



## **CLES LEP event demonstrates that there is still a lot that needs to be clarified**

**10<sup>th</sup> September 2010**

CLES used its successful Local Economic Assessment Network to bring together practitioners from across the public, commercial and social sectors to discuss the implications and opportunities that will come with the Local Enterprise Partnerships.

The event attracted 40 delegates and there were presentations from both the public and private sector (both available on the website). It was clear from the discussions that took place during the course of the morning that even though the initial 56 bids are now in, there are still a number of questions to be answered around the LEPs function.

The key message to come from the event was that up to now, discussions have concentrated on form rather than function. Rather than concentrating on the structure and composition of the new body, discussions should be focussed on what powers and influence the LEPs will need to make a difference to economic development in a locality and keep partners involved and engaged. Once there is an understanding of what can and will be delivered, this can shape the form of the new partnership.

Delegates were asked to discuss the key points they thought it was important to have clarified in relation to the LEPs which CLES will take to meetings with Central Government this month. The list below includes the key points that came from this discussion and demonstrates there are still a lot of unanswered questions around LEPs that need clarifying before they are implemented in localities. Unsurprisingly the most popular point was the issue of how the functions that were being taken back to the centre will be represented at the local level and whether this will be through the LEPs.

### **Key points to come from the round table discussion**

- 1.** Powers of the LEP – national v local delivery
- 2.** Where are the RDA assets and liabilities going to be held?
- 3.** Does the private sector have the capacity, will or resources to led the LEPs
- 4.** There is a question around accountability and whether the powers that are on the table are the right ones? Are businesses really going to want to be involved with decisions around housing and planning and will accountability lie with the public or private sector?
- 5.** What happens to the localities whose bids are not successful – will they miss out on the opportunity to bid into the RGF?
- 6.** What is the relationship between the LEPs and the Big Society
- 7.** Is still isn't clear how the LEPs will feed into the localism agenda
- 8.** How will it work if one area is in two LEPs
- 9.** A need for clarification in terms of how the RGF will be structured. Will there be a specific proportion attributed to infrastructure spend and programme spend for example?
- 10.** The Regional Development Agencies provided a co-ordinated function across a large geographical area, what is going to be done to ensure LEPs do not become a patchwork of ideas and projects
- 11.** The Regional Development Agencies provided a co-ordinated function across a large geographical area. How are pan LEP issues going to be resolved and will there be any encouragement to work together around the bigger issues, e.g. sustainable development, CO2 emissions and transport.
- 12.** Are they just a strategic body or will they have commissioning powers. Will they be better suited to being a network rather than a solid accountable body?
- 13.** Will regeneration sit with Local Authorities or the LEP?



These key points raise important issues for how the LEPs will function within a locality. Regional Development Agencies were often accused of not being democratic enough but the new LEPs are being encouraged to be private sector led. Will private sector partners be comfortable taking on the accountability of the partnership or will this fall onto the public sector representatives? Another important point that can be deduced from the points above is whether LEPs will be able to ensure continued private sector involvement. The commercial sector will be looking to have influence over public sector spend and strategic direction, if this isn't available what is going to be in place to entice the sector to the table. Currently the Regional Growth Fund offers a £1bn pot over two years that localities can bid into for projects which have designed to stimulate economic development. This raises the question around whether the commercial sector will continue to be interested in being at the table if a LEP continues to be unsuccessful in bidding for RGF funding.

The recent submissions to government were initial bids and it is unlikely that all will be approved. With the White Paper looking at sub-national growth not due out until October (and likely to be overshadowed by the Comprehensive Spending Review) CLES realises localities face waiting to get clearer answers. The Government should be praised for encouraging local innovation and not being too prescriptive, the big question will be whether, after encouraging local solutions, they will be able to say no; ministers wanted to receive local solutions however will these local solutions match their vision of LEPs?

The next step for CLES will be to feed this information back to government and CLES will continue to liaise and influence central government to ensure the white paper acknowledges and resolves the questions/queries of members. CLES will also continue to support the Local Economic Assessment network as it recognises the importance of bringing practitioners together and will be looking to bring it together again before the end of the year.