

**Economic and City Development Overview  
and Scrutiny Committee**

27 September 2011

Report of the Chief Executive

**Progress Report – Local Enterprise Partnership**

**Summary**

1. This report provides an update on LEP progress and highlights the approach taken to the setting of priorities. It also provides some helpful background information on the York and North Yorkshire LEP prior to a presentation from LEP officers on progress and potential benefits to the York economy. The report and presentation will be helpful to the Committee should it wish to provide a view prior to the Cabinet considering its future membership of the York/ North Yorkshire LEP.

**Background**

2. The City Development Overview and Scrutiny Committee has taken a strong interest in the development of Local Enterprise Partnerships (LEPs), particularly since York is a member of both the Leeds City Region and the York and North Yorkshire (with the East Riding of Yorkshire) LEPs. The role of this Committee is not specifically to scrutinise the work of the LEPs, but to take an overview on the Council's contribution to the LEPs and its significance to the York economy.
3. **Progress.** There has been progress with both LEPs. Both have now established their Boards, with the Leader of the Council included on both Boards. An earlier progress paper in April 2011 to the Committee dealt with governance issues and it was agreed that it would be useful if an update was provided as the LEPs

developed and set out their priorities. This was considered particularly important for the York and North Yorkshire LEP since a decision had previously been taken to review our membership of this LEP following the setting of its priorities, and Overview and Scrutiny welcomed the opportunity to present its views on this issue prior to the Cabinet taking a decision.

4. **Leeds City Region.** The Leeds City Region launched its strategic plan “Realising the Potential” and a high profile summit on 8 September. The Plan sets out a vision for the City Region of “a world-leading dynamic and sustainable low carbon economy with a high quality of life for everyone”. A copy of the plan is attached to this report as annex A which describes four strategic priorities:

- **Unlocking the growth potential of business and enterprise;**
- **Enabling a flexible, skilled workforce;**
- **Facilitating a low carbon economy; and,**
- **Creating the environment for growth.**

5. The Plan will be supported by the development of action plans plus a business case which will present to government the tools the LEP requires to deliver the strategic priorities. The City of York Council has recognised that its economic ambitions are principally served through collaboration with this LEP.

6. **York and North Yorkshire LEP.** Since the previous progress report the East Riding of Yorkshire Council has joined this LEP. The LEP has taken a different approach to the Leeds City Region. It has not produced a strategy document but has declared its three objectives as (not in any particular priority order);

- **York as an economic driver;**
- **A sustainable and growing rural economy; and,**
- **Delivering coastal regeneration.**

7. To support these objectives 7 task groups have been set up to identify key deliverable activities. These task groups are:

- **Agriculture & Food** – to create growth through growing the supply chain;
- **Visitor Economy** – provide clarity and improve the offer through joint working and collaboration between partners;
- **Rural Broadband** – to help rural YNY maximise its broadband potential;
- **Support for growth of small businesses** - to improve the success and sustainability of new and small businesses;
- **Networking** - to have the best networked businesses and most effective networkers;
- **Skills** - to ensure skills provision is focused on present and future business needs and to meet gaps in provision; and,
- **Coastal Regeneration** - to support coastal regeneration and the development of a Yorkshire Coast Enterprise Zone.

8. All task groups have either met, or have a meeting planned. There is an understanding with the LEP that many of York's ambitions will be advanced principally through the work of the City of York Council and the LCR LEP, and this includes our work to promote the York Central project, enhancing infrastructure provision and accessibility, promoting high growth business and inward investment. However, for some of these areas the York and North Yorkshire LEP could have a strong supporting role particularly when it involves adding an additional voice that is seeking to influence government and other potential investors. For example, the LEP has recently provided written support for the Council's bid for resources from the Department for Transport for the Access York initiative, and LEP support will be helpful as we seek to respond to current government draft proposals setting out options for the new Tax Increment Finance approach that would assist major regeneration schemes.

9. Further details of the progress of this LEP, and its potential significance to the York economy, will be outlined in a presentation by James Farrar, the LEPs principal officer.

10. **Comments.** It is now over a year since the Secretary of States for BIS and DCLG invited bids for the setting up of LEPs. Whilst progress has been slower than anticipated the process surrounding a new bureaucracy is substantial. It has involved agreeing the geography and membership, putting in place a Board and supporting structures, setting priorities and agreeing an approach for taking forward the priorities. York, with an involvement in two separate LEPs, is well placed to compare and contrast the very different approaches adopted in the two LEPs to which we belong. Success for LEPs will depend on a range of ingredients. LEPs will need to harness the resources of other organisations and working in collaboration if it is to achieve delivery of its priorities. The best LEPs will also achieve results by influencing government over city region priorities, in particular infrastructure provision, and also influencing local organisations to agree a single prioritised plan for its area. However, there is a general view that LEPs will only succeed if they acquire new responsibilities devolved from government. Recently Philip Hammond, Secretary of State for Transport, has paved the way by discussing the possibility of devolving the Department's major scheme budgets to LEPs. The work of the LCR LEP (para 5) in making a case for the devolvement of responsibilities will be critical.

### **Consultation**

11. No specific consultation has taken place on the contents of this paper, but Members of the Council, in particular the Leader, and senior officers, in particular the Chief Executive, have been continuously involved in LEP meetings and discussions.

### **Options**

12. Options are not relevant to this report.

### **Analysis**

13. Not relevant

## **Corporate Priorities**

14. The work of both the Leeds City Region LEP and the York/ North Yorkshire LEP supports the economic objectives and priorities of both the Sustainable Community Strategy and the Corporate Strategy.

## **Implications**

### **Financial**

15. *Not applicable.*

### **Human Resources**

16. *Not applicable.*

### **Equalities**

17. Not applicable.

### **Legal**

18. Not applicable

### **Crime and Disorder**

19. Not applicable.

### **Information Technology (IT)**

20. Not applicable

### **Risk Management**

21. Not applicable

### **Recommendation**

22. That the Overview and Scrutiny Committee:

- a) Note the content of this report;
- b) Discuss and advise on progress associated with the Leeds City Region and the York/ North Yorkshire LEP; and

- c) Consider whether it wishes to provide advice prior to a decision being taken on the City of York's Council membership of the York/ North Yorkshire LEP.

Reason: This report provides the basis of meeting earlier Overview and Scrutiny Committee request to keep up to date with LEP progress and to have an opportunity to comment prior to a decision on the City of York's Council membership of the York/ North Yorkshire LEP.

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**Specialist Implications Officer(s)**

None

**Wards Affected:**

All

For further information please contact the author of the report

**Background Papers:**

None.

**Annexes**

- A. Realising the Potential. The Leeds City Region Local Enterprise Partnership Plan.