

Swindon and Wiltshire Local Enterprise Partnership

Report to the Growing the Economy Overview and Scrutiny Committee, Swindon Borough Council

30th November 2016

1. Purpose

- 1.1. The Growing the Economy Overview and Scrutiny Committee included in its annual work programme for 2016-17, a request for a report from the Swindon and Wiltshire Local Enterprise Partnership SWLEP).
- 1.2. This report provides an update about the work of the local enterprise partnership (LEP), its achievements, priorities and challenges and the way in which it is resourced.

2. Background

- 2.1. The establishment of LEPs to replace Regional Development Agencies (RDAs) was included in the coalition agreement of 2010.
- 2.2. In June 2010, the government invited local authorities and businesses to come together to form local enterprise partnerships, whose geography properly reflected the natural economic areas of England. The government wished to see partnerships which understood their economy and were directly accountable to local people and local businesses.
- 2.3. In October 2010, the coalition government published its white paper, “Local growth: realising every place’s potential”.
- 2.4. The aim of the government’s approach was to:
 - 2.4.1. shift power to local communities and business, enabling places to tailor their approach to local circumstances;
 - 2.4.2. promote efficient and dynamic markets, in particular in the supply of land, and provide real and significant incentives for places that go for growth; and
 - 2.4.3. support investment in places and people to tackle the barriers to growth.

2.5. The SWLEP was established in July 2011 as a partnership between the private and public sectors in the local region. The SWLEP's primary role is to drive economic growth, by creating jobs, attracting new investments and supporting new and growing businesses in Swindon and Wiltshire. The SWLEP is a non-statutory partnership between Swindon Borough Council, Wiltshire Council, businesses in the area and the Military, with representatives from all these organisations on its Board. The SWLEP is able to access government funding to channel investment into the area – in particular to support its strategic objectives in skills and talent, transport infrastructure, digital capability, place shaping and business development.

3. The governance of the SWLEP

3.1. The SWLEP covers the same geographical area as its two Unitary Authorities, Swindon Borough Council and Wiltshire Council (see Appendix 1).

3.2. The SWLEP has a Board of 14 Members and is constituted in such a way as to ensure that it is business-led, with its Chair and at least three-quarters of all Members representing the business community. Alongside the business community is the active involvement of Local Government through the role of the Leaders of the two Unitary Authorities as Board Members and Military through the Commander of the Military HQ South West . The structure of the SWLEP Board is displayed in Table 1.

Table 1: Local Enterprise Partnership Board Membership

Role	Organisation	Appointment	Length of Tenure
Chair	Private sector (mandated)	Voted by SWLEP Board	3 years, but can be extended
Vice Chair	Private sector	Voted by SWLEP Board	3 years but can be extended
Local Authority Board Member	Leader, Swindon Borough Council	Permanent	Permanent
Local Authority Board Member	Leader, Wiltshire Council	Permanent	Permanent
Military Board Member	Commander Military HQ South West	Permanent	Permanent
Board Member	Further education	Voted by SWLEP Board	3 years but can be extended

8 x Board Member	Private sector	Voted by SWLEP Board	3 years but can be extended
Advisor	Swindon Borough Council Chief Executive	Permanent	Permanent
Advisor	Wiltshire Council Corporate Director	Permanent	Permanent

3.3. In addition, there are two observers to the Board who are the Cabinet Members of both local authorities who include within their responsibilities economic development.

3.4. The SWLEP Board is responsible for:

- 3.4.1. the development, review and refresh of the Strategic Economic Plan;
- 3.4.2. the successful and effective delivery of the City Deal, Strategic Economic Plan, and the Growth Deal and projects resourced by the Growing Places Infrastructure Fund, and;
- 3.4.3. the approval of scheme funding on the basis of recommendations from the relevant Subgroups.

3.5. The Chair of the SWLEP and all business community representatives are elected by the SWLEP Board on a three year rotating basis. Permanent positions include the leaders of the two Unitary Authorities and the Commander of the Military Headquarters South West. As far as possible the SWLEP conducts its business on a consensual basis. All voting is carried out by a simple majority vote of the full Members including the Chair.

