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West of England LEP Board Board Meeting

Friday, 29 September 2023, 10.30 am – 12 noon Meeting Not Open to the Public

AGENDA

	Subject	Presenting	Pages
1.	Welcome and apologies Apologies received prior to the meeting from Neil Douglas, and Metro Mayor Dan Norris.	Richard Bonner	
2.	Minutes of the meeting of 6 March 2023 To approve minutes from the previous meeting.	Richard Bonner	3 - 6
3.	Declaration of Interest All Board members have a responsibility to treat all proposals/projects equally and impartially and must therefore declare whether they or their organisation has either a direct or indirect interest in any of the projects to be considered by the Board.	Richard Bonner	
	Items for Discussion		
4.	Refreshing our regional strategy An overview of work to date and to discuss conclusions and priorities going forward.	Jess Lee/Rachel Pykett	7 - 10
5.	Bristol Temple Quarter regeneration programme To discuss work on the BTQ expansion and highlight the opportunities it will bring to the region.	Karen Mercer	11 - 16
6.	Future of the LEP To update members on the LEP integration into the Combined Authority following guidance received from Government.	Jess Lee	17 - 24
7.	Any Other Business	All	
	Items for information		
8.	Papers for October Committees Feedback to <u>LEPChair@westofengland-ca.gov.uk</u> in advance on the 6 October 2023.	of the meeting	

West of England LEP Board

Monday 6 March, 9:30am Meeting held "virtually" via Zoom

Present:

Richard Bonner, Atkins Global (Chair) Prof Sue Rigby, Bath Spa University (Vice Chair) Christopher Grier, Airbus Joanne Rumley, Foot Anstey David Brown, The Bristol Port Company Neil Douglas, Viper Innovations

Officers in Attendance:

Richard Ennis, West of England Combined Authority Stephen Bashford, West of England Combined Authority Rachel Pykett, West of England Combined Authority Stephen Gerrard, West of England Combined Authority

Also Present:

Cllr Winston Duguid, Chair of Scrutiny Committee Sarah James, West of England Combined Authority [item 4]

Apologies:

Katharine Finn, PwC Nigel Costley, TUC South West Margot Day, Arup Ruth Jefferson, Wessex Water Mayor Marvin Rees, Bristol City Council Cllr Toby Savage, South Gloucestershire Council Mayor Dan Norris, West of England Combined Authority

Dave Perry, South Gloucestershire Council Melissa Houston, West of England Combined Authority Andy Cornelius, South Gloucestershire Council Stephen Fitzgerald, West of England Combined Authority Jo Walker, North Somerset Council

Naomi Logan, West of England Combined Authority [item 5] Freyja Lockwood, West of England Combined Authority [item 6]

Cllr Steve Bridger, North Somerset Council Cllr Kevin Guy, Bath & North East Somerset Council Stephen Peacock, Bristol City Council Will Godfrey, Bath & North East Somerset

Minutes

1.	Welcome from Chair Richard Bonner welcomed members and apologies were noted
2.	Minutes of the meeting of 18 January 2023 A committee meeting was held in January to focus on 'Supported buses' where some difficult decisions were needed to be made. CA officers are finalising a summary on these outcomes, and this will be circulated in due course. The minutes of the meeting held on the 18 January 2023 were agreed as a correct record.
3.	 Declaration of Interest Board members were reminded that they had a responsibility to treat all proposals/projects equally and impartially and must therefore declare whether they or their organisation had either a direct or indirect interest in any of the projects to be considered by the Board. Richard Bonner informed members that he has now left Arcadis and joined Atkins Global, who have a professional framework with the Combined Authority. Richard has updated his Register of Interest form to reflect this. There were no declarations of interest in relation to today's agenda.

