



# Local Enterprise Partnerships

## *FSB one page briefing – How LEPs Should Look*

### Function

The LEPs' role should be exclusively to promote economic development. They must be given the powers and resources to enhance the economic performance of their area.

- The key focus should be on the strategic role of enterprise, employment and economic growth together with infrastructure and transport.
- The government is proposing to move responsibility for some functions including inward investment, business support and access to finance to national level. If this is to happen then it is vital that proper mechanisms are put in place to ensure that LEP's and local business have a strong voice in influencing the implementation of those strategies in their area and ensuring they take account of local need.
- Institutions handling functions such as inward investment must retain a strong presence across all parts of the country.

### Form

In order for LEPs to be effective it is important that:

- All LEPs should have an equal split between the local authority and business, including micro-businesses and the self employed, as a way of ensuring all voices are heard.
- The nature of the LEP business membership should closely reflect the economic make up of the area it covers. Therefore a mostly rural LEP should not have the same composition as a large city-region focussed LEP. Small businesses are a vital part of every local economy in England and should be represented consistently across the country.
- Ensuring representation which reflects the particular key business sectors and sizes in the LEP area should be made a government requirement.
- LEP's should not be hamstrung by the need to overly conform to a particular structure or size, instead being reflective of the needs of the area.

The FSB supports LEPs of different size and geographic coverage if it is appropriate to the local economic area. As the UK's largest business group, representing small, micro and self employed businesses, it is vital that the FSB is a key partner on all LEPs in whatever form they take.

### Funding

LEPs need to have some form of limited but independent funding to provide a basic secretariat and administrative function and to access advice and resources to assist with identifying the correct priorities and developing strong proposals and bids.

## Key Developments

- The Government has announced that Regional Development Agencies (RDAs) are to be abolished and replaced with Local Enterprise Partnerships (LEPs)
- Councils and local business leaders have been asked to submit proposals for establishing LEPs by 6 September.
- The FSB has been engaging at national, area and regional level to ensure that the small and micro business voice is involved in LEPs.
- The FSB is set to be a key business partner in the LEPs
- Communities and Local Government Secretary, Eric Pickles has now clearly stated that the FSB has:

*"...a central role to play, working hand in hand with local leaders, to develop and deliver new local enterprise partnerships"*

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