3.6. Appendix 2 shows the governance structure for the SWLEP which applies to the assurance of value for money with public expenditure. It shows the relationship between the SWLEP Board, Sub-groups, the Joint Strategic Economic Committee, the SWLEP Secretariat, SWLEP Commissioning Group, SWLEP Delivery and Performance Team, Accountable Body (Wiltshire Council); Joint Scrutiny Task Group and the European Structural and Investment Funds (ESIF) Advisory sub-Committee.

3.7. The SWLEP operates on the principle that decisions should be taken at the appropriate level so they can be taken quickly and efficiently. Decision making can therefore take place at different levels across the LEP's

governance structure within a framework agreed by the Board, for example the LEP Board may occasionally delegate decisions to its sub-groups which will be outlined in the terms of reference for each group (Appendix 2).

3.8. The meetings of the Board are held in public, following principles comparable with local government practice. These include public questions and holding all debate in public unless there are justifiable reasons on the grounds of commercial confidentiality and/or personal data protection.

3.9. The SWLEP is committed to meeting its obligations under the Public Sector Equality Duty. In devising policy and taking decisions, all emanations of the SWLEP [Secretariat, Board and its Subgroups, Commissioning Group and Joint Strategic Economic Committee, as well as the European Structural Investment Fund advisory sub-Committee] will take due regard of the Equality Duty to:

- 3.9.1. eliminate unlawful discrimination;
- 3.9.2. advance equality of opportunity; and
- 3.9.3. foster good relations.

3.10. The operation of the SWLEP is governed by a set of documents defining its constitutional arrangements:

- 3.10.1. Governance Framework including Constitution, Transparency Code and Complaints Procedure;
- 3.10.2. Assurance Framework;
- 3.10.3. Heads of Terms / Legal agreement between SWLEP, Wiltshire Council and Swindon Borough Council; and
- 3.10.4. Scheme assessment, prioritisation and approval process.

3.11. The SWLEP is unusual in having established a Joint Scrutiny Task Group consisting of 4 members from each local authority, which has carried out extensive reviews of board membership and project prioritisation. Swindon Borough Council supports this group in order to ensure separation from Wiltshire Council, which is the Accountable Body for the SWLEP.

4. The achievements of the SWLEP

4.1. Through its co-ordination of effort across, predominantly the two local authorities, the SWLEP has been successful in securing £137.89m of central government funding during 2014 and 2015 to support a range of capital projects across Swindon and Wiltshire.

4.2. Transport schemes dominate and account for all except just under £29m.

	Authority	Total Budget (£)
Local Growth Fund (LGF)		
Swindon Rapid Transit	Swindon	9,850,000
LSTF Sustainable Transport (Swindon)	Swindon	3,750,000
M4 Junction 15	Swindon	3,700,000
M4 Junction 16	Swindon	5,920,000
Swindon Bus Exchange	Swindon	3,000,000
A350 Dualling Chippenham Bypass (Badgers/Brook/Chequers)	Wiltshire	7,100,000
A429 Malmesbury Access Improvements	Wiltshire	1,400,000
Porton Science Park	Wiltshire	4,000,000
A350 Dualling (Bumpers Farm)	Wiltshire	1,670,000
Corsham Mansion House	Wiltshire	2,500,000
A350 West Ashton/Yarnbrook Improvements	Wiltshire	5,500,000
M4 Junction 17	Wiltshire	500,000
TOTAL Programme		48,890,000

LGF Department for Transport (DfT)

Eastern Villages - West of A419 - Green Bridge Roundabout	Swindon	2,000,000
Eastern Villages - A420 corridor improvements	Swindon	2,500,000
Eastern Villages - Great Stall Bridge (Originally named The Green Bridge)	Swindon	7,600,000
Eastern Villages - West of A419 - Package 2	Swindon	2,000,000
TOTAL Programme		14,100,000

DfT Retained

Eastern Villages Infrastructure - Business case	Swindon	500,000
Eastern Villages Infrastructure - White Hart Junction	Swindon	22,500,000
Eastern Villages Infrastructure Southern Connector Rd	Swindon	11,600,000
Wichelstowe Infrastructure	Swindon	22,900,000
Chippenham Station HUB	Wiltshire	16,000,000
TOTAL Programme		73,500,000

City Deal

Higher Futures	Both	1,400,000
TOTAL Programme		1,400,000

GRAND TOTAL		137,890,000
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4.3. We have already completed two schemes attracting a total of £3.07m LGF allocation.

