

## APPENDIX 1 - BRIEFING NOTE

<b>To:</b>	Cllr Andy Smith – Leader, Lewes District Council
<b>From:</b>	Peter Sharp – Head of Regeneration
<b>Date:</b>	2 November 2018
<b>Subject:</b>	Strengthened Local Enterprise Partnerships

### **Purpose**

To provide an overview of the recent Government review into Local Enterprise Partnerships (LEP's) and to set out the likely implications for Lewes District Council.

### **Local Enterprise Partnerships**

Over the last 6-7 years the role of LEP's has evolved, taking on more responsibilities and delivering Government economic growth ambitions through measures such as the distribution of grant funding (eg. via the Local Growth Fund). LEP's are now firmly focused on delivering place-based outcomes.

LEP's do not necessarily follow local authority boundaries, instead focusing on functional economic areas. LDC sits within the South East LEP (SELEP), but also within Coast to Capital LEP (C2C). This reflects our district's economy, which looks east within East Sussex, west as part of the Greater Brighton City Region and north towards London.

### **Overlapping Geographies**

At the time of their creation, Government was happy for areas to be represented by two different LEP's. There are 33 local authorities in this position, including LDC. However, one of the key recommendations arising from the LEP review highlights that Government now considers that retaining overlaps dilutes accountability and responsibility for place-making strategies and so Government will seek to ensure that all businesses and communities are represented by only one LEP.

Consequently, Government requested LEP's to come forward with considered proposals by the end of September on geographies which best reflect real functional economic areas, remove overlaps and, where appropriate, propose wider changes such as mergers. This is important as the onus is being placed on LEP's to agree geographic changes and instead replace these with closer inter-LEP collaboration where such overlaps will be removed. This is also a challenge for LDC, as commuting data<sup>1</sup> suggests that travel-to-work areas are not typically drawn along county boundaries.

We are awaiting feedback from Government on these proposals, but we understand that both C2C and SELEP have indicated that they wish to retain Lewes within their geographies.

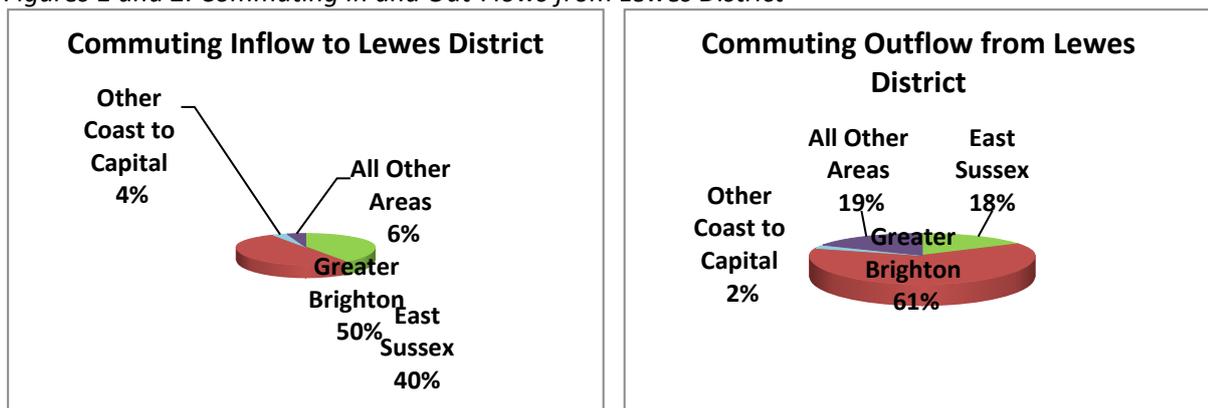
### **Commuting Patterns**

The LEP's focus is reflected by the undoubted and significant synergies between LDC and both LEP's and LDC has strongly supported the strategic growth priorities put forward across both LEP regions. The available data on commuting in-flows and out-flows highlights that the district's economy looks both ways.