Items	for discussion
	West of England Cultural Plan Richard Bonner invited Sue Rigby, Chair of the Cultural Compact to introduce the item and provide a brief background on the work so far.
	There are over 30 Cultural Compacts in the country, but the West of England Cultural Compact is the only regional one and due to early grant success, is seen as a national lead.
	The West of England Cultural Compact has built strong networks. The main asset is the Cultural Plan which was launched in Bath around 18 months ago - Focusing on wellbeing, cultural and creative skills, placemaking and supporting creative freelancers, start-ups, and SMEs.
	Sarah James, Cultural & Creative Programme Lead shared slides on the Cultural Plan and delivery so far, including the Create Growth Programme. The West of England is 1 of 6 successful regions to be awarded £1.3m from DCMS to support local creative businesses to unlock economic growth. It will build on the success of the Creative Scale Up Pilot and aim to support high-growth creative businesses to scale and become investment ready through a target business support package.
4.	Members also learnt about a Citizen led decision making pilot - 3 sessions were held early this year with the cultural sector to begin to shape a process and methodology for a citizen led model which will enable communities to shape cultural policy and influence where regional resources are spent.
	A number of funding bids currently in development were also highlighted and today, Sarah hopes to receive a decision from the British Film Institute around becoming one of their National Skills Clusters which will help support routes to employment in the TV and film industry for underrepresented groups including young people.
	 Richard Bonner opened to the floor for feedback and the following comments were noted. Great to see how we have evolved from the strategy to tangible activities, programmes, and additional funding. The sector is still fragile following the pandemic and key priorities are around supporting creative freelancers, diversifying the workforce and a need for more strategic interventions and to address the lack of sustainable funding to enable planning. An events strategy for the region is being established which will have a cultural arm attached to help bring in high profile events and promote what is here. It was encouraged to connect with ICS with regards to the overlap of culture and wellbeing. In relation to placemaking the UAs are going out with their local plans to make decisions around where to put houses, employment land, protect land for nature, leisure facilities etc so the Cultural Plan needs to interact/align with this. The importance to acknowledge the value of smaller, hidden heritage attractions and the potential between heritage, culture when linked with regeneration.
	Skills Update Naomi Logan, Head of People & Skills introduced herself and provided members with an update on the progress so far - presentation circulated with minutes
	Naomi highlighted the complexity of the landscape and gave an overview of the national context, the needs of people and businesses, and the partners and stakeholders the CA work with.
5.	There is a need to simplify the skills ecosystem to help individuals and businesses navigate with ease, and this will be achieved under Skills Connect - the provision has been mapped and will be available online for businesses, organisations and individuals to interact with the skills landscape - a combined approach of support [both online and offline] until March 2025.
	As co-chairs of the Skills Advisory Panel [SAP] both Chris Grier and Joanne Rumley shared the following observations:

	 There is a multitude of programmes and activities happening across the region. The SAP meet quarterly and aim to provide a wide sectoral view but there is a need for representation from the Tourism/Hospitality sector Keen to understand trends for the future to help predict more and to be reactive to demand. Support is predominantly through a digital interface; we therefore need to do more for those harder to reach communities that may not have access. Seeing a lot of economic pressure in adult education providers - there is a need to ensure our providers are sustainable and robust to avoid disruption for those people on their learning journey. A discussion developed around whether measures were in place to look forward. We have the information and data to track trends but being tied to funding models [designed for a particular purpose] does not enable us to target as specifically as we would like. The following comments were also noted: A Post 16 report was published last year, providing a backdrop. The team continue to work closely with the four colleges and there will be a refreshed Employment & Skills Plan. Marvin Rees chairs the LGA's City Regions Board [Toby Savage is also on the Board] and is working on "Work Local" [looking at over 40 different funding pots for skills] and suggested MCAs and LGA join up to set out what the future workforce looks like. In addition to anticipating the landscape there is also a need to respond quickly to immediate challenges, for example the recent bus driver and HGV driver shortages.
6.	 West of England Digital Plan Richard introduced Freyja Lockwood, Digital Transformation Programme Manager who took members through a short presentation to set context to the Digital Plan - a high-level document that sets out a collective ambition, along with highlighting the challenges, priorities, and strategic objectives. The digital plan is place based to ensure our residents, businesses and wider organisations can operate effectively in this digital landscape which is essential to our economic recovery and long-term prosperity. Digital transformation impacts and enables almost everything we are trying to achieve, and therefore supports all strategies and plans [for example the Cultural Plan]. Next steps include further engagement with different stakeholders to obtain feedback and support, as well as working with a wider group of stakeholders to develop a joint delivery plan with a view to understanding who is best placed to deliver different elements of the plan. During an open discussion the "meet and exceed the national 85% gigabit connectivity by 2025 target" was challenged - is this ambitious enough? Freyja explained that there is a mixed picture and a digital divide across the region. Although South Gloucestershire and Bristol are close to meeting the gigabit target, other areas tell a different story and without interventions these areas won't meet the target and location will continue to be a barrier. The following comments were also noted: The need to improve and strengthen our regional productivity. Stephen Bashford flagged 'Tech for Growth' [working with techSPARK], as an important example of a programme for small businesses to increase their digital footprint. Prioritise connectivity - the link between travel and digital is key in ensuring our residents are well connected Meetings have been scheduled to engage with the ICB. The Digital Plan is looking to launch late spring, early summer. Action: A request fr
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	Mayor Marvin Rees suggested a running item be added to the LEP Board agenda. There is a need to talk about transport and housing as core aspects of economic development and therefore should be under discussion at LEP Board meetings.
Items	for information only
8.	Papers for March Committees Richard Bonner will be attending the Combined Authority Committee and Joint Committee on the 17 th March. Business members were asked to provide any feedback to Richard by Wednesday 15 March .



