

RURAL ECONOMIC AND ENVIRONMENT COMMITTEE

8 SEPTEMBER 2010

REPORT OF HEAD OF SOCIAL & ECONOMIC DEVELOPMENT

**BRIEFING PAPER - LEICESTER & LEICESTERSHIRE LOCAL ENTERPRISE PARTNERSHIP
PROPOSAL AND LEICESTER & LEICESTERSHIRE REVIEW OF ECONOMIC
DEVELOPMENT DELIVERY**

1.0 PURPOSE OF REPORT

1.1 To update and inform the committee of recent developments affecting the delivery of Economic Development and other growth projects in the City and County.

2.0 RECOMMENDATIONS

2.1 **Members note the contents of this report.**

3.0 KEY ISSUES

3.1 Regional Development Agencies have been responsible for the Economic Development of Regions for a number of years. Formed by the last government they were responsible for implementing a regional economic strategy including inward investment.

3.2 The Regional Development Agency for the East Midlands EMDA granted many local authorities, regeneration companies, and other bodies funding for economic development projects developing businesses and creating employment.

3.3 The current Government announced the abolition of Regional Development Agencies and the devolvement of some of their responsibilities for economic development, planning and inward investment to Local Enterprise Partnerships or LEPs.

3.4 The Government wants LEPs to operate on a much more local basis and to be business led to avoid them becoming bureaucratic and costly and to more closely reflect local needs.

3.5 Initiatives identified by LEPs will be funded through the Regional Growth Fund as well as other sources.

3.6 The guidance has allowed LEPs to be formed in a number of different ways. Generally it has been necessary to include a population of over one million and two higher tier local authorities.

3.7 In some cases LEPs have been proposed that include more than one county. Discussions have taken place regarding different structures for ourselves, Leicestershire and surrounding counties.

3.8 Melton Borough Council and the other Districts in the County supported the Leicestershire and Leicester Local Enterprise Partnership proposal submitted on 6th September 2010 (Appendices A – Leicestershire Enterprise Partnership)

3.9 The Department for Business, Innovation and Skills will examine and approve proposals from partnerships.

- 3.10 Due to this change in the delivery of Economic Development as well as the impending comprehensive spending review the MAA leadership board have commissioned a review of Economic Development delivery in the City and County. It is specifically reviewing Prospect Leicestershire and Leicester Promotions as well as other County and City Delivery activities. (Appendices B – Economic Structure Review)
- 3.11 As a Borough Council we are represented on the MAA Leadership Board by Sue Smith CEO of Harborough. She is also to be interviewed as part of the review and our comments will be fed through her.
- 3.12 Currently no deadline has been set for the completion of the review. Louise Driver from Leicestershire County Council is the Review Project Manager.

4.0 POLICY AND CORPORATE IMPLICATIONS

- 4.1 The structure of the LEP will influence its effectiveness and efficiency in much the way the MAA leadership board has in the past.
- 4.2 The structures for delivering economic development in the County and City will have a direct impact on the ED activities in the Borough. At this stage it is not possible to assess whether the impact will be positive or negative.

5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS

- 5.1 There are no direct implications resulting from recommendations in this report and any projects/initiatives emerging from the LEP structure and ED delivery review will be reported separately. It is anticipated that the activity of the LEP will be directed by a Local Investment Plan which has yet to be prepared.

6.0 LEGAL IMPLICATIONS/POWERS

- 6.1 No direct implications have been identified.

7.0 COMMUNITY SAFETY

- 7.1 ED has a direct link with community safety.

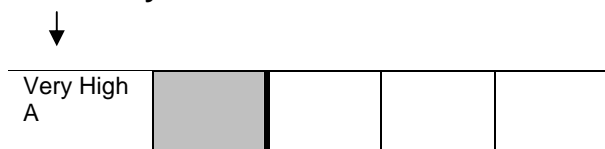
8.0 EQUALITIES

- 8.1 The LEP proposal and ED review does not directly or indirectly discriminate on the grounds of equalities, and in fact highlights and seeks to tackle issues affecting the different groups within Leicester & Leicestershire

9.0 RISKS


- 9.1 The risks associated with this report are shown in the table below:

Probability



Risk No.	Description
1	LEP proposal is not approved by Government.
2	Outcome or ED review is detrimental to ED activities in MBC
3	
4	
5	

High B				
Significant C				
Low D			2	
Very Low E			1	
Almost Impossible F				
	IV Neg- ligible	III Marg- inal	II Critical	I Catast- rophic



Impact

10.0 CLIMATE CHANGE

10.1 There are sub – outcomes contained in the performance framework that relate to Climate Change, specifically

11.0 CONSULTATION

11.1 .The timescale for the review has already slipped, so this is quite early in the process, officers will identify the right channels for formal consultation and report back at an appropriate committee.

12.0 WARDS AFFECTED

12.1 All wards are indirectly affected by the content of this report

Contact Officer: Jo Hollings- Economic Regeneration Manager
Date: 1 September 2010
Appendices: Appendix A – Leicestershire Enterprise Partnership
Appendix B – Economic Structures Review- project scope
Background Papers:
Reference: X : Committees/REEA/10.03..