

LEP Future Funding Questionnaire Questions

Below is the full list of questions provided for information; respondents should complete the online form at the following link: <https://forms.office.com/e/39Sgun7XvQ>

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Introduction Text

Background

On 15 March 2023, the Chancellor announced that Government is minded to end Local Enterprise Partnership (LEP) core funding. This forms part of our wider work on delivering devolution across England, and we will work with local areas to determine how the functions currently undertaken by LEPs are best delivered at a local level in future, where appropriate and where they are not already delivered by a Combined Authority.

Over the next four weeks officials at the Department for Levelling Up, Housing and Communities and the Department for Business and Trade will be carrying out an information gathering exercise to better understand the impacts that this proposal would have if taken forward, and before a decision is confirmed.

Aim

The aim of this exercise is to fully understand the implications of an end to Government core funding if this were to happen. Core funding is typically used to pay for staff salaries, buildings, marketing, communications, and consultancy.

We have a particular interest in how activities currently carried out by LEPs might change, cease, or be transferred – depending on local plans – in the event of defunding, as well as the potential impact on:

- Economic growth in local areas.
- Decision-making in local authorities, particularly the input of business organisations.
- LEP staff and customers, including those with protected characteristics.
- Legacy projects (i.e. projects that have been funded in previous years through Government or private sector programmes).
- Ongoing separately-funded functions such as Growth Hubs and Careers Hubs.

And an interest in whether the impact would differ between areas with devolution deals and

those without, and whether LEPs would continue or cease operations without this funding.

Structure

This questionnaire is split into six sections. The sections marked with an asterisk are mandatory. Respondents should only complete relevant sections.

- Section 1: Core Information.*
- Section 2: Nature of your relationship with Local Enterprise Partnerships.*
- Section 3: Questions for Local Enterprise Partnerships.
- Section 4: Questions for Mayoral Combined Authorities (MCAs), the Greater London Authority, and areas that have agreed devolution deals.
- Section 5: Questions for Local Authorities.
- Section 6: Public Sector Equality Duty Assessment.*

Data Security

Except where questions are mandatory, you are not required to respond to all of the questions in the section relevant to you, but the information you provide will be used to inform the final decision. Please highlight if any information shared is commercially sensitive. It will not be shared outside of HM Government.

Please direct any questions to lepinformation2023@levellingup.gov.uk.

Section 1: Core Information [mandatory]

1. What is your name?
2. Please provide your email address.
3. What is the name of your organisation?
4. What type of organisation is it?
 - a. LEP
 - b. LA
 - c. MCA, the GLA, future devolved area
 - d. Other
5. Which area(s) of England does your organisation operate in? Please tick all that apply.
 - a. North East
 - b. North West
 - c. Yorkshire & Humber
 - d. Ox-Cam and East Anglia
 - e. West Midlands
 - f. Greater London
 - g. South East
 - h. South West

Section 2: Nature of interaction with Local Enterprise Partnerships [mandatory]

If you represent a LEP, please enter n/a and move to Section 3, where this information is captured in more detail.

6. How do you currently work with your local LEP? What are the key activities for your organisation that the LEP currently delivers? Please give details.
7. Without core funding, it is possible that LEPs will reduce or cease their operations. What impact would that have on the following:
 - a) Your own operations
 - b) Your stakeholders
 - c) Your customers
 - d) Your future plans
 - e) Any programmes or activities carried out in partnership or via the LEP.
8. What (if any) impact would you envisage transferring responsibility of LEP functions to local authorities, where they are not already being delivered by a Combined Authority, having?

Section 3: Questions for Local Enterprise Partnerships (LEPs)

Please only respond to this section if you represent a Local Enterprise Partnership.

We recognise that for some LEPs in prospective devolution deal areas, some of your answers may depend on what happens with devolution in your area. Where this is the case, please flag any uncertainties in your answers if appropriate.

