

BRIEFING NOTE FOR ALL COUNCILLORS ENTERPRISE M3 LOCAL ENTERPRISE PARTNERSHIP

Current EM3 LEP

The EM3 LEP brings together businesses, public sector, and education to boost economic growth and raise productivity. They lead the development of strategic economic plans and local industrial strategies.

The role of LEPs increased significantly in 2015 when they were given a £12 billion local growth deal funding over six years (Enterprise M3 received £219m)

The LEP covers most of Hampshire and the Western half of Surrey.

In 2023/24 the LEP received £250k revenue funding (half that of the previous year).

The government have committed to funding for 2024/25 but not beyond.

The LEP:

- Grows the regions key sectors – space and satellites, creative industries (e.g. Shepperton Studios), Life Sciences, Jet Zero (e.g. Heathrow), Animal Health
- Receives funds from Government and local partners to support projects
- Has secured £250m government funding over the last decade.
- Delivers a Growth Hub for Dept for Business and Trade
- Delivers a Careers Hub for Dept of Education
- Delivers international trade and investment activity on behalf of the Department for International Trade
- Delivers Local Digital Skills Partnerships, on behalf of the Department for Digital, Culture, Media and Sport
- Delivers local skills analysis via Skills Advisory Panels, for Department for Education

Changes from 1 April 2024

The Government will cease providing funding to LEPs and their functions will transfer to Upper Tier Local Authorities. The functions of Surrey D&B's who sit within the EM3 LEP will transfer to Surrey (and Hampshire D&B's will go to Hampshire).

What Surrey have said

1. Welcome. It ties in with “Growing a sustainable economy” strategic priority.
2. Well established governance already in place - One Surrey Growth Board, Surrey Business Leadership Forum and Surrey Skills Forum. The ‘voice of business’ and its representation will be enhanced with changes to the governance of the Board and Forums.
3. Have invested in and developed the Economy & Growth team
4. Working to ensure ‘Surrey’ projects come back to Surrey.
5. They need a comprehensive assessment of the financial picture - liabilities, resources (staffing) and assets (projects with on-going funding and recycled loans)
6. Discussed with stakeholders – Growth Board, Business Leaders Forum, Surrey CEX's
7. Report went to Cabinet 31 October, with a further report in January.
8. LEP ‘draft functions integration template’ went to government on 30 November (still high level). Covers intended geography and how Surrey intend to “embed a strong, independent, and diverse local business voice”.

What does this mean for Spelthorne?

1. Historically, we have secured relatively little funding from the LEP (for Brooklands College building and infrastructure improvements package between Staines and Heathrow).

2. The main focus of the LEP has been on growing 5 key sectors which, in large part, do not have a presence in the borough.
3. Need to ensure that we, or our businesses, secure a seat at the One Surrey growth Board and/or Surrey Business Leadership Forum and/or Surrey Skills Forum.
4. Opportunity to work with the Surrey ED team and persuade them to look at the need to sustain small scale local business growth as this is the engine room of a lot of Surrey boroughs. It is not all about 'shiny' inward investment opportunities.
5. It is not clear at this stage whether Surrey will 'recycle' all the LEP loan monies into new schemes.
6. We need to consider what schemes there might be which can feed into future project requests.
7. It is not clear how this fits in with the level 2 County Deal discussions which Surrey have been asked to engage with government one.