

**SCRUTINY COMMISSION – 1 SEPTEMBER 2010****REPORT OF THE CHIEF EXECUTIVE****PROSPECT LEICESTERSHIRE****Purpose of Report**

1. The purpose of this report is to summarise the key points made at the Commission's meeting with Prospect Leicestershire (PLS) and the views of the Scrutiny Commissioners on the way ahead.

**Prospect Leicestershire**

2. Some of the key points that came out of the meeting with Nick Carter and David Hughes were:
  - (a) PLS were considered by some members to not be giving enough focus to the County and too much to the City;
  - (b) There was scope for efficiencies possibly through bringing both PLS and LeicesterShire Promotions together, as there was a degree of 'overlap' between the two companies. PLS would also need to identify its own efficiency savings.
  - (c) The abolition of emda was considered a setback by some members, but also an opportunity for the sub-region to create its own alliances with neighbouring cities and counties and LEPs outside of the sub-region;
  - (d) Identification of good quality office space was considered to be PLS's primary objective and the most significant hurdle that it would need to overcome;
  - (e) There was a feeling from some members that some of the district councils (specifically Oadby and Wigston and Blaby) had yet to see any return on their investment and that PLS's objectives to garner inward investment could be better achieved through other avenues;

**Deliberations by the Scrutiny Commissioners**

3. The Commissioners noted that white papers are expected from the Coalition Government in October which should address a range of economic issues including the proposed arrangements for Local Enterprise Partners (LEPs) and the allocation of functions currently carried out by the RDAs.

4. The Commissioners also noted that the Government had issued invitations to local areas to submit proposals for LEPs to feed into the white paper.. As a result economic development delivery arrangements in Leicester and Leicestershire (including the role of PLS) are currently being reviewed in the context of the current funding position and the new Government's approach to economic development. LEP submissions need to be made by September 6<sup>th</sup> and the review of delivery arrangements will be completed .in September. Members of the Commission will be updated verbally at the meeting on the geographic scope of the proposed LEP and the potential to create alliances with neighbouring cities and counties outside of the sub-region.
5. The Commissioners also noted that there was likely to be a reduction in the funding through the new arrangements compared to that previously received currently received via emda and the Homes and Communities Agency. In the light of this the Commissioners recommend that the Leadership Board should be advised that that the current review of the economic delivery arrangements should look critically at the potential for merging the activities of PLS and those of LeicesterShire Promotions with a view to realising efficiencies in organisational costs.
6. The Commissioners also gave some thought to the proposed involvement of the Leader and the Deputy Leader (in his role as prospect Board member) in any future scrutiny of PLS. The Commissioners concluded that there would be merit in inviting the Leader and Deputy Leader to a future meeting when the expected white paper is published and there is some clarity regarding the way forward on economic development delivery arrangements consequent on the demise of emda and regional offices.

### **Recommendations**

8. The Commissioners are asked to:-
  - a) Note the current position on the LEP;
  - b) Note the views of the Scrutiny Commissioners and agree to review, at the appropriate time, the new arrangements to be put in for economic delivery.

### **Background Papers**

None.

### **Circulation under Local Issues Alert Procedure**

None.

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**List of Appendices**

Appendix – Extract of the Minutes of the meeting of the Scrutiny Commission with Prospect Leicestershire