West of England Local Enterprise Partnership Board Board meeting – 29 September 2023

Refreshing our regional strategy

Purpose of the report

1. To provide the LEP Board with an update on progress in refreshing the regional strategy.

Recommendation

• It is recommended the LEP Board note progress to date and provide feedback on issues it would be helpful to emphasise in the next phase of developing a refreshed strategy.

Background

- 2. We are working to refresh our regional strategy, providing an up-to-date articulation of the ambition and priorities of the region over the medium to longer-term. This will replace the Local Industrial Strategy (LIS) as are core regional plan, recognising that since 2019 when the LIS was published, new regional priorities have emerged and there has been considerable regional and national change that we should reflect in our future plans.
- 3. A refreshed strategy will give us a clear vision around which we can frame regional delivery plans. We can also use a refreshed strategy to engage national and international investors and Government, highlighting our strengths, challenges and regional assets to help make the case for further investment in the region.
- 4. Over the Spring and Summer, we have refreshed our regional evidence base (which can be found here: <u>https://www.westofengland-ca.gov.uk/about-us/our-strategy/regional-strategy/</u>) and carried out a range of engagement with partners across the region. The remainder of this paper provides an overview of what we have heard from partners to date.

Ambition for the region

- 5. From our engagement to date, three broad ambitions have been highlighted as areas that should shape our future plans. Partners have highlighted outcomes we should focus on are:
 - Delivering a greener West of England. Placing our climate ambitions at the heart of all we do.
 - Making the West of England a more equal, fair and inclusive region, making sure the region is a place where people right across the region have opportunity.

• Supporting the region to be more prosperous. Making sure all residents have rising quality of life, improving incomes, living standards and that the region is growing in a more sustainable way.

Our region

- 6. Through engagement over the Summer, we have tested the evidence base, including with the LEP Business Board and with officers across each of the Unitary Authorities and a range of government and independent economic experts.
- 7. Our evidence base shows the West of England is a dynamic, creative region that provides a high quality of life to residents.
- 8. We have a strong, diverse economy; people have access to good jobs and we're continuing to attract new employers and industry to the region. It's a place people want to be, that creates opportunities, and that benefits from the diversity of our residents and businesses.
- 9. But there are challenges too. While we are making significant progress on our net zero ambitions, we need to go faster to decarbonise all areas of society, and we need to do more to protect and enhance our natural environment.
- 10. We need to widen opportunities for people from deprived parts of the region or disadvantaged groups. And we need the conditions in place for living standards across the region to rise, from investing in our transport system to strengthening business productivity.
- 11. Through the work to date, we have also looked at the differing needs of places across the region, whether that is our economic cores, the urban and suburban realm, or the villages and rural areas of the region. Our engagement has drawn out that while the building blocks of all places requires some degree of commonality (good access to public transport, high speed digital connections, good quality affordable homes, access to good jobs) the way we deliver in different places needs careful consideration, ensuring we meet the specific needs of our different places and communities.
- 12. Our engagement highlights that partners feel we are building on some strong foundations and there is good delivery we should look to amplify through our refreshed strategy such as the rapid escalation of work to tackle the climate and nature emergencies; increasing range of skills provision that is helping people develop skills that employers need both now and in the future; and the development of new transport links between the places people live and the employment locations across the region. Engagement also highlighted there is a clear ambition to support the region to go further still in each of these areas.

Priorities for the future

- 13. Out of the initial phase of work to refresh the regional strategy, a set of potential future priorities have started to emerge. Priorities that regional colleagues have highlighted are:
 - Creating a well-connected region with the transport and digital links that make us a world-class place.
 - Creating a greener West of England, placing our climate and nature ambitions at the heart of everything we do.
 - Creating the jobs and training our region and residents need both now and in the future.
 - Supporting sustainable communities that people are proud to call home.
 - Putting the West of England on the map for national and global success attracting new investment to the region.
- 14. Across each of these priorities, colleagues have highlighted specific areas of work that could be scaled up, challenges where we know new longer-term action is needed and new levers that we need to help us deliver.
- 15. Partners have also highlighted a range of ways we should evolve how we work together to deliver for people across the region. Areas colleagues have highlighted as potential routes to evolve include:
 - Building longer-term funding arrangements so we can plan, invest and deliver in a sustainable way ultimately speeding up delivery.
 - Maturing our approach to investment: simplifying access to funds and working funding harder.
 - Continuing to identify areas of further devolution could help us deliver on our ambitions.
 - Speeding up the process to spread good ideas across the region.
 - Exploring a wider range of issues where the region may want to work together.
 - Changing the way we engage with people across the region and beyond.