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<sup>1</sup> 2011 Census

Figures 1 and 2: Commuting In and Out-Flows from Lewes District



Source: 2011 National Population Census

Commuting out-flows, in particular, reflect the wide functional economic area of the Lewes district. Almost two-thirds of district residents out-commuting to work are to the Greater Brighton and Coast to Capital LEP areas. A smaller proportion commutes within East Sussex. The higher figure for other areas reflects the draw and accessibility of London for some residents.

It is clear that the functional economic area for our economy extends clearly across both LEP areas, with a particular focus on the Greater Brighton City Region.

### **Greater Brighton**

LDC is a founder member of the Greater Brighton Economic Board and City Region, set up following the City Deal agreed with Government in March 2014.

Greater Brighton plays a vital role in the Lewes district – as shown above our economy has strong linkages with the city economy. The City Region reflects a true economic region in strategic terms, ensuring that we can deliver sustainable local economic growth. It is also part of the wider C2C LEP area.

This is emphasised by the recent Inward Investment and Export Strategy for Greater Brighton<sup>2</sup> which recognises the depth of opportunity within the Newhaven Enterprise Zone for employment-led regeneration and the development of a higher-value economy.

LDC's involvement in Greater Brighton has led to increased ministerial awareness of the challenges faced by Newhaven, in particular following the [Charrette](#) in September 2017 which highlights the strength of the city region economy and the importance of Lewes district as a key aspect of this.

### **The Role of LEP's in Delivering Growth in Lewes District**

As noted, LDC lies within both SELEP and C2C and the LEP's have increased in importance over the last few years in terms of strategic planning and the distribution of grant funding for economic development from central Government.

The Newhaven Enterprise Zone was secured in partnership with C2C LEP, with continued delivery of the 25-year programme necessitating a close working relationship as reflected in the tripartite Memorandum of Understanding between LDC, C2C and Government. The EZ Strategy Board guides progress with the Enterprise Zone and comprises senior officers of LDC, C2C, ESCC (representing SELEP) and Newhaven Town Council. (Future governance structures are currently being reviewed and will be the subject of a future report to Cabinet on the Enterprise Zone).

<sup>2</sup> [Produced by Regeneris \(April 2018\)](#)

Through LDC's membership and close working relationship with C2C LEP, LGF funding totalling £16.6million<sup>3</sup> has benefited both private and public interests that fit with LDC's growth ambitions over the last two years. This funding has formed part of the Greater Brighton Investment Programme, and the influence of the City Region is critical in delivering the case for change and growth within the district.

Equally, SELEP has been a strong supporter of LDC's ambitions via Team East Sussex (the local federated board), including £1.5million in LGF funding via SELEP<sup>4</sup>.

Notwithstanding this, ESCC is a key partner in delivering LDC's regeneration ambitions particularly in Newhaven. This includes recent capital funding commitments for the Port Access Road (£13million) and the Public Transport Interchange (£200,000+). LDC recognises that ESCC has a critical role in delivering sustainable growth and change within the district in partnership.

### **Summary**

Ideally, LDC would prefer to maintain the status quo of membership of both SELEP and C2C LEP. This reflects the district's functional economic area, which is a critical aspect of formulating LEP geographies, as well as the support that both LEP's have offered in delivering our regeneration ambitions.

Available evidence shows the importance of Lewes district to the Greater Brighton economy and much of the business case for the Newhaven Enterprise Zone was predicated on offering the space for growth in – and rebalancing of - the City Region economy. Regardless of the decision regarding LEP geography, LDC will need to remain a key player within Greater Brighton as well as continuing its close and positive working relationship with ESCC to drive growth and prosperity locally.

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<sup>3</sup> £1.5m Newhaven Flood Alleviation Scheme; £2m purchase of Springman House, Lewes; £1.5m purchase of Railway Quay, Newhaven; £1.6m Eastside South, Newhaven; £10m Newhaven Port Access Road Phase 2.

<sup>4</sup> £1.5m towards the Newhaven Flood Alleviation Scheme.