

## Frequently Asked Questions

### What are Local Enterprise Partnerships?

Local Enterprise Partnerships (LEPs) were created following the Government's 2010 Local Growth White Paper. They are partnerships between local authorities and businesses. There are 39 LEPs across England and they decide on the priorities for investment in roads, buildings and facilities in the area.

The Heart of the South West Local Enterprise Partnership covers the areas of Devon, Somerset, Plymouth and Torbay. The LEP Board is drawn from representatives of the private sector, local authorities, higher education and further education but has a majority of private sector members.

### What are Strategic Economic Plans?

Strategic Economic Plans set out how each LEP will create economic growth in its area. The document sets out the vision for achieving jobs, growth and prosperity.

They bring together all the area's resources – from both the public and private sector – so that each LEP has one, overarching plan for the development of its local economy.

Specifically, they outline each LEP's local priorities for investment - such as skills, priority growth sectors, business support and infrastructure - to maximise prosperity over the medium to long term. Whilst there is no set format for Strategic Economic Plans, ours covers the period from 2014 to 2030, with key milestones at 2020, so that we can address our immediate priorities as well as long-term growth.

Strategic Economic Plans are currently being developed by all 39 LEPs for submission to Government in March 2014.

### What is the Government's role in the development of these plans?

Over the last few years, the Government has set a clear path for greater devolution of decision making to a local level, recognising that LEPs have a critical role in providing strategic economic leadership in their areas. However, Government expects LEPs to take into account national policy on economic growth, including that on housing, transport, skills, industrial strategy, flooding and rural economies.

Through Strategic Economic Plans, the Government also expects LEPs to make their case for a share of the Government's Local Growth Fund, which can be used to invest in local priorities; thereby striking a 'Growth Deal with Government'.

## **What is a Growth Deal?**

Through Growth Deals, LEPs seek freedoms, flexibilities and influence over resources from Government, including a share of the Local Growth Fund, which can be used to support transport, housing, skills and further education capital projects. In return, LEPs must demonstrate credible and compelling leadership and outline what they can offer in the form of economic growth.

## **How much money is in the Local Growth Fund?**

The Government is guaranteeing at least £2 billion a year nationally over the next Parliament. This money is ring-fenced and can only be used on certain types of projects, including housing, skills, transport and further education capital expenditure.

Alongside the Local Growth Fund, each LEP is responsible for drawing up investment plans for their share of over £5 billion of European Structural and Investment Funds for England for the period 2014-2020.

## **How much money is the Heart of the South West going to get from the Local Growth Fund?**

The sharing of the Local Growth Fund is a competitive bid process and the amount allocated to the Heart of the South West will not be finalised before July 2015. An implementation plan will then be published by the LEP, which will set out how, where and when the funds will be spent. The funds will not be available until 2015/16.

## **How can businesses access the funding?**

Money from the Local Growth Fund will be used in combination with our other investment options (such as local authority funding, private sector investment and the European Structural and Investment Fund) to support our overall strategy. Direct funding for businesses in the form of grants is not available through this fund.

## **What funding is available to businesses?**

The European Structural and Investment Funds (ESIF) have a provisional allocation of around £133m for the Heart of the South West area from 2014-2020. Our ESIF strategy, outlining how the LEP proposes to direct those funds was submitted to Government on 31st January 2014 and can be found by visiting <http://www.heartofswlep.co.uk/SIFfinaldraft>. Once finalised, these funds will be available from 2014 and we will publicise how businesses can be considered to deliver projects and programmes.

Run by the Department for Business, Innovation and Skills (BIS), the [Regional Growth Fund](#) (RGF), is a £3.2 billion fund designed to help companies in England to grow. The Regional Growth Fund supports projects and programmes that lever private sector investment to create economic growth and sustainable employment. It is a competitive fund and has a minimum bid threshold of £1 million. To find out more, please visit: <https://www.gov.uk/understanding-the-regional-growth-fund>

## How have you developed the draft plan?

We have produced this draft document following consultation with the private and public sector to identify and target key areas. Our priorities have been developed in conjunction with range of stakeholders including local authorities, business, the voluntary and community sector and academia.

For further details on our evidence gathering, please refer to the section of our plan entitled 'Understanding our Growth Potential'.

## How will the Government assess the 39 Strategic Economic Plans?

The Government has told us it will be looking at:

- a) Ambition and rationale for intervention in the local area
- b) Value for money
- c) Delivery and risk

## What are the key features of our area's Strategic Economic Plan?

Central to our plan is our balanced approach to growth, which recognises the need to address wider productivity barriers at the same time as ensuring we maximise the benefit from opportunities for high growth; and recognises the importance of both our urban and rural areas in achieving prosperity for all.

Our plan is therefore built around three, interdependent core aims:-

- Creating the conditions for growth
  - ~ Improved transport and digital infrastructure
  - ~ Simpler business support landscape
  - ~ Unlocking development opportunities
- Maximising employment opportunities
  - ~ Creating more and better jobs
  - ~ Supporting business competitiveness
  - ~ Encouraging inward investment

- Building on our distinctiveness
  - ~ Maximising the impact of our transformational opportunities
  - ~ Encouraging innovation linked to smart specialisation and our educational infrastructure
  - ~ Building on our core strengths e.g. our outstanding natural environment

We have identified some immediate opportunities that are unique to our area and have the potential to transform its economic prospects. These are:-

- Maximising the local impact and legacy of the construction of Hinkley Point C
- Driving the growth of the marine sector across the Heart of the South West area through the Plymouth and Peninsula City Deal
- Securing investment in the Met Office supercomputer in Exeter Science Park linked to data/environmental analysis expertise
- Development of the aerospace and advanced manufacturing sectors

These four opportunities will be an immediate boost to achieving our ambitions and have been chosen, in part, for their ability to drive growth and maximise employment opportunities in the short to medium term at the same time as creating a lasting legacy of better jobs. However, they are also dependent upon our ability to improve the conditions for growth through, for instance, improved workforce skills, a better, more resilient transport system and improved digital connectivity .

## Why are you seeking our views now?

We want to hear your views to ensure the Strategic Economic Plan accurately reflects the needs of our area. Although it will be reviewed in three year's time, we expect the plan to be the base document for directing public investment in our area for the next six years, so working in partnership with private businesses is crucial if our plan is to succeed

## How do I respond to the consultation?

The deadline for responses is 28<sup>th</sup> February. You can find out more by visiting our website [www.heartofswlep.co.uk/strategic-economic-plan](http://www.heartofswlep.co.uk/strategic-economic-plan). Here, you can read the full plan, a non-technical summary of the document and give us feedback by completing an online questionnaire. Your views are essential as we need to be absolutely sure we have focused on the right priorities.

## How do I get involved in the LEP?

To find out more about the Partnership and to sign up for the monthly newsletter visit the Heart of the South West website [www.heartofswlep.co.uk](http://www.heartofswlep.co.uk)