



SCRUTINY COMMISSION – 12TH JUNE 2019

LEICESTER AND LEICESTERSHIRE ENTERPRISE PARTNERSHIP AND LOCAL INDUSTRIAL STRATEGY

REPORT OF THE CHIEF EXECUTIVE

Purpose of Report

1. The purpose of this report is to update the Commission on the governance and function of the Leicester and Leicestershire Enterprise Partnership (LLEP), including recent changes following the Government's LEP review: '*Strengthened Local Enterprise Partnerships*' (published in July 2018).
2. A presentation will be given to the Commission by the Director and Vice Chair of the LLEP on the emerging priorities, consultation process and approval timeline for the Leicester and Leicestershire Local Industrial Strategy.

Policy Framework and Previous Decisions

3. One of the five strategic outcomes of the Council's Strategic Plan (2018-2022) is 'A Strong Economy'. To support the implementation of this outcome the Council will be developing a Strong Economy Strategy to be considered by Scrutiny and approved by Cabinet later in 2019. An internal and senior officer-led Strong Economy Outcome Advisory Board will be established to oversee this important piece of work.
4. In March 2015, Cabinet approved a County Council Enabling Growth Plan (2015-2018) which outlined how the Council would support delivery of the Leicester and Leicestershire Strategic Economic Plan (SEP) (2014-2020). In May 2018 an interim 'refreshed' Enabling Growth Plan was approved to ensure continuation whilst a Local Industrial Strategy (LIS) is developed. In Leicester and Leicestershire the LIS will supersede the SEP, some areas plan to have both a LIS and a SEP.

Background

5. The LLEP was formed in May 2011. It is a strategic body led by a private sector led board made up of local government and business leaders as well as senior education and third sector representatives. The LLEP's remit is to drive forward regeneration and growth of the local economy, by:
 - Working with Government to set out key investment priorities for Leicester and Leicestershire;
 - Engaging with business, local authorities, Higher Education, Further Education, the voluntary sector and other stakeholders;

- Facilitating local partnership working and relations with national Government
 - Influencing national Government economic policy and spending;
 - Investing LLEP funding and aligning partner resources;
 - Through its investments, influence and activities, ensure positive outcomes for the local economy.
6. In 2014, the LLEP developed the Leicester and Leicestershire Strategic Economic Plan (2014-2020) with a vision to “*create a vibrant, attractive and distinctive place with highly skilled people making Leicester and Leicestershire the destination of choice for successful businesses*”. The Plan aimed to:
- create 45,000 new jobs
 - lever £2.5bn of private investment
 - increase GVA (Gross Value Added) by £4bn from £19bn to £23bn.

Achievements

7. The achievements of the LLEP are:
- 78% of the £116,482 European Structural Investment Funds allocation committed, leveraging over £66m of additional investment to deliver projects that will support business, invest in innovation and enhance the skills of our local communities.
 - £126m Local Growth Fund capital programme supporting 20 projects with positive impacts for skills, transport and large-scale regeneration schemes, including: £3.25m in road improvement around Lubbethorpe; £4.6m improving the A511 corridor; £16.2m improvements to A50 transport corridor; £2.4m for Coalville Commercial Workspace; £3.1m for Superfast Broadband deployment.
 - Two Enterprise Zones (EZ) across three sites in the county and one in the city – the Loughborough and Leicester Science and Innovation EZ and Horiba MIRA Technology Park EZ.
 - An Enterprise Advisor Network that is a national exemplar creating links between education and business to inform and inspire young people on future career opportunities.
 - The Growth Hub – LLEP Business Gateway – a single point of access to business support, helping over 3,791 businesses in 17/18.
 - Growing Places Fund – £12m revolving loan fund created over 1,650 jobs, 370 homes and 11,200m² industrial and commercial floor space.
 - Development of a strong evidence base including the Skills for the Future Study and biennial Leicester and Leicestershire Business Survey.

Local Enterprise Partnership Review

8. In July 2018 Government published a report setting out how it and LEPs would work together to strengthen leadership and capability, improve accountability and manage risk, and provide clarity on geography. The LLEP Board responded to this through the submission of an implementation plan to Government in October 2018.
9. Following discussions with the Ministry of Housing, Communities and Local Government (MHCLG), the LLEP Board committed to:

- Have equal representation of men and women by 2023 and aim for a minimum of a third women's representation on the Board by 2020. The LLEP Board currently has three female members.
- The Chief Executive reporting exclusively to the LLEP Board and under its sole direction.
- Establish a dormant Company Limited by Guarantee on 1st April 2019 (i.e. it does not trade, employ staff or manage financial transactions).
- Putting in place a Service Level Agreement for Leicester City Council to provide support services (finance, legal, HR and IT) – this will be reviewed on an annual basis.
- Continuing to rent office space from Leicester City Council adjacent to City Hall on Halford Street.
- Ensuring that the operation of the LLEP is subject to external scrutiny and expert oversight, including attendance at local authority scrutiny sessions.

