

**SOUTH EAST ENGLAND COUNCILS  
EXECUTIVE MEETING**

Date: 10 September 2010

Subject: **Strategic, cross boundary working with business**

Report by: Cllr Paul Carter, SEEC Chairman

**Recommendation:**

SEEC Executive is asked to:

- i) Note the comments from business on LEPs, business engagement and the need for strategic, cross-boundary working
  - ii) Consider submitting the attached proposal to BIS, offering the option of a 'light touch' forum to bring together LEPs for a strategic view of the needs of the South East economy as the driver of UK growth.
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**1. Introduction**

- 1.1 On 5 August as SEEC Chairman I met representatives from South East Business organisation, SEBUS, and board members and officers from SEEDA to discuss transition from RDA to LEPs. SEEC Executive member and South East Strategic Leaders' Chairman Andrew Povey also attended the meeting.
- 1.2 Business organisations represented were the Engineering Employers' Federation, Federation of Small Businesses, Institute of Directors and South East Chambers of Commerce.
- 1.3 It was a constructive meeting which included offers from SEEDA to support LEP development via a list of assets and programmes (circulated by my office to SEEC members last week) and staff resources to provide data and statistical input to strengthen SEEC's response to the proposed Regional Growth Fund.
- 1.4 Business organisations raised the importance of joint working across individual LEP boundaries. They wanted to see a strategic approach to the South East economy and a single voice to speak up for our needs. They feared the potential for fragmentation and tension between LEPs could dilute the case for continued investment needed to maintain the South East's global competitiveness and position as the powerhouse of the UK economy.
- 1.5 It was agreed that a short paper would be drafted on a possible 'underarching' body to bring together business organisations and South East LEPs to address strategic issues. The paper would be circulated to SEBUS and SEEC Executive for comment as a possible joint submission to BIS by the LEP deadline of 6 September.

1.6 SEEC and SEEDA staff were invited to a subsequent SEBUS meeting in mid-August, where the business organisations voiced concerns about an apparently disjointed approach to LEPs across the South East. There were also concerns that some LEPs had not engaged widely with business, had not grasped the partnership-with-business approach and were based too closely on old-style economic development rather than focusing on enterprise.

## **2. Addressing the economy strategically**

2.1 There has been positive feedback from members and business organisations on SEEC's recent submissions to the Government Spending Review and Regional Growth Fund. In both these instances input from members ensured we were able to make the case for investment in the South East, speaking with a single strong voice.

2.2 Recent reports suggest that BIS ministers are concerned about possible fragmentation of economic effort, tensions between LEPs and the prospect of too many LEP proposals to ensure a strategic approach. A large number of LEPs may also make it difficult for BIS to engage effectively with each one.

2.3 In this context, I propose offering BIS the option of a very light touch body to act as a single voice on those occasions where there is a need for strategic influencing, decisions or discussions that cross many LEP boundaries. Examples of this would be:

- Gaining agreement between LEPs and business on the South East's top transport needs in a climate of limited public spending
- Joining forces to lobby the telecoms industry for improvements to high speed broadband
- A joint approach to changing perceptions that the South East does not need public investment
- A forum for shared dialogue between BIS and all LEPs affecting our area, enabling ministers and officials to meet all parties together.

Such a body would not be involved in the operation of individual LEPs but would bring together their agreed priorities to present a united case for the South East that is bigger than the sum of its parts.

2.3 I think it is important for elected councillors and businesses to come together across LEP boundaries to keep their fingers on the pulse of global, national and regional trends affecting an economy of the size and importance of the South East. There is a risk that if we take our eyes off the ball and leave this to chance, the South East economy will lose investment, influence and global competitiveness.

2.4 At the time of writing the final LEP picture across the South East is unclear. I recognise there are differing views, with some proposals based on county boundaries while others include a large number of councils both in the South East and neighbouring areas. My proposal is to ask members to submit the attached bid for BIS to consider if they would find it useful as a potential way forward for working collectively with South East business, councils and their various LEPs.

6 September 2010