEP members have provided local match at 50% of the core grant value. The LEP would request that this continues in 23/24.

Business Planning 2023/24

2022/23 was a period of transition for the LEP, with a significant reduction in government core grant, a turnover of established board members and a change of Chief Executive in mid-year. Despite this, the year saw prior LEP investment in the case-making for Eden Morecambe come to fruition, continued work to realise the full benefits of National Cyber Force choosing Samlesbury for its new HQ, continued investments made through the Growing Places Fund and the completion of studies/strategies dealing with Internationalisation, Business Finance, Innovation and Lancashire's six priority sectors.

Priorities for the coming year

Whilst the LEPs stewardship of Growth Fund and Getting Building Fund projects is now coming to an end there is a broad range of activity which continue to absorb the attention of the Board and the resource available to the LEP.

On-going Projects

1. Growing Places Loan Fund
2. Growth Deal and Getting Building Fund Programme
3. All GBF and GD fully defrayed, so focus on match fund reporting, and final financial position.
4. Lancashire Cyber Partnership, including co-ordination of National Cyber Force workstreams LEP now co-lead on Industry Engagement and Skills via the Skills Hub.

Potential discrete cyber projects include :-

- a. Innovation Hub Concept – further business case development, potentially through to planning.
- b. Cyber Corridor Vision – Workshop document which LEP funded, Alan Heckman delivered, is currently with Sarah Kemp to update and circulate. This work needs to progress via the Cyber Corridor workstream.



5. Eden – LEP role moving forward TBC
6. North West Net Zero Consortium with Lancashire Event planned for Autumn 2023 (funded)
7. Enterprise Zones - On-going LEP role to be defined.
8. Town Fund projects LEP representation
9. Sector studies – further action
10. LEP Marketing – objectives probably need to be defined.

Additional Demand 2023/24

Whilst not yet formally within devolution negotiations, there has been recent, strong encouragement from the Secretary of State that Lancashire and the remaining northern sub-regions without deals should move into negotiations, sooner rather than later.

Lancashire local authority leaders have coalesced around the **Lancashire 2050** framework, launched as part of the Lancashire Day celebrations at the Speakers Rooms in the Palace of Westminster. This document has eight themes :-

Figure 1 – Lancashire 2050 Themes



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The Chair and CEO are utilising upcoming meetings with the LEP Company Members (Lancashire's three upper tier local authorities) to define the contribution the LEP can make in terms of the actions which flow from Lancashire 2050 and any subsequent **devolution deal**. This area of work will be new in 23/24 but could provide an avenue to pursue some of the actions and ideas which have been developed within the LEPs sector and thematic strategy work.

Coupled with L2050 and devolution, the LEP needs to start to think in earnest about greater **integration** with a future County Combine Authority. The LEP network is already providing a platform of peer groups of LEPs at similar stages in their devolution



journey. Looking in depth at the case studies arising from this work will give a spectrum of models and solutions as to how a strong private sector voice within new structures.

Staffing

The LEP continues to carry significant vacancies from the last published staffing structure chart. Filling this structure is no longer affordable given the reduced core budget of the organisation so this needs to be revised to balance activity with resource.

One immediate issue will be to fill the vacancy left by Anne-Marie Parkinson, Head of Service – LEP Coordination, when she leaves at the end of March 2023.

The CEO will bring forward a revised Job Description and plan to recruit and cover the functions presently within this role.

List of Background Papers

Paper	Date	Contact/Tel
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Reason for inclusion in Part II, if appropriate		
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