9. If you do not continue to receive core funding, would you be likely to:
 - a. continue operating
 - b. transfer functions where appropriate and cease operations?
10. If you would be likely to continue operations, what functions would you cease to deliver in the absence of core funding?
11. If you would be likely to cease operations, please specify any significant liabilities such as ongoing MoUs and contracts with government, local authorities, or private businesses, including any subsidiaries owned by the LEP.

Please also specify any plans for joint ventures and special purpose vehicles with local and national partners, and any plans for handling public money (e.g. retained business rates).

12. How many people (FTE) do you have working for you and what functions do they deliver?
 - a) Directly employed
 - b) Under contract to provide services (contractors)
 - c) Temporary staff
 - d) Secondees
13. How many staff (FTE) are funded solely or partially by core funding?

14. If core funding were to end in April 2024, would you expect to have to make any staff redundant? How many (FTE)? What are your estimated redundancy costs?
15. If required, how would you propose to handle resourcing questions such as return of secondees to parent bodies, TUPE of staff, etc.?
16. What proportion of your overall income in 2022-23 is core funding?
17. What private sector income in 2022-23 do you receive, e.g. funding for Careers Hubs, match funding from local partners?
18. Which local authority acts as your accountable body?
19. Do you have financial reserves? How much? What would be the actual and planned use of these?
20. What contractual agreements (commercial, employment, etc.) do you have beyond April 2024 and what costs are associated with these? What is the duration of these contractual agreements?
21. Do you have any Local Growth Fund (LGF), Getting Building Fund (GBF), or Growing Places Fund (GPF) money remaining to spend? If so, how much do you expect to have unspent by fund (£m) by April 2024? If you plan to cease operations should core funding end in 24/25, how do you propose to deal with any unspent funding?
22. Has the LEP been a Grant Recipient for European Regional Development Fund (ERDF)? If so, what arrangements will be made to retain the project audit trail in an accessible format until December 2033 in line with the contractual agreement?
23. What implications would there be if hosting arrangements for Careers Hubs sat outside of LEPs? e.g. Local Authorities.
24. Do you currently oversee the operations of an Enterprise Zone? *The following four questions relate to the operations of Enterprise Zones. If you do not currently oversee the operations of an Enterprise Zone, please skip ahead to question 29.*
25. If yes, what local arrangements (i.e. MoUs/contracts) are in place to determine how the growth in retained business rates generated by an Enterprise Zone site are distributed?
26. Are there any other MoUs or contracts pertaining to the management of the Enterprise Zone that we should be aware of (including where borrowing has taken place against the future receipt of retained rates)?
27. What are your receipts/income from property/land, including 'evergreen' investments?
28. Do you have any liabilities that are being funded using Enterprise Zone income to borrow money, for example, to fund infrastructure development over several years? If so, can you please provide details?

29. What major assets do you own or have a financial or contractual interest in (e.g. land, buildings, data and knowledge assets, etc.)?
30. What local agreements are in place to determine how assets are managed and appropriately transferred or disposed of?
31. Are there any other impacts in the event of LEPs no longer receiving core funding, or the transfer of LEP functions, that you would like to make us aware of?

Section 4: Questions for MCAs, the GLA, and Areas with new deals

Please only complete this section if you represent a Mayoral Combined Authority, the Greater London Authority, or an area that has agreed a devolution deal.

32. Were the cessation of Local Enterprise Partnership (LEP) core funding from 2024/25 to apply to MCAs, the GLA and Devolution Deal areas how would this affect your plans for integration?
33. How would the cessation of LEP core funding affect your subsequent delivery of remaining functions (e.g. Careers Hubs, Growth Hubs)?
34. How would it affect your provision of a business voice to influence key economic decisions?
35. Do you currently oversee the operations of an Enterprise Zone? *The following two questions relate to the operations of Enterprise Zones. If you do not currently oversee the operations of an Enterprise Zone, please skip ahead to question 38.*
36. If yes, what local arrangements (i.e. MoUs/contracts) are in place to determine how the growth in retained business rates, generated by an Enterprise Zone site, are distributed?
37. Are there any other MoUs or contracts pertaining to the management of the Enterprise Zone that we should be aware of? (including where borrowing has taken place against the future receipt of retained rates).
38. What local agreements are in place to determine how any LEP-owned assets are managed and appropriately disposed of?
39. What have been your key lessons learned from the integration process to date, which would be helpful for others to consider if transferring functions?