4.4. The performance management of the schemes by the SWLEP is regarded by the Department of Business Energy and Industrial Strategy (BEIS) as an example of good practice and has been shared with other LEPs.

4.5. The SWLEP's governance arrangements came out well from the National Audit Office review of LEPs.

4.6. The SWLEP has received positive annual reviews from BEIS with overall effective performance and use of funding.

4.7. The Growth Hub, which provides support to businesses, has had a good first year of operation. Through its face to face service, it has assisted 52 pre-starts, 49 start-ups and 537 existing businesses through business support services and a seminar programme. A total of 16.5 jobs were created following receipt of business support. Nine businesses received 12 or more hours of support with more businesses part way through this process to reach 12 hours or more. Sixty five events were held, including 10 start-up seminars with 1,307 individual bookings made. Through its website, the Growth Hub has held 7,573 sessions accessed by 5,959 users (3,545 of which were new users).

- 4.8. The Careers Enterprise Company, operated by the two local authorities is highly regarded nationally and has engaged fully 34 schools and linked them to Enterprise Advisers who are business volunteers to significantly improve careers advice and guidance.

5. Challenges

- 5.1. There is a need to increase engagement with businesses in the SWLEP area to ensure the private sector has its voice heard and its expertise used by the SWLEP.
- 5.2. The bidding cycles for government funding are intense and often dominate the SWLEP's agenda. To increase its strategic effectiveness, the SWLEP needs to think beyond government funding.
- 5.3. The developers of our current projects are the two local authorities. To widen business involvement, we need to develop procedures to make open calls when we have funding available. This would, intentionally, widen bidding opportunities beyond the two local authorities.
- 5.4. Whilst the area is competitive economically – it is the 12th most competitive of 38 LEPs – other areas are growing faster and catching up or overtaking us. In 2013, the gross value added measure for the Swindon and Wiltshire economy was £16.1 billion (Swindon £6.4bn, Wiltshire £9.7bn). Over the period 2003-2013 GVA in the LEP area has increased by 41% as compared with 44% for England as a whole, suggesting the area has been slightly underperforming as compared with the national economy. However, this data does mask some variation across the two local authority areas. Swindon saw growth in line with the England average of 44% over the period as compared with Wiltshire where the growth rate was lower at 39%.
- 5.5. Total employment in Swindon & Wiltshire is forecast to rise between 7-8% between 2015 and 2030. This equates to between 27,000-29,000 additional jobs over the period. This forecast of new jobs does not take into account the need to replace workers who retire or leave the workplace, which is termed 'replacement demand'. It is estimated that the replacement demand will be far more significant, and will total 141,000 jobs between 2012 and 2022. The impact of both growth and replacement demand on the local economy will mean a requirement for approximately 99,700 extra workers with qualifications to degree level and above by 2022. This is at a time when we are the only LEP in country not to have a university within its borders.

6. Resourcing the SWLEP

6.1. The SWLEP, like all LEPs receives funding from BEIS. We receive £250,000 to support administration and £250,000 to assist strategic development. In addition, the two local authorities provide the equivalent of £250,000 through officer time to support the operation of the SWLEP.

6.2. The Core SWLEP team consists of:

- 6.2.1. Director
- 6.2.2. Programme Manager
- 6.2.3. Policy Manager (seconded from Wiltshire Council)
- 6.2.4. Business Engagement Manager
- 6.2.5. Marketing and Communications Manager
- 6.2.6. Executive Assistant

