



To: Leader of the Council  
Report by: Head of Strategy and Partnerships and Urban Growth Project Manager  
Relevant scrutiny committee: Strategy and Resources Scrutiny Committee 11/10/2010  
Wards affected: All Wards

**GREATER CAMBRIDGE-GREATER PETERBOROUGH LOCAL ENTERPRISE PARTNERSHIP  
Key Decision**

**1. Executive summary**

- 1.1 Government wrote to local authority and business leaders in June inviting them to submit outline proposals for new Local Enterprise Partnerships.
- 1.2 This report gives some context to the concept of Local Enterprise Partnerships and gives details about the outline proposal submitted by partners in Cambridgeshire on 3<sup>rd</sup> September.

**2. Recommendations**

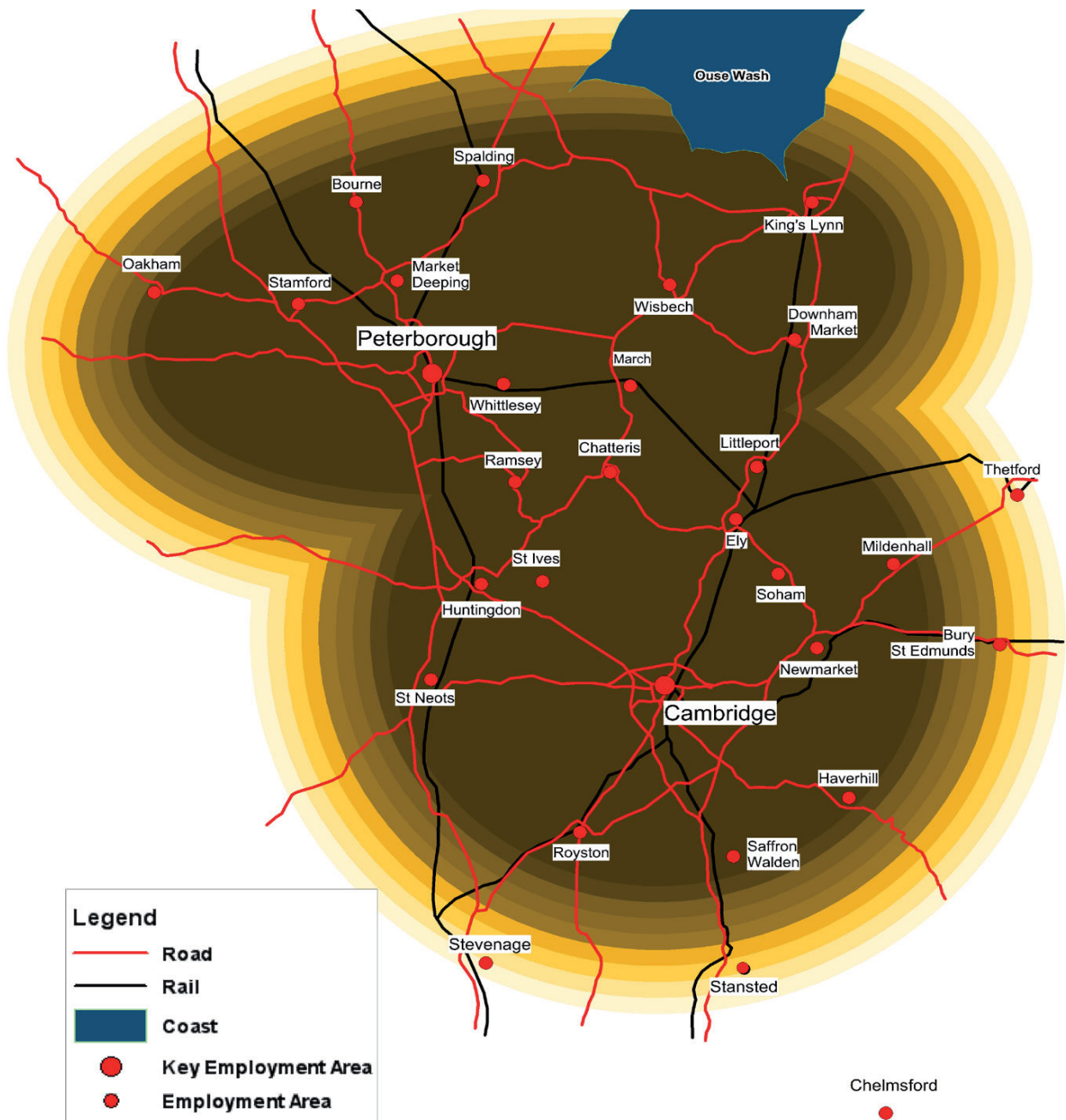
The Executive Councillor is recommended:

