

**NORTH EAST LINCOLNSHIRE COUNCIL
LAW AND DEMOCRATIC SERVICES**

**Scrutiny call-in mechanism on Cabinet/Portfolio
Holder decisions**

Date	15/7/20
Cabinet Item (title)	LOCAL ENTERPRISE PARTNERSHIPS
Decision Notice No.	DN.146
Reason(s) for Call-in	The Decision on LEP membership is a key part of the Council's economic strategy, and it vital to the long term prosperity of our area, this deserves the highest level of informed consideration for what is best for our locality, and it is not clear that this has happened or that this is the most robust option available.
Desired outcome for Call-in	For Scrutiny to escalate this issue to full council for a full and robust debate about what LEP arrangements offer the best economic growth and jobs creation opportunities for our area.
Intended Recommendation to Cabinet	For Cabinet to decide which LEP to have exclusive membership of through a clear and transparent analysis of local economic factors, including a consultation with key local industries, with responses where appropriate made available as evidence towards transparent debate.
Details of estimated/actual cost	Contribution to economic local growth and prosperity of the area through the best LEP membership for our locality.
To be referred to which Scrutiny meeting?	Economy

SIGNATURES OF TWO MEMBERS OF THE COUNCIL

(signature)

(printed name)

(1) M. P. W.

MATTHEW WATAZICK

(2) J A Goodwin

Janet Angela Goodwin

CABINET

DATE	15 th July 2020
REPORT OF	Leader of the Council
RESPONSIBLE OFFICER	Rob Walsh – Chief Executive
SUBJECT	Local Enterprise Partnerships
STATUS	Open
FORWARD PLAN REF NO.	Not included on the Forward Plan – to be considered under the General Exception rules of the Constitution.

CONTRIBUTION TO OUR AIMS

The Council's LEP membership provides strategic support to the achievement of our stronger economy priority.

EXECUTIVE SUMMARY

A report recommending the Council's continued membership of the Greater Lincolnshire Local Enterprise Partnership, following the Government's review of LEP arrangements.

RECOMMENDATIONS

It is recommended that Cabinet:

1. Supports the Council remaining a full member of the Greater Lincolnshire Local Enterprise Partnership (LEP).
2. Supports the development and completion of a transition agreement giving effect to the Council ceasing to be a member of the Humber LEP, on such date to be agreed.
3. Supports the development and implementation of appropriately robust and effective collaboration arrangements between the Council and the remaining three unitary authorities in the Humber sub-region.
4. Delegates authority to the Leader of the Council and the Chief Executive, in consultation with the Chief Legal and Monitoring Officer and Section 151 Officer, to take all necessary steps to progress the above recommendations.

REASONS FOR DECISION

To meet the requirements of the Government's "strengthening local enterprise partnerships" review.

1. BACKGROUND AND ISSUES

- 1.1 In July 2018 the Government published its approach to "strengthened local enterprise partnerships". The Government set out a number of expectations covering governance, accountability and geography, including a clear signal that overlapping LEP geographies would be extinguished.

- 1.2 The Greater Lincolnshire and Humber LEP geographical overlap includes North East Lincolnshire.
- 1.3 LEPs are a key conduit of Government funding to support local growth, infrastructure and regeneration projects. They are the bodies that bring local government, the private sector and the higher education and skills sector together to focus on the strategic economic growth of their area.
- 1.4 North East Lincolnshire's key business sector strengths include ports and logistics, chemicals, renewables, food processing and the visitor economy. Local Industrial Strategies (led by LEPs) are intended to set out the long term strategic economic objectives of the region, with the role of local authorities being central to their delivery and success, working alongside the business, education and skills sectors.
- 1.5 It is considered that North East Lincolnshire's longer term economic prosperity (and post Covid-19 recovery) is best served by retaining membership of the Greater Lincolnshire LEP. It is also recognised that collaboration on pan Humber estuary issues remains highly important and the expectation of Government is that the unitary local authorities in the Humber sub-region will come forward with governance proposals that give confidence to business and other stakeholders that joint working and co-operation will take place where is it necessary to secure specific local growth outcomes.
- 1.6 The LEP overlap will remain in place at least until a transition agreement between the Greater Lincolnshire and Humber LEPs is finalised. This work is underway. Cabinet will be aware that neighbouring North Lincolnshire Council have also signalled a clear position in support of Greater Lincolnshire LEP membership. It is to be noted that Ministers have acknowledged that preferred LEP membership is a matter for the Council to determine.
- 1.7 In the meantime Officers will continue to actively engage in supporting the finalisation of the Greater Lincolnshire Local Industrial Strategy, to ensure that the Borough's economic recovery and longer term prosperity is reflected in the priorities that emerge.

2. RISKS AND OPPORTUNITIES

LEP membership enables the Council to pursue strategic economic objectives both for the region and the place. Any further delay in determining LEP membership would inhibit access to key funding opportunities and prevent constructive engagement with stakeholders, our key sectors and Government about the future economic wellbeing of the area.

3. OTHER OPTIONS CONSIDERED

Council membership of a Local Enterprise Partnership is essential , in order to support the pursuit of key strategic economic growth objectives.

4. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

None directly arising from the recommendations in this report.

5. CONSULTATION WITH SCRUTINY

None at this stage.

6. FINANCIAL IMPLICATIONS

The Council's approved Financial Strategy 2020 – 2030 focuses on the achievement of financial sustainability through funding and supporting economic and housing growth within the Borough. In support of the Financial Strategy, the Capital Investment Strategy outlines the long-term economic investment plan and seeks to shape and drive the Council's capital investment ambition.

The development of the North East Lincolnshire economy in future years will be heavily influenced by the economic and policy context affecting the area. North East Lincolnshire is well placed to make a major contribution to both the UK Industrial Strategy and the Northern Powerhouse and Midlands Engine ambitions, as well as the Local Industrial Strategy being developed in the Greater Lincolnshire LEP area.

Membership of the Greater Lincolnshire LEP will play a central role in supporting the Council's Financial and Capital Investment Strategies by providing much needed support and funding for local economic priorities. This will help to drive economic growth and create jobs within the local area.

7. LEGAL IMPLICATIONS

Local Enterprise Partnerships (LEPs) are non-statutory bodies and therefore enjoy a degree of discretion in their composition and activity. With a clear agenda to promote and enable local investment, regeneration and growth they work across various sectors including local government to bring about those aims.

The Council has long since recognised the wisdom and need to work with partners on a Place based basis in order to underpin its stated strategic outcomes. Partnership working is enabled through a range of statutory provisions including the Localism Act 2011. The government led review mentioned in the above report has brought an end to the ability for a local authority to straddle LEP boundaries with a clear expectation that any such overlaps will cease. The Council is therefore in the position of committing to full membership of a single LEP.

To augment such membership of the Greater Lincolnshire LEP, the recommendation to develop robust arrangements for collaborative working between the pan-Humber authorities appears prudent in the circumstances.

8. HUMAN RESOURCES IMPLICATIONS

There are no direct human resources implications from the recommendations in this report.

9. WARD IMPLICATIONS

All wards affected.

10. BACKGROUND PAPERS

None

11. CONTACT OFFICER(S)

Rob Walsh
Chief Executive

COUNCILLOR PHILIP JACKSON
LEADER OF THE COUNCIL