

Open Report on behalf of Executive Director for Communities

Report to:	Executive Councillor for Economic Development
Date:	07 March 2011
Subject:	Lincolnshire County Council Support to the Local Enterprise Partnership
Decision Reference:	01851
Key decision?	Yes

Summary:

The Local Enterprise Partnership is now up and running, and is starting to form strategic priorities and actions. A Memorandum of Understanding has been signed by three of the four founding partners of the LEP, and this report seeks the delegation of authority to sign the Memorandum to the Executive Director for Communities. The Memorandum of Understanding includes provision for LCC to be the secretariat and accountable body of the Local Enterprise Partnership.

Recommendation(s):

The other partners to the Memorandum of Understanding have signed the document and it is recommended that the Memorandum of Understanding for the Local Enterprise Partnership is now signed by LCC, with responsibility for doing so being delegated to the Executive Director for Communities.

Alternatives Considered:

1. For another body to be the secretariat and accountable body of the Local Enterprise Partnership. The benefits of this approach are that broader partner engagement would be achieved, and requirements/responsibilities for LCC would be reduced. The disadvantages of this approach would be that LCC's significant experience of undertaking similar roles would not be used, leading to a weaker Local Enterprise Model and potentially disadvantaging any funding bids that the Local Enterprise Partnership makes in the future.

Reasons for Recommendation:

The reason for this recommendation is that it will help the Local Enterprise Partnership to quickly become established, and will demonstrate LCC's commitment to supporting the Local Enterprise Partnership.

1. Background

The Local Enterprise Partnership (LEP) was established in autumn 2010 and has met once. A second meeting is planned for March 11th 2011 and quarterly thereafter. The LEP will take a strategic role in the county's development, seeking to influence and lead the planning and delivery of activity that achieves economic growth for the county.

The Executive Councillor for Economic Development, Cllr Eddy Poll, is a member of the LEP.

The four founding partners of the LEP have prepared a Memorandum of Understanding -having been given significant support from Legal Services Lincolnshire in doing so. LCC is a founding partner, as is Lincolnshire Chamber of Commerce, the Lincolnshire region of the Federation of Small Businesses, and the University of Lincoln.

The Memorandum of Understanding states that LCC will lead an appointments process to appoint members to the LEP, and it will also provide and fund a secretariat for the LEP. LCC has significant experience of undertaking these roles, and has the resources available to undertake them. Neither of these activities will cost LCC any additional money; they will be carried out by officers from within the Communities directorate as part of their daily workload. In both cases, LCC should take a facilitating role, supporting the LEP but enabling the LEP board to lead its own decisions and initiatives.

The Memorandum of Understanding also states that LCC will be the accountable body for the LEP. At this stage, the LEP has no funding of its own and primarily will seek to influence the allocation of funding rather than bid for funding in its own right. The responsibilities of an accountable body as set out in the Memorandum of Understanding are:

- to enter into contracts for the attraction of external funding
- to administer such funding
- to enter into contracts with ultimate recipients of funding
- to administer such contracts

In the medium term it is possible that the LEP will bid for funding -either for the LEP Capacity Building Fund that DCLG and BIS recently announced or for future rounds of the Regional Growth Fund. At this stage it is difficult to identify specific bids that will be made, but the responsibilities set out in the Memorandum of Understanding describe the role that LCC would need to perform. This is the type of role that LCC has experience of, from managing accountable body roles in European and Regional funding programmes.

2. Conclusion

In conclusion, the Local Enterprise Partnership provides an excellent opportunity to support Lincolnshire's economic growth and increased prosperity. LCC can help the LEP to achieve its potential through providing support as set out in the paper.

3. Legal Comments:

The LEP has been formed in response to a Government initiative for local areas to take control of their future economic development. This decision is therefore lawful and within the remit of the Executive Councillor provided he has the delegated authority of the Leader.

4. Resource Comments:

Signing the Memorandum of Understanding does not commit the Council to any additional expenditure. Any costs associated with being the accountable body will be absorbed within existing budgets and workloads

5. Consultation

a) Has Local Member Been Consulted?

Yes

b) Has Executive Councillor Been Consulted?

Yes

c) Scrutiny Comments

The Economic Scrutiny Committee have regularly received reports about the Local Enterprise Partnership.

d) Policy Proofing Actions Required

n/a

6. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Justin Brown, who can be contacted on 01522 550630 or justin.brown@lincolnshire.gov.uk.