- 2.1 To endorse the outline proposal made to government on the 3<sup>rd</sup> September for the establishment of a Local Enterprise Partnership.
- 2.2 To seek the views of scrutiny members on issues which need to be considered and / or addressed, should the proposal be accepted.

**3. Background**

- 3.1 Vince Cable, Secretary of State for Business, Innovation and Skills and Eric Pickles, Secretary of State for Communities and Local Government wrote to local authority leaders and business leaders on 29<sup>th</sup> June inviting them to submit outline proposals for the establishment of Local Enterprise Partnerships (LEPs). The deadline for submissions was 6<sup>th</sup> September.

- 3.2 Their letter explained that the government is determined to rebalance the economy towards the private sector and is committed to reforming the country's system of sub-national economic development by enabling councils and businesses to replace the existing Regional Development Agencies with LEPs. They said that LEPs will "want to create the right environment for business and growth in their areas by tackling issues such as planning and housing, local transport and infrastructure, employment and enterprise and the transition to the low carbon economy".
- 3.3 The Secretaries of State said that they wanted LEPs to better reflect the natural economic geography of the areas they serve. Therefore they should cover "real functional economic and travel to work areas".
- 3.4 In spite of the unfortunate timing and the very short timescale for the consultation, business, local authorities, university and social enterprise leaders worked together to produce an outline proposal which was submitted to the two Secretaries of State on 3<sup>rd</sup> September. An Executive Summary of the proposal is attached at Appendix A. The full proposal can be seen at this link:  
<http://www.yourlocalenterprisepartnership.co.uk/documents/Gr-Cambridge-Gr-Peterborough-Local-Enterprise-Partnership.pdf>
- 3.5 The area covered by the proposal includes Cambridgeshire, Peterborough City, Rutland, Cambridge, East Cambridgeshire, Fenland, Huntingdonshire and South Cambridgeshire Districts but also extends beyond these administrative boundaries into parts of North Hertfordshire, Uttlesford, St Edmundsbury and Forest Heath; South Holland and King's Lynn & West Norfolk.
- 3.6 The proposal is twin centred around the economic hubs of Cambridge and Peterborough and includes the wider commuter areas of the two cities as shown in the plan below.



3.7 The mission for the new LEP is that it will bring partners together to:

“ lead our area’s growth to 100,000 significant businesses and create 160,000 new jobs by 2025 in an internationally renowned low carbon, knowledge-based economy”

3.8 The proposal is business-driven and aims to achieve a 'bottom-line' of business returns including:

- A doubling of GVA over a twenty year period - from £30 billion to £60 billion annually.

- Growth in number of significant businesses (as measured by Inter-Departmental Business Register) from 60,000 to 100,000 by 2025
  - Creation of 160,000 net new jobs by 2025
  - Delivery of 100,000 new homes over a 20 year period
- 3.9 Government received 56 bids by their deadline with 20 bids from the 'greater south-east'. A number of the bids have been formed around traditional county boundaries such as Norfolk and Hertfordshire. Others, such as ours, span county boundaries and seek to include natural economic boundaries.
- 3.10 It should be noted that the bids were all *proposals* for LEPs. It will be Ministers who decide which, if any, of the proposals are acceptable and can be taken forward. We are unsure of the timing but the DCLG website says that we should receive feedback prior to publication of a White Paper on sub-national economic growth and the introduction of the Localism Bill later this autumn. Officers will update the meeting verbally with any news about the bid.
- 3.11 Scrutiny members are asked for their initial views about the issues that would need to be considered and / or addressed by partners, should the proposal be accepted.

