GM LOCAL ENTERPRISE PARTNERSHIP BOARD

SUBJECT: LEP Core Funding Update

DATE: 19 March 2018

FROM: John Holden, Assistant Director Policy and Strategy, GMCA

PURPOSE OF REPORT

The GM LEP has been awarded a budget of £500K Core Funding for the 2018/19 financial year.

In 2017/18, the GM LEP had a Core Funding allocation of £500k which was allocated to support delivery of key LEP priorities.

This report summarises the 2017/18 activity and sets out the proposed priorities for the 2018/19 Core Funding.

RECOMMENDATIONS:

The GM LEP is asked to:

- approve the proposed use of the LEP Core Funding in 2018/2019
- delegate authority to the chair of the LEP, in consultation with the Chief Executive of the GMCA, to finalise the remaining £49k allocation, and any underspend, to the areas outlined in para 3.8.

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1 INTRODUCTION

1.1 The Ministry for Housing, Communities, and Local Government (MHCLG) has confirmed that the GM LEP has been awarded £500K Core Funding for the 2018/19 financial year comprising an equal split of capacity and strategic funding.

1.2 This follows similar funding awarded for 2017/18 which was allocated to support delivery of key LEP priorities.

1.3 This report summarises the activity funded for the previous year 2017/18 and sets out the priorities for the use of the 2018/19 funding.

2. 2017/18 LEP FUNDING ALLOCATION

2.1 At the meeting in January 2017, the LEP Board received a report highlighting the Core Funding for 2016/17 and 2017/18.

2.2 The report noted the progress on activity funded by LEP Core Funding in 2016/2017 and set out the proposed use of the LEP capacity and strategic funding for 2017/18.

2.3 The Board noted the progress made and agreed the proposed use of funds which included:
   • £200k GM policy, strategy and research
   • £120k to support the development of the Greater Manchester Strategy as well as continuing engagement with Government
   • £100k to the GM Land and Property programme
   • £66k to MIDAS to support the India and China market specific initiatives as part of the wider GM Internationalisation Strategy
   • £50k media and website
   • £6K LEP Network
   • £5k Atlantic Gateway Board support
   • £5k LEP contingency for ad hoc activity including expenses

2.4 The Board received a further report in September 2017 setting out progress on activity supported by both the 2016/17 and 2017/18 funding including outcomes, impacts and key highlights.

3. 2018/19 LEP FUNDING PRIORITIES

3.1 The previous year has seen a number of significant developments to the context in which GM LEP priorities are being delivered including the election of the first GM Mayor; the refresh of the Greater Manchester Strategy and development of an Implementation Plan; and further commitments between Government and GM as outlined Autumn Budget.

3.2 Therefore, in agreement with the Chair, it is proposed that the £500k is allocated as set out below to reflect the changing strategic landscape and to support the LEP’s central role in driving delivery of the Greater Manchester Strategy.
3.3 As last year, GM LEP is required to secure a minimum of £250k match funding which will be provided against existing GM resources supporting delivery of GM LEP priorities.

3.4 The proposed allocation of funding is as follows:

- **GMCA: Research, Policy and Strategy Development - £250k**
  The “capacity” element of the Core Funding will be used to fund research, policy and strategy development activity, to provide a robust research and evidence base in line with the refreshed GM Strategy and ensure that GM remains at the forefront of current strategic thinking and developments. This includes:
  
  - Skills and Employment support – lead and support the implementation of the devolution deal and the overall agreed GM skills and employment priorities
  
  - Research and analytical base - continue to lead GM’s cost benefit analysis and evaluation activity linked to key elements of the devolution agreement, and deliver economic analysis to ensure GM remains at the forefront of current thinking and developments across the whole spectrum of the CA/LEP agenda
  
  - Developing further devolution thinking – continue to support potential future devolution asks and develop submissions to Government. Undertake work on a longer term “devolution settlement” for GM
  
  - Science and innovation – lead work, in partnership with GM’s universities, on the Science and Innovation Audit and wider science and innovation policy to support the commercialisation of the GM science base
  
  - BREXIT – continue to monitor the key economic and policy developments in relation to the UK’s decision to leave the European Union.

- **Marketing Manchester: Communications, PR and Digital - £50k**
  Continuation of GMLEP communications PR and digital activity support including:
  
  - Providing proactive and reactive media engagement to maximise the GMLEPs profile
  
  - Providing a timely and effective press office function
  
  - Increasing GMLEP online profile including website support and maintenance and the management of social media channels.

- **Marketing Manchester: GM LEP Content Curation Continuation - £40k**
  Extend the Content Curator role to the end of 2018/19 financial year with a remit to show Greater Manchester as an innovative, diverse and international city by creating original content to raise awareness and
improve the reputation of GM’s priority business sectors, as well as its arts, culture and sport offer

- **MIDAS: GM Internationalisation Strategy - £50k**
  Support delivery of the GM Internationalisation Strategy with a focus on India and China including the newly launched Manchester India Partnership and activity of the Manchester China Forum and deployment of the refreshed Manchester-China Strategy

- **GMCA: GM Local Industrial Strategy Review - £45k**
  Support development of one of the first Local Industrial Strategies aligned with the GM Strategy and Implementation Plan

  A robust evidence base will now be developed, drawing on expert input from academic and leading consultancies, resulting in a draft GM Local Industrial Strategy in for publication in September 2018 and a final GM LIS will be developed for agreement with Government in early 2019.

- **GMCA: Support Development and Delivery of LEP Foresighting Group - £5k**
  The Foresighting Group brings together senior representatives of the business community whose advice on key issues will help develop the LEP’s long term thinking and implementation of the GM Strategy

- **Contribution to the LEP Network - £6k**

- **Contribution to the Atlantic Gateway Board - £5k**

3.5 There are a number of areas that have been identified as priorities but where development work is still underway so the level of funding required is not yet clear. It is proposed to hold back £49k of funding to deploy on these areas, alongside utilising underspend from previous years; support activity once the requirement for a LEP financial contribution is clear.

3.6 These areas are:

- Work to undertake due diligence on a GM Energy Enterprise, where the outcomes of the GM Green Summit are being awaited
- Developing a GM Strategic Infrastructure Plan, where scoping work is currently underway to determine the approach to be taken
- GM Local Industrial Strategy Review, where scoping work for the review is still underway and a range of funding sources are being explored
- Communicating the Digital Strategy, where work is currently underway to develop a comprehensive communications plan.

4. **RECOMMENDATIONS**

4.1 The recommendations can be found at the front of this report.