Governance and decision making

10. The LLEP's Local Assurance Framework identifies the processes and procedures to deliver LLEP responsibilities in an open and transparent way, including through the operation of an effective governance structure including a private sector led Board, Executive Group, Programme Board and three theme boards. See Appendix for governance structure and membership.
11. The **LLEP Board** makes collective decisions to deliver the LLEP's objectives as identified through the current SEP or future LIS. The Board acts as an ambassador for Leicester and Leicestershire at local, national and international levels. The board members engage and represent their specific sector or corporate organisation to ensure views represent those of the wider sector/s.
12. The **LLEP Executive** is responsible for overseeing the operation of the LLEP's activities on behalf of the Board. The Executive offers strategic direction to the staff team, provides assurance for operational resources and advice to the Board on the ongoing development and implementation of the SEP / LIS.
13. The **Programme Board** oversees and supports delivery of the LLEP's programme of activity. It is responsible for performance management of projects which are funded and operated by the LLEP. The Programme Board oversees the strategic fit and value for money for project business cases and takes investment decisions under delegated authority from the LLEP Board.
14. Three **theme boards** were established for Place, People and Business to connect with a wide range of partners, engaging them to support the delivery of the SEP and the growth of the Leicester and Leicestershire economy. The theme boards advise the LLEP Board and Executive about future investment opportunities within their area of expertise and help the LLEP in translating these strategic priorities into action.
15. In December 2018 Government published guidance on the establishment of **Skills Advisory Panels** to support LEPs to fulfil their local leadership role in the skills system by helping them understand their current and future skills needs and future

labour market challenges. SAPs will be local partnerships aimed at strengthening the link between employers, local authorities, colleges and universities. In Leicester and Leicestershire the SAP will replace the People Board with its inaugural meeting on 6th June.

16. The **Leicestershire Rural Partnership** works closely with the LLEP to champion the rural economy and market towns. The Leicestershire Rural Partnership provides policy expertise, coordinates evidence and intelligence, acts as key contact with Defra and influences resources to support rural and market town priorities.
17. Leicestershire County Council is represented at every level of governance offering support and challenge. The Leader of the Council sits on the LLEP Board and the Assistant Chief Executive on the LLEP Executive.

Local Industrial Strategies

18. Government launched its UK Industrial Strategy in November 2017 and announced its intention to work in partnership with places to develop Local Industrial Strategies (LIS) that will be developed locally and agreed with Government.
19. Local Industrial Strategies will be long-term, based on clear evidence and aligned to the National Industrial Strategy. They will identify local strengths and challenges, future opportunities and the action needed to boost productivity, earning power and competitiveness. They will also guide the use of local funding streams and any spending from national schemes.
20. Three areas were identified in Wave 1 including Manchester, Birmingham and the Oxford-Cambridge Arc and are currently launching their LISs. In July 2018, the LLEP was one of six LEPs invited in Wave 2 to develop a LIS by the end of 2019, all other LEPs also now aiming to submit LISs to Government by March 2020.
21. It is anticipated that the LIS will be submitted to Government in October 2019 with expected approval in December 2019.

Supporting Documents

Industrial Strategy: building a Britain fit for the future (Nov 17)

<https://www.gov.uk/government/publications/industrial-strategy-building-a-britain-fit-for-the-future>

Strengthened Local Enterprise Partnerships (July 18)

<https://www.gov.uk/government/publications/strengthened-local-enterprise-partnerships>

Skills Advisory Panels: guidance on the role and governance (Dec 18)

<https://www.gov.uk/government/publications/skills-advisory-panels-saps-role-and-governance>

Leicester and Leicestershire Strategic Economic Plan (2014-2020)

<https://www.llep.org.uk/strategies-and-plans/our-strategic-economic-plan-sep/>

Leicester and Leicestershire Local Industrial Strategy Prospectus (July 18)

<https://www.llep.org.uk/wp-content/uploads/2018/07/FINAL-Local-Industrial-Strategy-Prospectus-180718A.pdf>

LLEP Annual Report (17/18)

<https://www.llep.org.uk/wp-content/uploads/2018/09/S0335-LLEP-ANNUAL-REPORT-2018-FINAL-1.9MB.pdf>

