LA / LEP INTEGRATION PLAN TEMPLATE

INTRODUCTION AND GUIDANCE

Government has <u>confirmed</u> that Local Enterprise Partnership (LEP) core functions – namely, business representation, local economic planning, and the delivery of Government programmes where directed – from April 2024 should be delivered by local authorities.

This template is intended to aid the process of integration and inform the direction of any future government funding. This document should be read in parallel with the <u>guidance</u> published on the integration of LEP functions into local and combined authorities on 4 August 2023. Government expects decisions on the transfer and delivery of current LEP functions to be made locally.

Government expects functions to be delivered over current or potential devolution deal geographies so far as possible. Outside of areas with an agreed devolution deal, it is expected that functions will be exercised by the upper tier local authority, working with other upper tier local authorities as appropriate. Where multiple upper tier local authorities operate within an area, only <u>one</u> return is necessary. The authority which submits the return on behalf of the whole area should ensure all upper tier local authorities have agreed to the return and copy it to the LEP Chair.

It is recognised that the formal process of transferring any assets, loans, investments, or liabilities between existing LEP(s) and local democratic institutions will require agreement between both parties. All parties must follow the relevant laws and regulations that apply, including having due regard for the Public Sector Equality Duty.

Any commercially sensitive information may be submitted in parallel to the main integration plan. The use of annexes is also recommended for non-sensitive issues where more detail is required.

Completed plans should be sent to the central LEP Integration inbox (<u>LEP.Integration@levellingup.gov.uk</u>), copying all relevant parties (all upper tier local authorities and LEP Chair) and the relevant Area Lead in the Cities and Local Growth Unit.

The deadline for submission of this plan to Government is **23:59hrs on Thursday 30 November 2023** or earlier if possible, to help inform future funding decisions.

SECTION 1: CORE INFORMATION

Core details and curren	t arrangements
1.1 Name of LEP which is to be integrated.	South East Midland Local Enterprise Partnership (SEMLEP)
1.2 Name(s) of upper tier authority or authorities into which LEP functions are being integrated.	West Northamptonshire Council, hosting functions on behalf of: Bedford Borough Council Central Bedfordshire Council Luton Borough Council Milton Keynes City Council North Northamptonshire Council
1.3 Current relationship with the LEP	[Please outline the current relationship between the local authority/authorities and local LEP(s)] All Local Authorities (or their legacy authorities) in the economic area have been involved in the LEP (including the former Northamptonshire Enterprise Partnership) since the formation of LEPs in 2011. They have political representatives on the SEMLEP board who play an active role in shaping the LEP along with the private sector. For example, they are involved in chairing sub committees (e.g. the Finance, Risk and Audit committee). The authorities also all currently make a small financial contribution to the LEP and its services. Officers from across the Authorities are involved in various groups including sector groups, the Growth Hub Board a Chief Executives' group, an Economic Development officers group and work jointly on projects such as the biannual business survey. Some local authorities provide match funding for Careers Hub advisers and more recently, Growth Hub advisers in their own areas.
Integration leads	
1.4 Contact details for integration leads	[Please provide contact details for senior working-level contacts within local authority/authorities and the existing LEP(s] Hosting Local Authority: Louise Seymour – Assistant Director for Place Shaping, West Northamptonshire Council – louise.seymour@westnorthants.gov.uk Vicky Hlomuka – Head of Economic Growth and Inward Investment – West Northamptonshire Council - Vicky.hlomuka@westnorthants.gov.uk Existing LEP Hilary Chipping – Chief Executive – hilary.chipping@semlep.com Other local authorities in the partnership (members of the LEP task and finish group): Laura Church – Chief Executive – Bedford Borough Council - Laura.Church@bedford.gov.uk Sophie Lloyd – Head of Economic Development – Milton Keynes City Council - Sophie.Lloyd@Milton-keynes.gov.uk

Judith Barker – Assistant Director, Place – Central Bedfordshire Council - <u>Judith.Barker2@centralbedfordshire.gov.uk</u>
Sinead McNamara - Service Director, Inclusive Growth – Luton Borough Council - <u>Sinead.McNamara@luton.gov.uk</u>
Ian Achurch – Head of Economic Development - Ian Achurch <u>Ian.Achurch@northnorthants.gov.uk</u>

SECTION 2: GEOGRAPHY

Geography

2. Please set out the proposed geography for the delivery of LEP functions from April 2024. Answers should confirm whether the proposed geography is coterminous with the current LEP geography. If not, answers should confirm that the proposed geography constitutes a functional economic area (FEA), with reference to the size of population, local travel to work areas (TTWAs) and any other relevant drivers of the local economy.