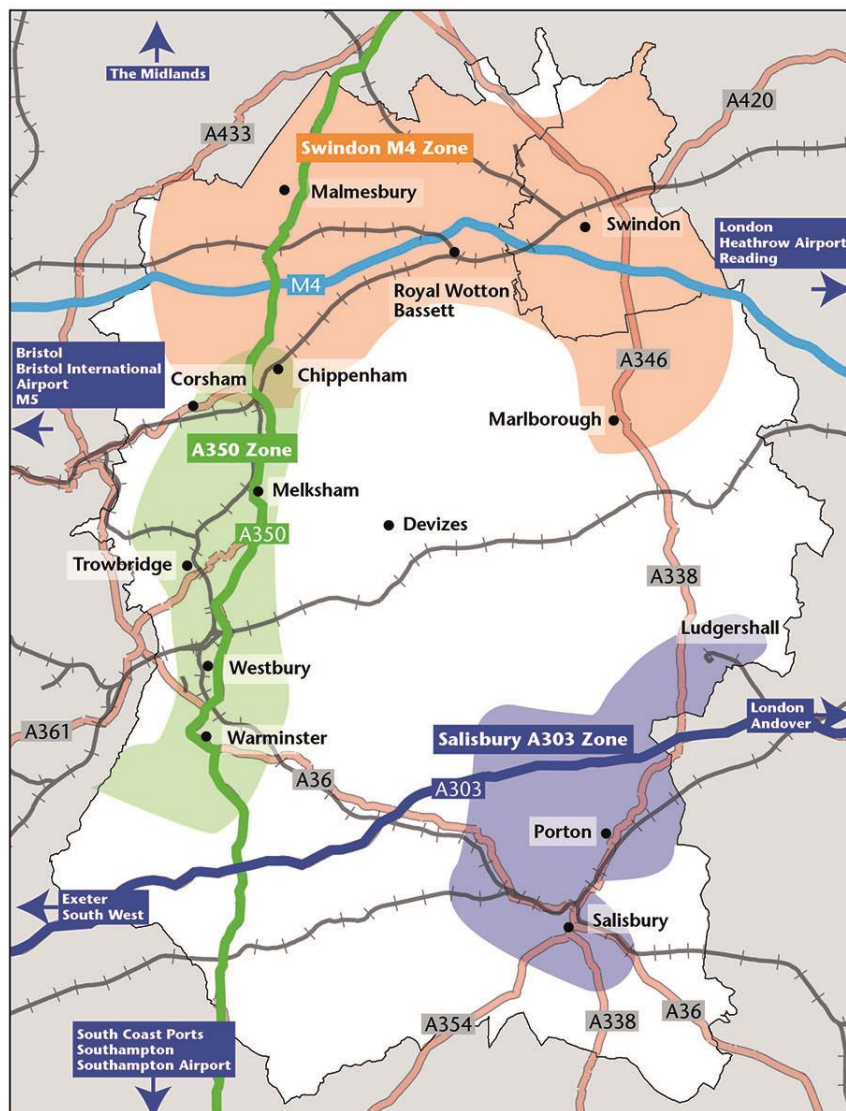
6.3. In addition to the role of the Council Leaders and Cabinet Members and Chief Executive (Swindon) and Corporate Director (Wiltshire), the key local authority support is provided by the programme managers in each authority for the local growth fund projects, the lead officers for the priority sub-groups, the senior responsible officers for economic development, planning and transport.

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Appendix 1 – the geography and growth areas of the SWLEP



Key Statistics	Swindon-M4 Zone	A350 Zone	Salisbury-A303 Zone	Chippenham and Corsham	SWLEP
GVA per job filled as % SWLEP	50%	21%	11%	9.8%	-
Employees 2014	161,700	79,400	41,800	26,500	303,800
% Growth in Employees 2012-2014	7.2%	12.4%	6.3%	27.4%	7.4%
% Employees in Knowledge Intensive Businesses	23.2%	18.6%	26.2%	16.6%	22.7%
% Growth in Employees in Knowledge Intensive Businesses 2012-2014	11.6%	25.7%	9.7%	9.6%	14.9%
No. businesses as % SWLEP	46%	25%	15%	8.7%	-
No. SMEs (0-249 emps)	15300	8200	4900	2320	33100
No. large businesses 2015 (>250 emps)	75	35	15	10	125
Rail journey time to London Swindon, Westbury, Salisbury & Chippenham	1 hr 1m	1hr 37m	1hr 29m	1 hr 16m	-
Distance to London from Swindon, Trowbridge, Salisbury & Chippenham (miles)	80	112	88	99	-

Appendix 2 - Governance structure for the Swindon and Wiltshire Local Enterprise Partnership