Questions for the LEP Board

16. To inform the next phase of work to refresh the regional strategy, it would be helpful to have views from the LEP on:



- Whether there are other outcomes or ambitions for the region that we should focus on.
- Whether there are additional areas of evidence it would be helpful to build into our evidence base.
- Whether the five emerging priorities we have heard from partners are in line with the views of the Board.
- Whether there are other ways we should consider how we evolve as a region to deliver for the communities and people of the West of England.
- Are there unique challenges and opportunities or assets within the West of England that we should seek to draw out as this work progresses?

Author: Rachel Pykett, Head of Policy

Agenda Item 5

West of England Local Enterprise Partnership Board Board meeting – 29 September 2023

Bristol Temple Quarter regeneration programme

Purpose of the report

- 1. To update on the scope of the Bristol Temple Quarter regeneration programme
- 2. To show how the Temple Quarter programme aligns with the emerging West of England Regional Strategy.

Recommendation

• For Board members to note progress on the BTQ regeneration programme and its alignment to wider regional ambitions.

Background

The Bristol Temple Quarter regeneration programme (BTQ) is one of the UK's largest citycentre regeneration programmes, aiming to transform 130 hectares of land around Bristol Temple Meads station while delivering 10,000 new homes, thousands of new jobs and opportunities for people right across the region. The impact of the scheme is anticipated to deliver an annual boost of at least £1.6bn to the regional economy.

In addition to the significant housing and economic benefits, the programme will deliver wider environmental and social benefits for the region, including: integrated flood defences; local employment and skills opportunities; new open spaces; and a network of green infrastructure that will increase biodiversity and enable low-carbon travel across the area. The ambition for BTQ is to deliver world class placemaking that is accessible, inclusive and delivers sustainable new development supporting the region's low carbon ambitions.

In June 2022, the programme successfully secured £94.7m in funding from the Brownfield and Investment Land Fund (BIL) from the Department of Levelling Up, Housing and Communities (DLUHC) administered by Homes England for Phase 1 infrastructure, including three new station entrances to Bristol Temple Meads station. The programme is a partnership between the West of England Combined Authority, Bristol City Council, Network Rail and Homes England. A Joint Delivery Team (JDT) has been established and it is leading on the delivery of BTQ on behalf of partners.

Within the BTQ area, the University of Bristol is delivering nearly £1bn of investment, including a new Enterprise Campus to bring innovation, education and new skills into the heart of the city-region.

When delivered, the scheme will have a significant impact across the region. The creation of new transport hubs and improved facilities at Bristol Temple Meads station will make this key transport hub an easier space to use and support our ambitions to increase the number of people using public transport to get around the region. The wider benefits to the region, including the creation of new jobs and new housing will see this area of the region change significantly. BTQ has the potential to serve as a catalyst for wider transformation across the region as new investment continues to land. The collaborative approach being taken to the delivery of BTQ also serves as a potential model for us to consider to unlock other regeneration opportunities across the wider region.

Figure 1 shows the area BTQ will cover.



Figure 1: Aerial image showing regeneration area outline and phasing.

Programme workstreams update

Work is progressing across a wide range of workstreams, as set out below.

Eastern Entrance – enabling works for the build of the new Eastern Entrance to Bristol Temple Meads station are due to begin at the end of September, following the signing of an Implementation Agreement between partners. The main works will commence shortly afterwards, with completion anticipated in Q1 2025. The entrance will open in September 2026 alongside the University of Bristol's new Enterprise Campus.

Southern Gateway and Northern Entrance – both projects have completed the RIBA Stage 2 design stage. RIBA Stage 3 is due to commence later this year, subject to approval.

Temple Island enabling works – bids have been received for the procurement of a contractor for the main package of enabling works to prepare the site for development, with the appointed contractor anticipated to be on site in early 2024. Works to restore the historic river walls are ongoing, and improvement works to the A4 access road are due to begin this month.

University of Bristol - The University of Bristol is making strong progress on the build of its main academic building on Cattle Market Road, with the piling completed and the work on schedule. The wider campus development area is also taking shape, with work on the nearby Research Hub ongoing. On Friday 8 September, the new Dental School on Avon Street was officially opened by constituency MP, Thangam Debbonaire. The £36m state-of-the-art school will provide 119 dental chairs, radiography services, instrument sterilisation facilities, clinical simulation teaching rooms, seminar and IT teaching rooms, and staff and student social spaces. Free dental treatment for the local community by undergraduate students, under the supervision of qualified clinical dentists will be available at the new site. This service will double the daily availability of emergency dental appointments in the local area.

Masterplanning and placemaking – the tender process to procure a masterplanning consultant for phase 1 and phase 2 has recently closed, with the announcement of the

appointed consultants expected in mid-October. The masterplanner will focus on phase 2 and connectivity in and around the phase 1 area, with the commission expected to last around 12 months. The appointment of a placemaking consultant is also anticipated in mid-October. This consultant will help to define what good placemaking looks like in the Temple Quarter and wider regional context. Both the masterplan and placemaking vision will be shaped by input from councillors, residents, interest groups, and other stakeholders starting later in 2023.

