Worcestershire LEP Forward Plan
And
Annual Report to OSPB

LEP Board

26 September 2025

Today's Discussion…

Worcestershire Local Enterprise Partnership

To seek a shared understanding around the following:

- Funding position for LEP activities from 2026/27
- Feedback on WLEP Annual Report to Overview and Scrutiny Performance Board (OSPB) meeting, which took place on 24 September

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Funding update

LEP Board (August 2025) recap…

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Key Questions from WLEP Board

- What support is Worcestershire County Council committing to WLEP?
- What is the successor to UKSPF from March 2026?

Current Status

- Complex funding mix
- Multiple income streams – short-term annual funding cycle
- Delayed notifications from Government
- Reduced flexibility / localism for local economic priorities – ring-fenced funding lines
- Increasingly exploring opportunities for integration / collaboration across WCC and DC economic development functions
- Consistent rhetoric from various HMG depts – MCA's will be front of queue re: programmes / £££
- Continued political support from Accountable Body for economic development agenda – recognition of links between business support, skills, infrastructure to support local businesses and economic growth

Impact of no revenue funding in 26/27+…

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- **For context: Worcestershire-wide UKSPF funding headlines in 2025/26**
  - £5.8m total allocated across 6 x District Councils – circa 50% reduction nationally on 24/25 amount
    - Business Support & Growth spend - £1.7m (30%)
    - People & Skills spend - £1.3m (24%)
    - Community & Places spend – £2.8m (46%)

WGH Case Study

- UKSPF accounts for 51% of funding for service
- Loss of funding significantly impacts capacity
- Leads to job losses and reduced engagement
- Reduced IAG for Worcestershire businesses
- Reduced local business support for businesses
- Strategic business intel reduced – undermine Worcs ability to engage with Industrial Strategy
- Slower productivity growth / export potential unrealised

BetaDen Case Study

- Loss of funding significantly risks closure
- Jeopardise key element of emerging innovation ecosystem
- Loss of momentum would be difficult to recover
- Reputational impact – currently engaged with British Business Bank to establish Angel Investment network
- Industry-leading insights and award-winning programme lost to the county
- Stalled innovation across business base

Key milestones to funding clarity…

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10 September: WCC CMR Finance briefing to discuss WLEP finances, principle of use of WLEP reserves and level of WCC support

16 September: Business Board Network (BBN) session with DBT officials re: concerns flagged on UKSPF cliff-edge

19 September: Meeting with Baroness Smith @University of Worcester

24 September: WLEP Annual Report to OSPB – attended by WCC and DC elected members
24 September: BBN session with DBT officials on Industrial Strategy

26 September: WLEP Board meeting

10 October : DWP Policy Social Security Committee visit

17 November: BBN session with LEP/Business Board Chairs in London – engaging with new Ministers

26 November 2025: HMG Autumn Budget

Jan/Feb 2026: WCC budget setting meeting in Council

Questions we are working on…

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- What support is WCC committing to WLEP?
- What is the successor to UKSPF from March 2026?
- What other funding sources are available to go after e.g. UKRI, Industrial Strategy etc?
- What is impact of no alternative funding and timescales associated?

What are we doing:

- Lobbying Government Departments via BBN
- Lobbying local MPs (letter circulated for information)
- Supporting WCC CMR to champion/advocate WLEP within Accountable Body
- Monitoring/responding to central government funding opportunities that align with our strategy
- Exercise underway to model funding scenarios to March 2028 – progressive certainty
- 'Use of WLEP reserves' principle re: budget setting for 26/27 –27/28

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WLEP Annual Report to OSPB

Context…

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- Overview and Scrutiny Performance Board (OSPB) report approved by WLEP Chair and WCC CMR
- Report published into public domain on 16 September with meeting taking place on 24 September
- Attendees included WCC Elected Members and Borough, City and District Council Elected Members
- Purpose of report is to provide annual look back/ahead 12 months

OSPB Report Recommendations

a) Review and note the progress made by WLEP, against the Plan for Growth (2020-2040);
b) Review and note successful programme closure of Worcestershire's Local Growth Deal delivered by WLEP and communicated to Accountable Body by central government in September 2025;
c) Note the key delivery priorities for WLEP in 2025/26;
d) Notes the risk around lack of clarity of future revenue funding from 2026/27; and
e) Recommend that WLEP activity transfers into the Economy Overview & Scrutiny Panel's work programme from 2026/27, now that LEP responsibilities have formally transferred into WCC.

WLEP Board meeting:

- WLEP Chair and Exec Team to report to WLEP Board on feedback received at OSPB session

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Worcestershire 2040 Vision:

"A **connected, creative, dynamic economy** for all."

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