

13 February 2012



**North Eastern Local Enterprise
Partnership**

**Report of Ian Thompson, Director of Regeneration and Economic
Development**

Purpose of the report

- 1 This note summarises the ongoing work of the North Eastern Local Enterprise Partnership (NELEP).

Background

- 2 The NELEP Board was established in July 2011 with an agreed focus on strategic economic opportunities and challenges in the four following areas:

- a. Supporting enterprise and private sector business growth
- b. Building on key economic strengths
- c. Improving skills and performance
- d. Strengthening transport, connectivity and infrastructure

- 3 The NELEP Board includes:

- a. Chair: Paul Woolston, Senior Partner, PricewaterhouseCoopers
- b. 8 business members including 2 from County Durham who are David Land (Director of Gestamp Tallent Automotive, Aycliffe) and Dr. Arnab Basu (Chief Executive Officer of Kromek, NETPark)
- c. 7 local authority leaders or mayors from County Durham, Northumberland and the five Tyne and Wear authorities
- d. The Vice Chancellor of Newcastle University and the Principal of Sunderland College

Key work areas

- 4 The NELEP is involved in a recruitment exercise to appoint to five newly created positions which will form the NELEP support team. Once this team has been established the NELEP will be able to develop operational documentation and working arrangements more quickly.

- 5 The NELEP recently secured £16.7m from the government's Growing Places Fund and is likely to invite private sector proposals which will generate future financial returns that can be reinvested in other schemes. A transport strategy is being drafted by the NELEP which may also direct some of the Growing Places funding.
- 6 Work is ongoing to establish the conditions for the creation of a new Low Carbon Enterprise Zone (EZ) which will cover three sites including the North Bank of the River Tyne, the Port of Blyth, and the A19 corridor adjacent to Nissan.
- 7 With backing from the NELEP, a new rural forum (NEFRAN¹) has been established within Defra's new Rural and Farming Network. NEFRAN has submitted a bid to establish a Rural Growth Network which, if successful, will lead to the creation of new business workspace in Alnwick and Hexham in Northumberland, Gibside in Gateshead, and perhaps the rural parts of County Durham such as Middleton-in-Teesdale as well as the provision of business support from these hubs for local rural enterprises.
- 8 The private sector lead of the skills and employment workstream has agreed to attend a meeting of the County Durham Economic Partnership in March to discuss priorities and the coordination of activities. There is potential for the NELEP to lead some priorities that One North East had previously progressed on behalf of region-wide partners, such as planning for future workforce needs. It is likely that the discussion will focus on how employment and skills activities might be coordinated by the NELEP.
- 9 A Memorandum of Understanding is due to be signed with the Government export and inward investment body, UK Trade & Investment, which will allow the NELEP to access their database of inward investment enquiries and help to develop a regular dialogue with the government.
- 10 A proposal is being developed to establish closer working arrangements between the Northern Tourism Alliance and the NELEP for the coordination of tourism activities.
- 11 The NELEP is also considering how to coordinate bids to the third round of the Regional Growth Fund (RGF). This may include the LEP developing a small number of bids which bring together several business projects if the approach would improve the success rate in terms of securing Government support. Another proposal is to develop a bid for a cities programme which will use RGF investment to accelerate private sector investments which support the economic growth of cities in the LEP area.

Recommendations

- 12 It is recommended that Economy and Enterprise Scrutiny Committee members take note of the information in this report.

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¹ North Eastern Farming and Rural Advisory Network