#### **4. Implications**

- 4.1 Financial, Staffing, Equal Opportunities, Procurement, Environmental, Community Safety

Implications will become clearer as negotiations and detailed proposals are progressed. We will need to allocate appropriate staff time to this work to ensure that any future LEP addresses the City Council's objectives.

#### **5. Background papers**

These background papers were used in the preparation of this report:

- 5.1 The Enterprise Partnership Greater Cambridge – Greater Peterborough. Proposal submitted on 3<sup>rd</sup> September 2010.

#### **6. Appendices**

##### **Appendix 1:**

## **7. Inspection of papers**

To inspect the background papers or if you have a query on the report please contact:

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## Appendix A Executive Summary

Leaders from businesses, local authorities, universities and social enterprises wish to establish a Greater Cambridge and Greater Peterborough Local Enterprise Partnership based on the complementary functional economic areas of the cities of Cambridge and Peterborough, together with neighbouring market towns and communities.

### **An economic geography of scale and national significance**

Ours is a significant and distinctive economic geography that makes a net positive contribution to the UK economy and boasts some of the country's most globally competitive clusters which, if fostered, can help to lead the UK's economic recovery over the coming years.

Together, our 1.3 million population (estimated to grow rapidly to over 1.5m by 2031), around 700,000 jobs, and 60,000 businesses generate approximately £30bn a year for the UK economy in sectors with high growth potential. We recognise that meeting the needs and ambitions of this growing area requires a

step change in business success, unlocking the ability of the private sector to create jobs, wealth and offset the impact of public sector job losses.

### **Our mission**

**We believe our partnership can “lead our area’s growth to 100,000 significant businesses and create 160,000 new jobs by 2025 in an internationally renowned low carbon, knowledge-based economy”.**

We will base our future success on improving the business environment for our area to enable ambitious private sector growth and being identified globally as a place to be successful. We will broaden and deepen:

- The Cambridge ideas brand to become Europe's leading high-tech research and development centre
- The Peterborough Environment City current designation to become the UK's Environment Capital
- The strengths, opportunities and synergies of our market towns and rural economy.

Collaboration with other local enterprise partnerships and relationships with adjoining counties, as well as other cities, is a crucial part of creating flexible national and international alliances that will enable our local area to have a global impact. The Greater Cambridge-Greater Peterborough Local Enterprise Partnership will work across boundaries – whatever pattern of local enterprise partnerships emerges and wherever needed – on issues of shared interest, including economic development; strengthening relationships, minimising costs and co-operating to deliver shared outcomes.

### **Our strengths and constraints**

We have a diverse economy with national and international strengths in ICT, creative industries, bio-medical, low carbon and environmental goods, high value engineering and manufacturing sectors – all sectors with significant export potential which have driven our economy to be one of the few net contributors to national wealth.

However, our ability to grow has been constrained by under-investment in transport infrastructure, inadequate broadband infrastructure, skills disparities and shortages, a dependency on public sector employment, and a chronic shortage of affordable homes.

### **Looking forward**

To achieve our mission we have to do things differently. Our proposal is to apply our experience and strong track record of delivery across administrative boundaries. In the larger proposed footprint, delivery is currently fragmented.

The Local Enterprise Board will assess this capacity and form new structures for economic development and work with businesses to mobilise new private sector skills and experience.

Our intention is to turn this outline proposal into a full working plan in order to move to a substantive Greater Cambridge-Greater Peterborough Local Enterprise Partnership during 2011/12.