

LOCAL GOVERNMENT NORTH YORKSHIRE AND YORK

2 July 2010

LOCAL ENTERPRISE PARTNERSHIPS AND SUB REGIONAL STRUCTURES

Purpose of the report

1. This report addresses the issues arising from the change of Government and the proposals to abolish the Regional Development Agencies and to enable Local Authorities to establish Local Enterprise Partnerships (LEP).
2. It proposes that the principle of forming a York and North Yorkshire LEP is agreed.
3. There is a need for a general review of the sub regional structures working around LGNYY in the light of regional changes, the potential LEP and the overall need to be more efficient. The report proposes that a review is undertaken into that structure and that proposals are brought back to the next meeting. The constitution of LGNYY requires a review by July and LGNYY is formally asked to defer this until October.

Background

4. The Government's coalition agreement says that

"We will support the creation of Local Enterprise Partnerships – joint local authority-business bodies brought forward by local authorities themselves to promote local economic development – to replace Regional Development Agencies (RDAs). These may take the form of the existing RDAs in areas where they are popular".

5. Currently there is little further to go on in a formal sense from Government although it is expected that there will be a request for propositions at some time although when is not clear. There will also be a consultation process before legislation is proposed. . The Government generally is taking the view that it is up to local authorities to take the initiative. Government agencies such as Yorkshire Forward are supplying what information they can and sub and city regions are beginning to consider how they might manage any new arrangements.

6. York and North Yorkshire has had a successful economic partnership since 2002, supporting joint working between the County, City and District Councils but also involving stakeholders from Higher and Further Education, Yorkshire Forward, Business Link, Jobcentreplus and the private and voluntary sectors. This work currently includes strategy, research, EU and RDA funding and support for culture, business support and skills partnership working. This sub region is one of the four functional sub regions that constituted the structure for regional working through the Joint Leaders Board.

7. The Government is withdrawing resources for regional working including support for Regional Spatial Strategies and the Joint Leaders Board. The regional thematic boards (e.g. housing, transport, work and skills) are not undertaking new work but just addressing any immediate operational requirements.

8. The resources for RDAs are already being reduced. It is unclear at this point what resources may be made available for any successor activity. It is assumed that LGNYY would agree the importance of channelling resources through sub regions.

Regional Working

9. The Leeds City Region leaders have approved a proposal for both a City Region LEP and a mechanism to retain those elements of the RDA's work that is best delivered at a regional level in the expectation that other functions would be delivered through a LEP.

10. The proposal for a mechanism to manage any regional arrangements was planned to be discussed at the LGYH AGM on 25 June. These papers were published before that meeting. Proposals placed before the LGYH AGM included the Leeds City Region proposals for some form of Regional Enterprise partnership that would be appointed by LEPs from the current four functional sub regions.

Local Enterprise Partnerships

11. Besides the Leeds City region proposals, the Sheffield City Region is moving forward towards a LEP. Hull and Humber ports have yet to determine what geography they might pursue. This paper proposes that the principle of establishing a York and North Yorkshire LEP is approved.

12. There will be a number of issues to work through, not least how it would be paid for, but it is expected that a York and North Yorkshire LEP would establish close relationships with the Leeds city region and build on the current joint working arrangements. It is important that work is complementary and the York and North Yorkshire LEP might specialise on matters of special interest to the sub region namely tourism, cultural and creative industries, food, agriculture and rural programmes. It would also need to ensure that the economic development needs of coastal and market towns/rural hinterlands were met. Crucial relationships would be developed with housing, transport and spatial planning including joint work on the York sub area. Linkages with the Tees valley and the East Riding area would be developed. A more detailed proposition would be brought back to the next meeting.

13. The Economy and Skills Board meeting in September could give an initial consideration of the proposals.

14. Because of the expectation that a LEP would require a strong representation of the private sector perhaps with an independent chair it would be separate from LGNYY. However LGNYY might determine its priorities through the emerging sub regional strategy.

LGNYY and sub regional structures

15. The process of establishing a LEP will also provide a focus for a review of sub regional activity and the aim would be to move all such matters not in the LEP to within the purview of LGNYY, presenting an opportunity to rationalise thematic boards, merge officer meetings and produce a leaner, less complicated and more efficient working structure. It is suggested that a proposal for change is brought to the next meeting.

16.Paragraph 5.12 of the LGNYY's constitution states that the "AGM shall... review the work of the thematic boards and determine any changes to their membership and or working arrangements." LGNYY needs to formally agree to defer this in the light of the above review.

Recommendations

- 17. It is recommended that**
- a. Conditional on funding arrangements the principle of establishing a York and North Yorkshire Local Enterprise Partnership be agreed and proposals be brought to the next meeting**
 - b. That a review of the working arrangements in the sub region outside of the LEP should be undertaken, reporting to the next meeting and that any review required in the LGNYY constitution will be met through this action.**

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