


REPORT TO

Economy, Skills and Transport and Environment Scrutiny Board

08 November 2018

Subject:	Review of Local Enterprise Partnerships
Cabinet Portfolio:	Councillor Paul Moore - Cabinet Member for Regeneration and Economic Investment
Director:	Executive Director - Neighbourhoods - Dr Alison Knight
Contribution towards Vision 2030:	
Contact Officer(s):	Dr Alison Knight

DECISION RECOMMENDATIONS

That :

- 1 The Board considers and comments upon the report on Local Enterprise Partnership boundaries and progress thus far.
- 2 The Board considers how it feels Sandwell MBC is best represented at a Combined Authority and National level.

3 PURPOSE OF THE REPORT

- 3.1 In July 2018, Government, released a document in relation to the Review of Local Enterprise Partnerships (LEPs) entitled “Strengthened Local Enterprise Partnerships”.
- 3.2 This report briefly sets out the recommendations in the document and asks members to consider the implications for Sandwell MBC as a member of the Black Country LEP.

4 REPORT DETAIL

- 4.1 In the Industrial Strategy, it was stated that Government would work to strengthen LEPs to ensure that all parts of England stand ready to play their part in the growth of our economy after our exit from the European Union.
- 4.2 The Government confirmed that there would be a Ministerial review of LEPs to deliver this objective, so that LEPs would be securely placed to drive growth through the development of the Local Industrial Strategies in partnership with areas, harnessing distinctive strengths to meet the Government's challenges and in the context of the UK Shared Prosperity Fund.
- 4.3 The document - Strengthened Local Enterprise Partnerships – provides the conclusion to the Ministerial review of LEPs and sets out Government's expectations of their roles and responsibilities.
- 4.4 The recommended actions within the Review fall under the headings of:
- Role and responsibilities;
 - Leadership and organisational capacity;
 - Accountability and performance;
 - Geography;
 - Mayoral combined authorities.
- 4.5 **Roles and Responsibilities**
- 4.5.1 it was recognised that the LEPs have played a key role in convening local economic stakeholders to develop evidence-based economic strategies and have helped to identify key investment opportunities which will increase growth.
- 4.5.2 Further guidance is to be published as to how LEPs should focus on enhanced productivity via the development and delivery of their local industrial strategies.
- 4.5.3 LEPs will be expected to publish annual delivery plans and end of year reports setting out key performance indicators to assess the impact of the Local Industrial Strategy.
- 4.6 **Leadership and Organisational Capacity**
- 4.6.1 The review recognises that successful LEPs are led by influential private and public sector leaders.
- 4.6.2 Government is seeking to increase regular dialogue with LEPs which will include a Prime Minister chaired Council being held and a senior official

sponsor being appointed for each LEP from across Government Departments.

4.6.3 LEPs will be expected to improve the gender balance and diversity of boards with an aim that women make up a third of boards by 2020 and equal representation by 2023.

4.6.4 Additional capacity funding will be provided to implement the review.

4.7 **Accountability and Performance**

4.7.1 A standardised national framework will be developed that ensures LEPs remain autonomous and independent bodies with local decision making powers.

4.7.2 Annual General Meetings which are open to the public should be held so that communities can understand and influence local economic plans.

4.8 **Geography**

4.8.1 The review feels that current geographic boundaries need to be reviewed as the context in which LEPs now operate has changed significantly from 2011 when they were first formed.

4.8.2 Some local geographies overlap and LEPs have been asked to submit proposals regarding geographies that best reflect functional economic areas, remove overlaps and where appropriate propose wider changes such as mergers.

4.9 **Mayoral Combined Authorities**

4.9.1 The review sets out the case for greater alignment and collaboration between mayoral combined authorities and LEPs as being administratively efficient, leading to a greater economic impact.

4.9.2 The intention is for government to consolidate its engagement with mayoral combined authorities and LEPs to agree a Local Industrial Strategy

5 **IMPLICATIONS FOR SANDWELL MBC**

5.1.1 Sandwell MBC is a member of the Black Country LEP along with the other 3 Black Country local authorities.

5.1.2 The local authority is also a constituent member of the West Midlands Combined Authority (WMCA) along with the other Black Country authorities, Birmingham City Council, Solihull MBC and Coventry City Council. There a number of LEPs operating across this geography – namely Black Country LEP, Birmingham and Solihull LEP and Coventry and Warwickshire LEP.

- 5.1.3 Whilst the Black Country LEP consists of the 4 Black Country authorities, the other 2 LEPs have overlapping geographies with surrounding areas and may need to reconsider these in light of the review. Whilst this is mostly of specific interest to those LEPs and local authorities, there may be implications for the wider geography linked to the WMCA.
- 5.1.4 The LEP Review paper also makes it clear that the longer term aspirations of Government are to have a LEP Geography that mirrors the WMCA which would mean LEPs merging.
- 5.1.5 The Black Country has had a joint approach since prior to the setting up of LEPs in 2011. The Black Country Consortium precedes this date.
- 5.1.6 The overarching feeling in the Black Country is that we need to keep a Black Country LEP to ensure the needs of our localities are understood and fully represented.
- 5.1.7 The LEP has communicated these views to Government.

6 CONCLUSIONS

- 6.1 Members are asked to consider the review and how they feel Sandwell MBC is best served within regional and national settings.

7 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)

- 7.1 At present, consultation is being carried out by the Black Country LEP with local authorities and business. The Combined Authority will also have a clear role with any consultation.

8 STRATEGIC RESOURCE IMPLICATIONS

- 8.1 At present there are no financial or HR implications for the local authority, arising from this report.

9 LEGAL AND GOVERNANCE CONSIDERATIONS

- 9.1 There are no legal and governance considerations at present for the local authority.

10 EQUALITY IMPACT ASSESSMENT

- 10.1 This is not applicable at this stage.

11 **APPENDIX 1**

- **Strengthening Local Enterprise Partnerships – HM Government
July 2018**

**Dr Alison Knight
Executive Director – Neighbourhoods**