Officer to Contact

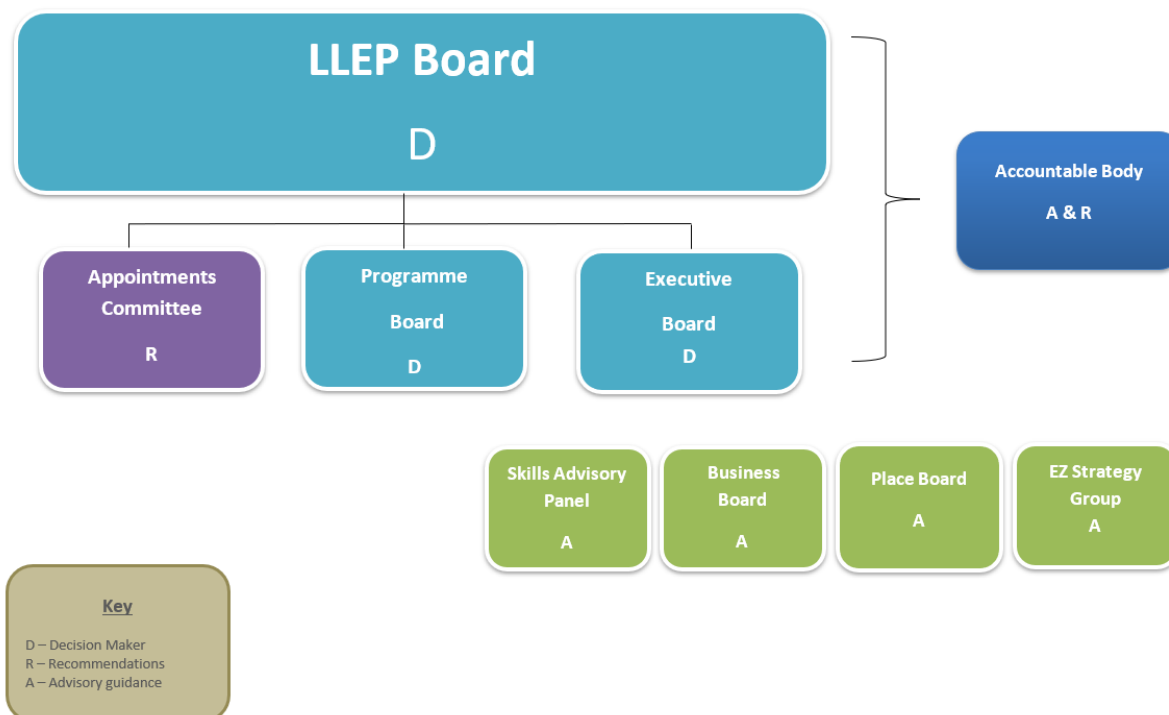
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Appendix: LLEP Governance Structure



LLEP Board Members

Name	Organisation	Role
Kevin Harris (Chair)	RSM UK	Partner
Andy Reed OBE (Deputy)	SajelImpact	Director
Karen Smart	East Midlands Airport	Managing Director
Emma Anderson	Freeths	Director
Chas Bishop	The National Space Centre	Chief Executive
Neil McGhee	Sempervox	Director
Dr Nik Kotecha OBE	Morningside Pharmaceuticals	CEO
Jaspal Singh Minhas (SME Representative)	Electrical Design & MFG Co Ltd	Managing Director
Anil Majithia (Voluntary Sector Representative)	Voluntary Action Leicestershire	Chair
Prof Robert J. Allison (Higher Education Representative)	Loughborough University	Vice-Chancellor and President
Verity Hancock (Further Education Representative)	Leicester College	Principal and CEO
Nick Rushton CC (Leicestershire County Council Representative)	Leicestershire County Council	Leader
Sir Peter Soulsby, (Leicester City Council Representative)	Leicester City Council	City Mayor
Cllr Terry Richardson (Leicestershire District Councils Representative)	Blaby District Council	Leader

LLEP Executive

Name	Organisation
Mandip Rai (Chair)	LLEP Director
Edd de Coverly	Leicestershire District Councils Representative
Helen Mitchell	Cities and Local Growth Unit
Iain Gillespie	Higher Education Representative
Kevan Liles	Voluntary Sector Representative
Mike Durban	LLEP Head of Strategy
Phil Coyne	Leicester City Council Representative
Scott Knowles	East Midlands Chamber (DNL)
Dawn Whitmore	Further Education Representative
Tom Purnell	Leicestershire County Council Representative

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