Where multiple upper tier local authorities operate across the proposed geography, you should confirm the governance arrangements and that service provision will be ensured across the whole geography – no authority should be left out and all parties should agree the arrangements.

The geography for the delivery of the LEP functions from April 2024 will be the same geography as the existing LEP area (South East Midlands). This is a functional economic geography. For clarity, this includes the following local authority areas:

Bedford Borough Central Bedfordshire Luton Milton Keynes North Northamptonshire West Northamptonshire

The governance arrangements for the service provision will operate through the Central Area Growth Board (CAGB) which is an existing partnership of the six local authorities listed above. The CAGB is hosted by Milton Keynes Council. Currently the LEP Chair also sits on that Board as an Associate member.

West Northamptonshire Council will be the host local authority and accountable body for the LEP services which are retained following the closure of SEMLEP, hosting these services on behalf of the other local authorities and will be accountable to the Central Area Growth Board for ensuring service provision across the whole geography, the core functions and shared resources like data, analytics and secretariat support.

There is some further work to be done to clarify the details of the governance arrangements, which will involve revising the terms of reference for the CAGB to ensure it reflects the retained LEP functions and the relationship with West Northamptonshire Council as host. A workshop of the Leaders and Chief Executives of the six local authorities took place on Thursday 23rd November to talk through the details of the LEP services and to agree high level principles around the proposed governance. All members were clear that there was significant benefit in working together to leverage our combined voice, propositions and potential.

Further work will continue over the next few months to ensure the retained LEP functions are incorporated into revised terms of reference for the CAGB including strategic oversight, performance monitoring and a direct relationship with the business engagement model (as outlined in section 3). There will most likely also be a Local Authority officers group which sits

under the CAGB which provides officer input into the model. There is currently a Local Authority officers LEP task and finish group to inform the service design for the model.

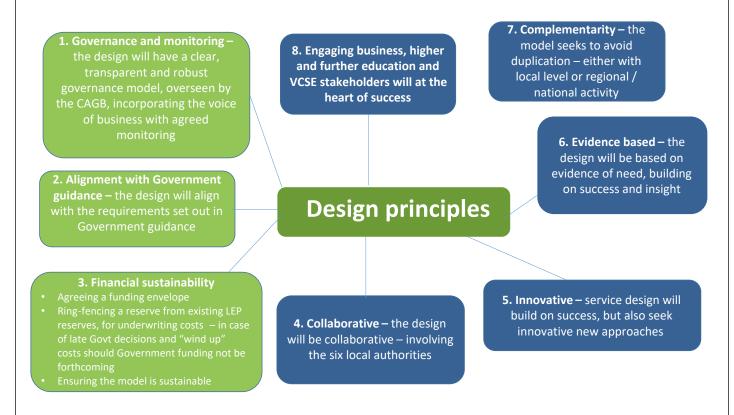
This Integration Plan has been circulated to all Local Authorities in advance of submission and the away day on the 23rd November enabled each local authority to have a chance to input to it.

SECTION 3: BUSINESS VOICE

Current and future activity

- 3. Please set out how you intend to embed a strong, independent, and diverse local business voice into local decision-making across the area. Answers should cover the following points:
- (a) Proposed model & governance structure (e.g., a stand-alone business board, sub-board, or other structure)
- **(b) Membership** (including the mix, balance and diversity of independent business members and any other partners drawn from outside of the business community)

As mentioned above, the CAGB will provide the overarching governance for the LEP functions which are retained – and comprises the six local authorities which cover the geography. Engaging businesses and wider stakeholders is an important part of the design and remit of the activity and formed a key part of the discussions during the Leaders and Chief Executives away day on the 23rd November. In fact, it comprises a key part of the design principles agreed for the LEP integration and shown below:



Proposed model and governance

Plans for business engagement are still in their formative stages, with a desire to build on the strength of partnerships created by the LEP but also to use the opportunity to reflect and look at new ways to deliver within the agreed funding envelope. Involving businesses in the planning of the service design, including how we embed a strong, independent and diverse local business voice into local decision making is an important aspect of our planning, therefore although the

below provides the initial thinking and framework, this may be subject to amendments once we have undertaken the stakeholder engagement on service design.

