

**To:** Future Oxfordshire Partnership

**Title of Report:** Local Enterprise Partnership Functions: Transition Arrangements

**Date:** 20 March 2024

**Report of:** Bill Cotton, Corporate Director for Environment and Place, Oxfordshire County Council

**Status:** Open

**Executive Summary and Purpose:**

The report provides an overview of the approach to LEP transition following the verbal update to FOP in January 2024.

**Recommendation:** That the Future Oxfordshire Partnership notes the approach to LEP transition

**How this report contributes to the Oxfordshire Strategic Vision Outcomes:**

The delivery of effective strategic economic planning and related business support, skills and employment programmes supports all of the outcomes in the Future Oxfordshire Partnership's strategic vision, in particular by 2050 Oxfordshire will: be a globally competitive economy which is sustainable, diverse and inclusive; have a healthier and happier population with better physical and mental health; be a more equal place, supported by inclusive growth that gives everyone a chance to prosper, and; have achieved a carbon neutral status.

**Introduction**

1. Government has announced that from 31 March 2024. Local Enterprise Partnerships (LEPs) will cease to have official recognition and that existing LEP functions will transfer to upper tier local authorities or combined authorities where they exist.
2. Following this announcement, it is important to establish a new governance framework to ensure local arrangements continue to meet government guidance. In order to maintain continuity of service delivery and comply with guidance, on 27 February 2024 the County Council agreed to take a controlling interest in OxLEP Ltd. To enable this to happen the OxLEP Ltd Board will need to agree to amend its Articles of Association to enable the County Council to become the sole member of the company, exercising its membership functions through Cabinet.

3. The approach seeks to maintain broad engagement at board level. This will preserve the legacy expertise, experience and engagement of the current LEP, as far as possible, and if agreed, this will provide the structure for the council to demonstrate that the appropriate future governance is in place.
4. OxLEP is a key strategic partner of the Future Oxfordshire Partnership and is represented on the joint committee by six co-opted associate members (Chair, Chair of Skills Board, Universities Representative, and 3 Business Representatives). As such, OxLEP forms part of the whole system approach to economic development. This includes OxLEP engaging FOP in developing strategies such as the Strategic Economic Plan, Destination Management Plan, and the Pathways to a Zero Carbon Oxfordshire (PAZCO) report. The county council envisages continuing this arrangement through future governance arrangements.
5. Following the change of ownership, there will be an opportunity in conjunction with the FOP and local stakeholders to review the local framework of economic planning, business engagement and partnerships and the system's capacity and capability requirements for the future. This will form part of phase 2 (as set out below) and proposals will be brought to FOP for consideration as they are developed.
6. The proposals for LEP transition are due to be considered by OxLEP Board on 12 March 2024 and this report will be updated ahead of FOP to reflect the outcome from the OxLEP Board.

### **Proposed Approach**

7. To ensure an orderly transfer of functions and then subsequent development and design to support the delivery of future strategy, a three-phased approach to transition has been developed to cover the transition, implementation, and establishment. This is set out below:
  - a. **Phase 1 – Transition (By 1 April 2024)**

During this phase, interim governance arrangements will be put in place, to be agreed in consultation with the current LEP board, but to establish Council control as per government guidance, demonstrating that the functions move to the County Council. The Corporate Director of Environment and Place will have day to day responsibility for the LEP functions (within the company arrangements to be agreed) and company registered office address (if relevant) will be amended to County Hall.
  - b. **Phase 2 – Implementation (1 April – 30 September 2024)**

During the first six months there will be a review of purpose and economic planning, including updates to the Strategic Economic Plan. A medium-long term business plan will be developed along with ongoing review of operational alignment with existing council economic and related functions. The medium-term approach to business engagement and broader partnership bodies will also need review in-line with the new operating model and strategy. Alignment of policy and processes, ensuring optimum operational efficiency with the County Council will also form part of this

review. The current board will be asked to continue to serve to support the implementation process.

**c. Phase 3 – Establishment (1 October 2024 – 31 March 2025)**

Having developed a new medium-long term business plan we would expect revised operating model, structure and governance to be fully implemented during this period. The revised links and interactions with wider economic development resources within the Oxfordshire system will be reviewed.

8. OxLEP Ltd sits within a wider economic partnership landscape that includes the economic development function within the city and district councils, the Future Oxfordshire Partnership, and the wider economic role of FOP partners. As part of the transition a review of how the new operational arrangements relate to these partnerships will be undertaken to ensure continued positive engagement within the wider system.

### **Financial Implications**

9. There are no direct financial implications to FOP from the recommendations of this report.

### **Legal Implications**

10. There are no legal implications to FOP from the recommendations of this report.

### **Conclusion**

11. The paper recommends that the Future Oxfordshire Partnership notes the approach to LEP transition.

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