Social Value strategy – work to develop a Social Value strategy is underway. The development of the strategy will be shaped by community and stakeholder input, tied to a wider public engagement strategy sitting across the entire TQ programme.

Employment and Skills strategy – work to develop this strategy is underway, informed by business engagement work undertaken in late 2022, alongside other city-wide programmes, including the Local Plan Review and an Employment Land strategy for the Bristol area. The team is now using Building Bristol as a formal body to report progress and to obtain feedback and input regarding their Employment and Skills Strategy.

Communications and engagement - a comprehensive programme of public engagement has continued, managed by the Joint Delivery Team, with support from the council's Community Development team. In January-March 2023 the Temple Quarter Development Framework was consulted on across Bristol. The results of this consultation and a summary of the activity that took place can be found online: <u>Bristol Temple Quarter Development</u> <u>Framework Consultation | Ask Bristol Consultation and Engagement Hub</u>. The Joint Delivery Team intends to continue its open engagement approach throughout the life of the Temple Quarter project and extend engagement to the West of England region. This will include continued engagement with Bristol Ward Councillors and their counterparts in the WECA region. Cross-party briefings are being planned for councillors ahead more information will be shared in the coming weeks.

Creation of a Joint Delivery Company

The establishment of a Temple Quarter Joint Delivery Company (JDC) will formalise the long-standing collaborative working arrangements that are already in place under the Memorandum of Understanding between the council and its Temple Quarter delivery partners - Homes England, West of England Combined Authority and Network Rail (JDC Partners).

The JDC's remit will be to secure the comprehensive regeneration and delivery of BTQ. It will be responsible for developing and managing the overall programme as envisaged in the Collaboration Agreement and Grant Funding Agreement.

The JDC will work to an agreed Business Plan, that will be agreed by the council and each of the JDC Partners prior to the JDC being formally established.

Procurement of Development Partner

The JDC Partners have been working to prepare the proposition to the market to secure a Development Partner. To help inform that proposition and the procurement strategy premarket engagement has been undertaken.

To deliver on the vision and objectives for BTQ, it is currently intended to launch a procurement process in Spring 2024 to procure a master developer partner for Phase 1 and work with the JDC to subsequently bring forward Phase 2 subject to the necessary approvals.

Regional benefits

Temple Quarter is one of the largest city-centre regeneration programmes in Europe and will act as a catalyst for future investment into the West of England and beyond. It will be home to research and innovation with the University of Bristol's new Enterprise Campus acting as a global centre for innovation and investment.

Delivery of new homes and new jobs will bring inclusive economic growth to the region and new opportunities for West of England residents. The development will bring billions of annual GVA uplift to the region's economy once built out and will bring the skills and opportunities the region needs for the 21st century. The refurbishment and renewal of Bristol Temple Meads Station will help to make Temple Quarter a world-class gateway to the city-region.

Alignment with Regional Strategy

While the work to refresh our regional strategy is not yet complete, BTQ serves as a good example of how on the ground delivery is contributing to the achievement of the priorities that have emerged to date from the strategy refresh process.

Creating a well-connected region

A key catalyst for the regeneration of Temple Quarter is the enhancement of Bristol Temple Meads station, supported by the £94.7m secured in June 2022. This funding will support the delivery of three new station entrances to the north, south and east, and improvements to Station Approach, the historic main entrance to the station. These improvements, alongside Network Rail's own programme of refurbishment at Temple Meads, which includes renewal of the historic roof, a full station rewire, and other works, aim to boost capacity and improve passenger experience at the station, as well as futureproofing the station for mass transit.

Across the regeneration area, the programme partners ambition is to improve connectivity in, through and out of Temple Quarter. Currently, the area is underserved by walking, cycling and public transport infrastructure. A masterplanning exercise, due to begin in late 2023 and lasting approximately 12 months, will explore how connectivity could be improved to enable people from across the city-region to access the new homes, jobs and opportunities being delivered by the regeneration programme.

Creating a greener West of England

The Temple Quarter programme will have sustainability at its core, with the UN's Sustainable Development Goals (SDGs) as a key metric to measure the success of the project. Active travel will be improved with new infrastructure for walking and cycling, as well as new and improved public transport options, including the revitalised Bristol Temple Meads station.

Currently, only a fraction of the Temple Quarter area is green space. A key ambition is to improve the provision of greenspace and access to nature in the area, as well as exploring ways to enhance the waterways that bound much of Temple Quarter. Climate resilience will be baked in, including low-carbon district heating connections wherever possible. The Bristol Avon Flood Strategy (BAFS) is crucial to the successful regeneration of large parts of Temple Quarter, and the team is actively working with the BAFS team to find a solution that better protects the area from flooding while providing public amenities to future residents and businesses.