The current proposal is to have a business board / group (name to be confirmed), which acts as an advisory group to the CAGB. The terms of reference for such a group are still to be confirmed, but are likely to include:

- Providing a co-ordinated business voice for issues of common interest affecting the economy of the defined geography
- Representing business to make sure the right resources are present in the defined geography
- Helping to shape economic strategy to support local decision making
- Contributing to the regional employment and skills agenda
- Maximising the benefits of the Oxford Cambridge Pan Regional Partnership for the defined geography

The intention is to retain formal governance arrangements to oversee the work of the Growth Hub and the Careers Hub, although the opportunity will be taken to review membership to ensure that it is reflective of the geography, priority sectors and key interests and consider whether this might be a joint arrangement covering both bodies. The Growth Hub has a well-established board which comprises of private and public sector membership, overseeing the performance of the Growth Hub and ensuring the right provision is in place for businesses across the defined geography.

Membership

Main business board/group – which advises the CAGB – Leaders felt that it would be beneficial for the business group to provide representation of some of the most influential business leaders across the defined geography, including some of the largest employers, the key sector leaders and leaders from higher and further education and the VCSE sector.

It was also agreed that it would be helpful to create some kind of federated model where local authority business boards, where they exist, could be linked into the model in some way – for example the Milton Keynes Business Council. One of the suggestions therefore is that chairs of agreed local business boards could be invited to sit on the main business board.

The Growth Hub / Careers Hub board(s) would then form another important aspect of the business engagement model. The Growth Hub board currently comprises the following:

- Chamber of Commerce
- FSB
- Sector lead from the high performance / technology sector and food and drink sector
- Scale up business representative
- Local Authority Economic Development officers
- University

It has yet to be agreed whether the Growth Hub / Careers Hub board(s) would feed into the business board or directly into the CAGB as another aspect of the diverse business voice informing local decision making.

There are then other business engagement groups which form part of the current SEMLEP model which may continue to comprise the wider model – including sector groups, a broader business representative / membership group and a rural businesses group.

Engaging with business on the provision of future functions

As mentioned above, we feel it is important to co-produce the new arrangements in collaboration with business and wider stakeholders. Therefore, the proposals as set out above are a draft model

to seek views from business on to further strengthen the design and ensure it is sustainable within the agreed funding envelope. The following provides a plan of how we will seek to engage with businesses / stakeholders before the integration of continuing LEP functions takes place.

Activity	Extra detail	Suggested timescale
Offering to meet with those business groups who wrote to the CAGB in August 23	CAGB cochairs to respond to the two letters received in August	Before 12 th December CAGB
Each local authority to seek views from their key business / sector / education stakeholders on a 1:1 basis	We could agree a short set of questions/ slide to consult on	Jan to Mar 24
Hold an open series of stakeholder workshops for business, educational and VCSE sectors to input and engage	Opportunity to present a draft model and run workshop discussions to gain input	Jan 24
Results of 2023 SEMLEP business survey to help inform position	Should be available in Dec 23	Feed in findings in Jan 24
Utilise existing SEMLEP business / stakeholder groups to gain views and input	Could utilise existing dates and meetings	Slot into meetings Jan to Mar 24

SECTION 4: PROJECTS, PROGRAMMES AND SERVICES

<u> </u>			4
Current	and	filfilre	activity

4.1 Please list the projects, programmes and services currently delivered by the local LEP. In each case you should indicate whether, subject to receiving equivalent funding, the upper tier local authority/authorities would continue to undertake each activity.

Where a different set of functions/services is being delivered for a neighbouring area, you should repeat the exercise for that area.

You do not need to include LEP activity delivered in a private capacity.

Title	Short Description (1-2 sentences)	Will the activity continue once the LEP is integrated? (subject to future funding)	
		Yes	No
Strategic economic planning	Building on the work that the LEP have done in this arena on economic planning (e.g. strategic economic plan, local industrial strategy) and committing to working together on maintain an up to date Economic Strategy for the area which complements existing activity and any other related specific studies which are prioritised. Activity will particularly focus on identifying economic strategy work which might be required for future funding opportunities for the defined geography.	X	

