
Report to: LCC Scrutiny Committee

Date: 30th April 2013

Subject: LCR LEP DEVOLUTION OPPORTUNITIES - POST HESELTINE
REVIEW

1.0 PURPOSE

1.1 To outline the latest situation in relation to the potential devolution of funding to the Leeds City Region Local Enterprise Partnership by Government, in response to the Lord Heseltine Growth Review.

2.0 RECOMMENDATIONS

2.1 Members are requested to note the report.

3.0 BACKGROUND

3.1 In the Budget in March 2013, reference was made to the Government looking favourably on recommendations from Lord Heseltine's report 'No Stone Unturned,' and that bids for funding are to be invited from Local Enterprise Partnerships (LEPs) to encourage competition, efficiency and regional growth.

3.2 Very little is known of what the potential offer to LEPs could be, beyond what has been announced. The time period the Government is referring to is post-2015, so it is concerned with the next Parliament. It is understood that the full details of the potential devolution proposals and LEP bidding process will be announced in the Spending Review on the 26th June. It will be a national competitive process.

3.3 The Government refers to skills, housing and transport budgets as being three key areas for exploration, but no further details are provided. However, it is understood that if LEPs could make a strong case for other options to be considered, then the Government would be willing to listen.

4.0 LCR LEP RESPONSE

4.1 The current LCR City Deal which was agreed with Government in 2012 and which is being implemented, covers several of these agendas already such as the devolution of some skills and major transport scheme funding; but LCR

Leaders would need to give a steer once the announcement is made in June about what other options they may wish to pursue.

- 4.2 As there are no longer Regional Development Agencies, LEPs have been allocated 250K this financial year to support them in developing these bids, although this funding is particularly to support new capacity and expertise for developing EU Structural Investment Fund Strategies for post 2014 EU funding.
- 4.3 Initial consideration is being given to the potential scope of these workstreams, which will need to build on and reflect the LCR LEP Economic Plan (2011) and the City Region Deal Agreement. LCR Leaders / LEP will consider the Government's announcement, the options for developing the plan, and any resource implications at their next meetings following the June announcement. The LCR Leaders Board is scheduled for early August 2013. Options for engaging and consulting with local authorities, the private sector and other partners and stakeholders would also be considered at that time.