

NORTH LINCOLNSHIRE COUNCIL

CABINET

HUMBER LEADERSHIP BOARD AND LOCAL ENTERPRISE PARTNERSHIP

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To inform Cabinet of the outcome of the Government's 'strengthened local enterprise partnerships' review for North Lincolnshire following confirmation received from the Minister for Regional Growth and Local Government.
- 1.2 With effect from 1 April 2021, the overlapping boundary of the Humber and Greater Lincolnshire LEPs will be removed. A new Humber LEP Boundary will come into effect covering East Riding and Hull. North Lincolnshire will continue to be members of the Greater Lincolnshire LEP.
- 1.3 The Humber Leadership Board (an established joint committee of the four Humber local authorities) will continue and be enhanced as the vehicle for pan-Humber collaboration.

2. BACKGROUND INFORMATION

- 2.1 In July 2018 the Government published its approach to "strengthened local enterprise partnerships". The Government set out a number of expectations covering governance, accountability and geography, including a clear signal that overlapping LEP geographies would be extinguished.
- 2.2 The Greater Lincolnshire and Humber LEP geographical overlap includes North Lincolnshire.
- 2.3 LEPs are a key conduit of Government funding to support local growth, infrastructure and regeneration projects. They are the bodies that bring local government, the private sector and the higher education and skills sector together to focus on the strategic economic growth of their area.

- 2.4 It is considered that North Lincolnshire's longer term economic prosperity (and post Covid-19 recovery) is best served by retaining membership of the Greater Lincolnshire LEP. It is also recognised that collaboration on pan Humber estuary issues remains highly important and the expectation of Government is that the unitary local authorities in the Humber sub-region maintain governance and collaboration arrangements that give confidence to business and other stakeholders that joint working and co-operation will take place where it is necessary to secure specific local growth outcomes.
- 2.5 To ensure a smooth transition to a distinct two LEP model and maintain the ability for pan-Humber collaboration it is proposed that the existing Humber Leaders Board has an enhanced remit covering identified areas of cooperation.
- 2.6 The LEP overlap will remain in place at least until a transition agreement between the Greater Lincolnshire and Humber LEPs is finalised. This work is underway. Cabinet will be aware that neighbouring North East Lincolnshire Council have also signalled a clear position in support of Greater Lincolnshire LEP membership. It is to be noted that Ministers have acknowledged that preferred LEP membership is a matter for the Council to determine.
- 2.7 In the meantime Officers will continue to actively engage in supporting the finalisation of the Greater Lincolnshire Local Industrial Strategy, to ensure that the local economic recovery and longer term prosperity is reflected in the priorities that emerge.

3. OPTIONS FOR CONSIDERATION

- 3.1 To note the changes to the existing LEP boundaries and support the continued membership of the Greater Lincolnshire LEP.
- 3.2 To support the development and completion of a transition agreement giving effect to the removal of the overlapping boundaries, with effect from 31 March 2021.
- 3.3 To support the continuation and further development of the Humber Leaders Board as the governance and collaboration vehicle between the Council and the remaining three unitary authorities in the Humber sub-region

4. ANALYSIS OF OPTIONS

- 4.1 Option One: To remain in two overlapping LEPs is not an option allowed.
- 4.2 Option Two: The removal of the overlapping boundary means that the North Bank Authorities are to establish and re-constitute a new Hull and

East Riding LEP. Work is underway to enable a smooth transition where project funding through the Humber LEP which currently supports projects within North and North East Lincolnshire can where appropriate be novated into the existing Greater Lincolnshire LEP.

4.3 The Greater Lincolnshire LEP are finalising the Greater Lincolnshire Local Industrial Strategy, to ensure that the local economic recovery and longer term prosperity is reflected in the priorities that emerge and which will form part of any future development of devolution asks once the Devolution White Paper is published.

4.4 Option Three: It is acknowledged that there exists key areas of economic and environmental activity that still lends itself to a cross Humber approach. To ensure that such activity still flourishes it is proposed that the Humber Leadership Board be enhanced to take on the specific role of furthering this activity on a pan Humber basis in the following areas:

- Clean Growth - decarbonisation/clean energy - including the chemicals sector and further developing local supply chains;
- Ports - including development land, recognising that the Humber ports are viewed as a single entity, including a potential Freeport;
- Shared management of estuary assets - environmental & flood mitigation related work, acknowledging that what happens on one side of the estuary affects the other, including the work on Humber 2100 flood risk strategy; and
- Co-ordinating joint marketing of the Humber for inward investment in relevant sectors - particularly in energy/clean growth and around the Humber ports.

5. **FINANCIAL AND OTHER RESOURCE IMPLICATIONS (e.g. LEGAL, HR, PROPERTY, IT, COMMUNICATIONS etc.)**

5.1 Annual subscription to Humber LEP is £50,000. There is no annual subscription to the Greater Lincolnshire LEP.

5.2 Both LEPs have provided capital and revenue funding towards economic development projects and business support through the Growth Hubs to North Lincolnshire businesses. Historic flows of finance are not necessarily going to be reflected in the future as major funding streams begin to adapt to a post Brexit and post Covid world. A good example of this is the Government's recent "Getting Building Fund" which allocated just over £25m to the GLEP of which over £4.5m was awarded to a North Lincolnshire infrastructure project.

5.3 Both LEPs are currently finalising their respective Local Industrial Strategies which will form the basis of new funding arrangements with Central Government and potential further devolution of powers and funding.

6. **OTHER RELEVANT IMPLICATIONS (e.g. CRIME AND DISORDER, EQUALITIES, COUNCIL PLAN, ENVIRONMENTAL, RISK etc.)**

6.1 To be part of a Local Enterprise Partnership and the objectives contained currently within their planning processes align with the Growing the Local Economy priority within the Council Plan.

6.2 There are no equalities issues within this report.

6.3 There are no environmental impact issues contained within this report.

7. **OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)**

7.1 Not Applicable

8. **OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED**

8.1 Informal consultation has taken place through both Cabinet Members and Officers with local businesses, Central Government and complementary agencies and organisations

9. **RECOMMENDATIONS**

9.1 Cabinet supports the Council remaining a full member of the Greater Lincolnshire Local Enterprise Partnership (LEP) and ceasing to be a member of the Humber Local Enterprise Partnership.

9.2 Cabinet supports the development and completion of a transition agreement giving effect to the removal of the overlapping boundaries, with effect from 31 March 2021.

9.3 Cabinet supports the continuation and further development of the Humber Leaders Board as the governance and collaboration vehicle between the Council and the remaining three unitary authorities in the Humber sub-region.

DEPUTY CHIEF EXECUTIVE AND EXECUTIVE DIRECTOR: COMMERCIAL

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Background Papers used in the preparation of this report – None