Regional economic insight	Current activity includes monthly economic intelligence reports, an economic evidence pack for the region, a bi-annual business survey, key sector analysis, labour market intelligence. Future activity is likely to comprise regional	X	
	economic insight and analysis which is required to inform, monitor and review an economic strategy and future priorities. The exact mechanism to deliver this is still to be confirmed but may involve commissioning specific pieces of analysis or ongoing data sets to ensure we have a robust evidence base. It would also be to continue to deliver any insight where required by government.		
Growth Hub	Including business support, workshops, events and business grants (where funding is sought to deliver these) in line with DBT requirements.		
Careers Hub	Including continuing to deliver in line with CEC requirements to connect careers advice and guidance in schools and Colleges with the needs of the local economy.	X	
Business engagement	There are a number of groups which SEMLEP currently operate to inform activity and provide insight into the local economy (approximately 20 groups). The plan would be to review the current groups and continue with or evolve ones which continue to support the aims of the services which are integrating. This is also an opportunity to explore where groups could be delivered by other external partners. Business engagement is an important part of the new model and will involve the creation of a new business board (or similar). We want to ensure with regards to existing activity that we get the right balance of activity within the agreed funding envelope.	Partial – as per explanation	
Sector engagement and support	There is some sectoral focus of support within the Growth Hub. However, there is also currently a number of sector groups (especially logistics and creative / cultural) which provide another network for support and engagement with key sectors. As with the business engagement activity above, the level of activity here will depend on the focus of activity going forward, the agreed funding envelope, and might even involve a	To be confirmed	

	review of key sectors and therefore activity area focus. Therefore, the depth and scope of this element of activity will be determined once we are clearer on the focus of economic strategy.		
Inward Investment	The LEP have played a coordination role in inward investment working with the local authorities on enquiries coming from DBT for example. They have also done various pieces of place marketing activity over the years to provide material for propositions and supporting local inward investment. When the group discussed the role of inward investment going forward, it was recognised that this is an activity which each local authority also undertake locally. It was also acknowledged that some activity is emerging at Oxford / Cambridge pan regional partnership level and therefore it is unclear what level of activity will be required on this going forward. It could be for example that one of the local authorities undertakes a coordination role on behalf of the others with DBT enquiries or that service level agreements, or similar mechanisms, are agreed between DBT and individual local authorities to ensure an effective response to enquiries.	Not continuing in current format	

SECTION 5: DELIVERY AND APPROVALS

Governance of the integration process

5.1 (a) What mechanisms will be in place to manage the integration process at the local level?

The process will be overseen by the CAGB with update reports and key decisions being recommended to the CAGB board meetings. For example, at the next meeting on the 12th December, there will be an update on the detail of transition plan, the plans on business engagement and some 24/25 budget options for approval.

In addition to this, within the host local authority, there is an internal project working group who are working on the integration plan, including all the technical aspects to enable it to happen – e.g. finance, HR, legal, IT, communications, working very closely with the LEP team.

There is also a local authority officer LEP task and finish group who have been involved in the integration process, who have helped shaped plans and activities before they are formally submitted to the CAGB.

The DLUHC Area Lead team are providing support to the process, including attendance at the task and finish group.

5.1 (b) If the existing LEP is intending to formally cease operation and dissolve following its integration, who will be responsible for managing the transition and any legacy issues?

The SEMLEP board have yet to formally agree the decision to close the LEP limited company. However, it is likely that this recommendation will be put to the SEMLEP board in January for agreement by company directors. They have already sought legal advice on this and the company will need to stay open for three months following trading ceasing to enable closure.

The current accountable body, Luton Borough Council will work closely with the LEP team to ensure this process is overseen. There will then be a need for clear agreement of responsibility between Luton and West Northamptonshire once integration has taken place in April 2024, with Luton continuing to be responsible for managing any ongoing responsibilities of legacy programmes, for example Local Growth Fund ongoing monitoring requirements. West Northamptonshire at this point will then be responsible for the ongoing and continuing activities and funding under the direction and oversight of the CAGB, for which Milton Keynes City Council are the Accountable Body. It will be important to ensure there is clarity on which organisation is responsible for which activities post 1st April 2024.

Approvals		
5.2 Has this integration plan been agreed by the relevant	Yes	No
boards/persons in both the local LEP(s) and local	\boxtimes	
authority/authorities?		
Please copy all relevant parties (including the Chair of the local LEP(s))		
when you submit this plan.		

[Please provide further details, as required, on who is supporting the plan]

The key aspects / requirements for the integration plan were discussed by Leaders and Chief Executives of each of the six local authorities at an away day on the 23rd November. This meeting was also attended by the current LEP Chief Executive. This integration plan has since been circulated to key officers within each local authority (including Chief Executives), the LEP and sent to Local Authority Leaders in advance of a pre-meeting of the six leaders for the CAGB held on 30th November prior to submission. Each organisation is copied into the submission to indicate their support.

The principle of integration has been agreed by the SEMLEP board. However, the exact model for business engagement has not yet been agreed as it has not yet been fully determined or discussed with the LEP board or other business representative organisations. However, the importance of full and meaningful engagement with business over decisions and the delivery of services is a principle which is important to all six councils, and our draft model will be discussed and refined at the meeting of the CAGB on 12th December, ahead of consultation with SEMLEP Board and other business organisations.