Section 5: Questions for Local Authorities (LAs)

Please only respond to this section if you represent a Local Authority.

40. Are you an accountable body for a Local Enterprise Partnership (LEP)? If so, which?
41. How would you plan to incorporate the voice of private sector leaders in support and growth of local economies and highlighting economic opportunities? Would you be minded to continue a relationship with the LEP (if they continued) or put in place a new arrangement?
42. Would your authority be able to take on the remaining LEP functions (Careers Hub, separately funded Growth Hub, ongoing monitoring of the Local Growth Fund, Getting Building Fund, ERDF etc)? If your whole county geography or functional economic area covers more than one upper tier local authority, would you be able to do it on behalf of other local authorities? What governance would you need e.g. joint committee?
43. Were your LEP seeking to continue as a separate organisation what would be the implications of this for your area?
44. Were your local LEP to cease operations, what successor arrangements would you need to consider putting in place in supporting HMG activity in driving co-investment in site development, business growth, and innovation, as well as providing a local focus in responding to economic shocks?
45. How would you ensure that co-operation is maintained in adjoining and economically linked local authority areas?
46. Do you agree that, where a devolution deal is not agreed or in negotiation, the Growth and Careers Hub geographies should be based on a sensible geography as defined by the Levelling Up White Paper i.e. over a sensible functional economic area and/or a whole county geography, even if this involves more than one upper tier local authority working together?
47. Do you currently oversee the operations of an Enterprise Zone? *The following two questions relate to the operations of Enterprise Zones. If you do not currently oversee the operations of an Enterprise Zone, please skip ahead to question 50.*
48. If yes, what local arrangements (i.e. MoUs/ contracts) are in place to determine how the growth in retained business rates, generated by an Enterprise site, are distributed?
49. Are there any other MoUs or contracts pertaining to the management of the Enterprise Zone that we should be aware of (including where borrowing has taken place against the future receipt of retained rates)? How would you propose to handle retained rates in the event of the LEP ceasing operations?
50. In the event of a LEP ceasing its operations, what are your plans for any LA staff who are currently based in the LEP or any of its subsidiaries?

51. In the event of a LEP ceasing its operations, will this have any impact on plans for any joint ventures with the LEP?
52. Should your local LEP choose to continue as a separate organisation, would you have any plans to fund it?
53. Are there any other impacts in the event of LEPs no longer receiving core funding that you would like to make us aware of?

Section 6: Public Sector Equality Duty Assessment [mandatory]

The following questions have been drafted to review how this potential policy decision meets the Government's legal duty under the Equalities Act 2010 to:

1. Eliminate unlawful discrimination, harassment, victimisation, and any other conduct prohibited by the Act.
2. Advance equality of opportunity between people who share a particular protected characteristic and people who do not share it.
3. Foster good relations between people who share a particular protected characteristic and people who do not share it.

The Duty covers the protected characteristics of **age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.**

54. If LEP core funding were to end in 2024/25, what impact might this have on the three elements of the public sector equality duty (numbered points above)?
55. If LEP core funding were to end in 2024/25, how could the impacts on the three elements of the public sector equality duty (numbered points above) be mitigated for those with protected characteristics?
56. Are there any programmes or initiatives that you think are noteworthy in terms of servicing users (both beneficiaries of programmes and activities and LEP employees) with protected characteristics (in **bold** above)? How would these be impacted by the end of core funding?