Creating the jobs and training our region needs now and in the future

Temple Quarter will create thousands of new jobs for the West of England, both during the construction phase and longer term as new businesses and investment come to the region. The University of Bristol's Enterprise Campus will be a catalyst for this investment, with new skills and educational opportunities created. Linking local residents to the opportunities created will be an important area of work for us to focus on.

Work to develop an employment and skills strategy is underway aligned to the existing regional employment and skills plan and informed by business engagement work undertaken to inform the BTQ programme. Business engagement will continue to be an important aspect of work as the scheme progresses, ensuring our employment and skills plan is meeting the requirements of employers across the zone.

Supporting sustainable communities that people are proud to call home

BTQ is being developed with an aim of supporting people to live sustainable lifestyles. Work is also underway to develop a Social Value strategy for the programme, ensuring BTQ delivers real value to the people that call Temple Quarter home, now and in the future. The development of the strategy will be shaped by community and stakeholder input.

To support the programme's ambitions to create a place where people want to live, work and spend time, a placemaking consultant is soon to appointed. The placemaking specialist will explore what good placemaking means for the West of England and for Temple Quarter and will set a clear vision for the kind of place Temple Quarter should become. As part of this commission, the team will be engaging locally and regionally with key stakeholders to harness their input.

Putting the West of England on the map for national and global success

Temple Quarter is a locally, regionally and nationally significant programme to transform 130 hectares of central Bristol that will help to attract significant investment into the region. Following the successful bid for infrastructure funding, we will continue to make the case to central government for further investment and support to deliver this once-in-a-generation opportunity.

With significant investment from in the new University of Bristol Enterprise Campus, Temple Quarter will link leading research and development with major businesses, and can become a national asset in levelling up the UK economy and helping to power the UK's economic recovery post Covid-19: creating jobs, opportunities and homes for the entire city-region.

Author: Karen Mercer, Temple Quarter Delivery Director

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West of England Local Enterprise Partnership Board Board meeting – 29 September 2023

Future of the LEP

Purpose of the report

1. To provide the LEP Board with an update on the Government policy position regarding the future of LEPs and to seek views from the LEP Board on approaches to ensuring a continued role for the voice of business in setting regional strategic direction.

Recommendation

• It is recommended the LEP Board consider the range of questions set out at paragraph 5 to inform ongoing work on the future of the LEP as it transitions into a new Business Advisory Board.

Background

- 2. At Budget 2023 Government announced their intention to stop direct capacity funding for LEPs, making the future landscape unclear. In August, Government confirmed that capacity funding will cease from April 2024. LEP functions will transfer to MCAs (or groups of LAs where MCAs do not exist). Capacity funding to support transfer and integration of functions into local democratic structures will be provided to MCAs (or groups of LAs where MCAs do not exist). A letter setting out the Government's policy position is included at annex 1.
- 3. Work is underway to consider options for how we respond to the Government's policy direction, ensuring a strong business voice remains part of our approach to setting the strategic direction of the region.
- 4. Mayors and Leaders will be considering this question as part of their discussions on the role and purpose of the Combined Authority. The views of LEP Board members will be valuable in informing what the future looks like.

The role of a Business Board

- 5. The purpose of the West of England LEP has been to secure the region's continuing, ambitious, and inclusive economic success; its attractiveness as a place to live and thrive and for businesses and communities to grow in a sustainable way delivering a robust economy and secure skill base.
- 6. The success of our region is reliant on strong partnership between a range of national, regional, and local organisations. The business voice is a vital component of that partnership. A powerful voice of business brings a strategic perspective to addressing the challenges faced by regional economies that complements the priorities identified by local political leaders.



- 7. Benefits to the region of having a strong voice of business in decision making include:
 - Supporting development of regional economic strategy with an understanding of how decisions around skills, business support, innovation, infrastructure will impact on the ground, and where the gaps and challenges are.
 - Bringing sector specific perspectives to support key areas of CA priority eg skills, culture, environment.
 - Strengthening the region's national and international profile by amplifying messages and highlighting investment opportunities to wider audiences.
 - Deepening the region's reach into Government to reinforce messages and promote the region's interests through the networks of Board members.
 - Responding quickly to pressing priorities, bringing capacity and different perspectives to challenging issues e.g. recovery plans, cost of living implications etc.
- 8. An ongoing business voice in regional strategic discussion is valuable in continuing to deliver on the attributes set out above. Government has also been clear they want to see an ongoing business engagement in regional decision making.
- 9. In order for any future Business Board to continue to provide a valuable contribution, it will be essential to attract high calibre, influential members of the business community. To ensure membership of the Business Board is attractive to these individuals and their employers, the board would need to have a clear role in influencing strategic direction and supporting regional decision making.

Approaches taken elsewhere

- 10. To support LEP Board discussions on potential future approaches to ensuring a continued role for the voice of business in setting regional strategic direction, officers have reviewed the approach being taken in other regions. Key points to note:
 - The role and remit of Business Boards is similar across the country. They have been established to (1) serve as the primary route to business advice to Mayors and MCA Committees; and (2) to act as ambassadors for the region, strengthening the case for investment in regional priorities.
 - In a number of areas, particularly where the LEP was already well integrated to the CA (such as Greater Manchester and West Yorkshire), LEPs are in the process of evolving into CA Business Boards.
 - Some areas have reviewed the approach to incorporating business voice into decision making as part of a wider review of governance. In South Yorkshire, this has resulted in proposals to establish a new Mayor's Economic Advisory Council and a Business Advisory Board – both of which will have distinct work programmes endorsed with the Mayor and CA Board.



- In some instances, CA Constitutions have been updated to specifically recognise the role of the Business Board and provide for the Chair of the Business Board to speak at CA Committee meetings.
- In a number of areas, a recruitment process is underway to establish new Business Boards.
- 11. Annex 2 provides a more detailed summary of approaches to establishing new Business Boards across MCA areas.

Questions to consider

- 12. Questions it would be helpful to have the view of LEP Board members on are:
 - a. What do members think the key role of a regional Business Board should be?
 - b. What range of sectors or types of business is it useful to have represented in a Business advisory board?
 - c. Are there specific areas of work that it is particularly useful for Business Board members to focus on, or should the future Business Board consider all issues the Combined Authority is working on?
 - d. Are there approaches to how the LEP Board has worked that members are keen to retain (and equally, are there pieces of work where we could learn lessons on what to avoid doing in future)?

Next Steps

13. Drawing on the conclusions of the LEP Board discussion and broader feedback from local partners, proposals for future Business Advisory Board Arrangements will be developed to be taken through relevant Committees in January.

Author: Rachel Pykett, Head of Policy

Annex 1: Government statement on future of LEPs

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Department for Levelling Up, Housing & Communities



Dehenna Davison MP Minister for Levelling Up 4th Floor, Fry Building 2 Marsham Street London SW1P 4DP

Kevin Hollinrake MP Minister for Enterprise, Small Markets and Business Old Admiralty Building London SW1A 2DY

To: LEP Chairs, Combined Authority Mayors, Local Authority Leaders, and the Mayor of London

4th August 2023

Dear all,

TRANSFER OF LOCAL ENTERPRISE PARTNERSHIP (LEP) CORE FUNCTIONS TO COMBINED AND LOCAL AUTHORITIES

At <u>Spring Budget 2023</u>, the Chancellor announced that the Government was 'minded to' withdraw central government support (core funding) for Local Enterprise Partnerships (LEPs) from April 2024 and transfer their functions – namely, business representation, strategic economic planning, and the delivery of government programmes where directed – to local authorities, where they are not already being delivered by combined authorities or the Greater London Authority.

We wrote to you on 17th March 2023 to launch an information gathering exercise on the practical implications of this proposal. We would like to thank you for your participation in this. A <u>summary of the findings</u> has been published today on gov.uk.

Following the conclusion of this exercise, we are now writing to you to confirm our 'minded to' decision. From April 2024, the Government's sponsorship and funding of LEPs will cease. The Government will now support local and combined authorities to take on the functions currently delivered by LEPs. Where not already delivered by a combined authority, or in areas where a devolution deal is not yet agreed, the Government expects these functions to be exercised by upper tier local authorities, working in collaboration with other upper tier local authorities over functional economic areas as appropriate. Alongside this decision, we have published technical guidance for LEPs and local authorities to support them through this policy change.

The information gathering exercise identified overlap between some of the functions being discharged by LEPs, local authorities and combined authorities, as well as confirming that there is already a high level of integration of LEP functions in Mayoral Combined Authority areas. The exercise also highlighted the different perceived levels of benefit and engagement between LEPs and local authorities. The Government's

view is that there is likely to be scope for greater join-up, efficiencies, and clarity for the private sector by these functions being discharged within Mayoral Combined Authorities, devolution deal areas and upper tier local authorities, working together as appropriate.

The Government will therefore provide some revenue funding to local and combined authorities in 2024/25 to support them in delivering the functions currently delivered by LEPs. We will provide further detail of this support in due course. Funding beyond 2024/25 is subject to future Spending Review decisions.

Reiterating the message we sent to LEPs in March, we would like to thank LEPs and their staff for their hard work in supporting and driving local economic growth across England since 2011. We remain enormously appreciative of all the work LEPs have done in advising and supporting businesses and local decision makers for more than a decade, including through EU Exit and the COVID-19 pandemic. We would again like to thank those LEPs that have played an important role over the last year in helping areas broker new devolution deals and prepare Investment Zone bids.

The Government remains committed to our goal that by 2030, every area in England that wants a devolution deal will have one. By empowering local democratically elected leaders to deliver these key local growth functions from April 2024, we are accelerating the integration process set out in the Levelling Up White Paper.

With every good wish,

Dehenna Davison MP

Minister for Levelling Up, Department for Levelling Up, Housing & Communities

Kevin Hollinrake MP Minister for Enterprise, Markets and Small Business, Department for Business & Trade

West of England LOCAL ENTERPRISE

Annex 2: Summary of LEP integration models in other MCA areas

	REGION	ROLE & REMIT	COMPOSITION	INPUT TO DECISION MAKING
Page 22	Liverpool City Region	 In April 2023, the Liverpool City Region CA approved plans to integrate the LEP into the CA through the establishment of a new Business and Enterprise Board. The purpose of the Business and Enterprise Board is to articulate business views about the main economic opportunities and challenges facing the city region so they can be reflected in policy priorities. To act as the primary link between the business community and the CA 	 A Chair and Deputy Chair were appointed in August and other appointments to the new Board are underway. 	 Chair as a non-voting member of the CA Inputting to the development of regional strategies Board representation will be ensured for key industry cluster chairs, Higher and Further Education, social economy, and the Liverpool Visitor Economy
-	West Yorkshire	 The West Yorkshire LEP integration plan sets out it will transition to be a non-statutory partnership body focused on driving inclusive growth and improving productivity. The Board will become the primary business advisory board to the Mayor and the MCA. 	 In June 2023, recruitment started for the primary Mayoral and Combined Authority Business Advisor (who will act as Chair of the evolved LEP Board) Anticipated that alongside business members, the Mayor and LA reps will be members of the Board. 	 Business members sit on the CA Board and thematic decision making 'portfolio' committees.

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South Yorkshire	 In South Yorkshire it has been agreed the MCA policy making process engaged with the private sector will change, with a shift to establishing two new private sector focused boards; a new Mayor's Economic Advisory Council and a Business Advisory Board (due to be in place from September). The Mayor's Economic Advisory Council (MEAC) will provide nationally credible expert, advice and support, acting as ambassadors and champions of South Yorkshire. Members will be appointed by the Mayor. The Business Advisory Board will provide regional business input into the work of the MCA. 	 Membership of the Business Advisory Board is expected to be broadly balanced between business representative groups, representation from the Regional Skills Advisory Board, and an open recruitment process that will actively and purposefully seek new business voices. 	 The MCA Constitution is being amended to enable Board Chairs to speak at the MCA Committee. The Chair(s) and the Mayor will meet on a six monthly basis to develop a joint work programme which will then be considered and endorsed by the MCA Board on an annual basis.
Greater Manchester	 In September 2022, the Greater Manchester CA approved plans to transition from a LEP to a GM Business Board. Contribute to shaping Greater Manchester thinking on short and long term issuesensure these are heard and considered at GMCA meetings. Oversee key Greater Manchester Strategy priorities. 	 Private sector led, with political membership alongside 	 GMCA Constitution amended to set out process for Business Board recruitment and to give the Chair to attend and speak at GMCA Committee meetings
West Midlands	 In January 2023, the West Midlands CA Board approved proposals for the continuation of a business voice on committees and boards of the WMCA. 		 Arrangements have been put in place for an ongoing business voice to be heard at CA Committees and boards.

Tees Valley	The Tees Valley LEP is rebranding as the Tees Valley Business Board. It will:	 Recruitment of Business Board members will 	The Board will: Meet quarterly
	 Influence strategy on behalf of the local business 	conclude on 22nd	Report quarterly to TVCA Cabinet
	community within the Combined Authority area.	September 2023,	
	Challenge and influence Combined Authority priorities	subject to Cabinet	
	and policy and programme development.	agreement.	
	 Influence and help determine Combined Authority 	Membership is	
	investment priorities.	aligned, where	
	 Develop a clear local plan for business growth, with a 	possible, to the	
	particular emphasis on SMEs, industrial clusters, inward	economic priorities	
	investment, and international trade.	outlined in the	
	 Collaborate with and support the Combined Authority 	Combined Authority	
	officers on programme and policy development.	strategic documents.	
	 Evaluate strategy implementation. 		
Cambridgeshire &	Cambridgeshire and Peterborough integrated its LEP into the combined authority and established a business board in April 2018.	combined authority and estal	blished a business board in April 2018.
Peterborough			

Page 24