

Department for Levelling Up, Housing & Communities

#### Neil O'Brien MP

Parliamentary Under Secretary for Levelling Up, The Union and Constitution

## Department for Levelling Up, Housing and Communities

4th Floor, Fry Building 2 Marsham Street London SW1P 4DF



Department for Business, Energy & Industrial Strategy

#### **Paul Scully MP**

Parliamentary Under Secretary of State (Minister for Small Business, Consumers and Labour Markets)

## Department for Business, Energy and Industrial Strategy

1 Victoria Street London SW1H 0ET

For all enquires relating to LEP integration, please contact LEP.Integration@levellingup.gov.uk

31 March 2022

#### Integrating Local Enterprise Partnerships into local democratic institutions

Dear LEP Chairs, combined authority mayors and the Mayor of London,

Ahead of the publication of the landmark Levelling Up White Paper, we were pleased to speak with all Local Enterprise Partnerships (LEPs). We thanked them for the invaluable contribution they make to their local economies. As the White Paper makes clear, the private sector which LEPs represent will be critical to levelling up. To maintain the integrity of this independent voice, the White Paper sets in motion some changes to the roles and functions of LEPs to ensure local areas are in the best possible position to deliver our shared levelling up objectives over the longer term.

The update in the White Paper, and this letter, concludes the LEP review. We acknowledge the review has caused considerable uncertainty over the last year for LEPs and their staff. We would like to thank all local partners for their patience and support as we developed and agreed our policy on the future of LEPs.

We were pleased to set out our guiding vision in the White Paper of more integrated, better aligned and empowered local institutions with the tools they need to unlock economic growth and level up at a local level.

In some areas, LEPs already enjoy a close, collaborative relationship with combined authorities. In others, LEPs retain a high level of independence. Our priority in the recent LEP review has been to balance the accountability of local growth institutions, our objectives on devolution and the need to retain a local, independent, business voice. Within that context the White Paper set out our expectations of even closer integration between LEPs and local democratic institutions. The enclosed guidance sets out further detail on how, when and where we expect that transition to occur.

We want to ensure that businesses outside of devolution areas continue to be able to access the support, insights and representation that LEPs provide, and to ensure that an independent business and stakeholder voice continues to play its vital role supporting growth in all parts of England. Until devolved institutions exist in an area, we will support LEPs as they are currently constituted, subject to future funding decisions.

To provide clarity and certainty to LEPs and local democratic institutions, we can confirm core/transition funding will continue at a rate of £375,000 per LEP for financial year 2022/23, reflecting their revised role and functions and subject to business case approvals.

We encourage you to review this letter and its accompanying guidance (overleaf) in detail. It confirms that we will work with all LEPs, (mayoral) combined authorities, the Greater London Authority, local authorities, the LEP Network, and other local partners to manage as smooth a transition as possible. Where LEP functions and roles are to be integrated, we will invite places to submit an 'integration plan' for development and submission to government by 29 July 2022 or, where more time is needed, by 27 January 2023.

We look forward to working with all of you over the coming months.

**NEIL O'BRIEN** 

Minister for Levelling Up, the Union and Constitution

PAUL SCULLY

Minister for Small Business, Consumers and Labour Markets, and Minister for London

Cc: Local authority leaders and chief executives; LEP chief executives; combined authority chief executives; and the chief executive of the Greater London Authority.

# Guidance on integrating Local Enterprise Partnerships into local democratic institutions

- 1. Local Enterprise Partnerships (LEPs) have played a valuable role in supporting local economic growth since their inception in 2011. LEPs have brought businesses, education and local government together, delivered large capital investment schemes, provided vital support to businesses during COVID-19, hosted impactful programmes on behalf of government departments and developed economic strategies for their areas. Government values the contribution LEPs have made and continue to make to their local economies. We thank them and their staff for their hard work to date.
- 2. The publication of the Levelling Up White Paper marks a turning point for local growth policy. It set out a series of ambitious missions to level up by, for example, increasing pay, employment, skills and productivity, ensuring every area has a globally competitive city, and offering every part of England a devolution deal that wants one within the new devolution framework. The missions will be cross-government, cross-society efforts, and it will be vital that the private sector plays a role in delivering against them. We recognise the strategic value of involving business leaders and other stakeholders in local decision-making, and of locally-led economic strategies covering functional economic areas. To this end, we will be re-wiring the system to ensure it is fit for purpose, including by integrating the functions and roles of LEPs into our plans for devolution.
- 3. This letter builds on the White Paper and LEP review and outlines government's plans for the evolution of LEPs. We are grateful to the extensive range of local partners who took part in the review and thank them for their patience as we reflected on its findings. This letter marks the beginning of the transition of LEPs' functions and roles into local democratic institutions. It sets out the principles of future LEP policy but allows some flexibility to accommodate local circumstances. These local circumstances will, in turn, shape the immediate next steps for LEPs as well as their future role. The letter does not set out how integration will play out for individual LEPs, but it does establish parameters and principles to guide LEPs and local democratic institutions, working with government, through the transition. We will work closely with the LEPs, the LEP Network, combined authorities and, where required, local authorities, to ensure the forthcoming period of change is as smooth as possible.

### Levelling Up White Paper

For the last decade, LEPs have acted as important organisational means of bringing together businesses and local leaders to drive economic growth across England. They have also been responsible for the delivery of a number of major funding streams. It is important to retain the key strengths of these local, business-oriented institutions in supporting private sector partnerships and economic clusters, while at the same time better integrating their services and business voice into the UK government's new devolution plans.

To that end, the UK government is encouraging the integration of LEPs and their business boards into MCAs, the GLA and County Deals, where these exist. Where a devolution deal does not yet exist, LEPs will continue to play their vital role in supporting local businesses and the local economy. Where devolution deals cover part of a LEP, this will be looked at on a case-by-case basis. Further detail on this transition will be provided in writing to LEPs as soon as possible.

## **Principles**

### Integrating LEPs into our plans for devolution

4. We will support the integration of LEP functions and roles into the institutions sitting at Levels 2 and 3 of the devolution framework: single institutions such as a (mayoral) combined authority ((M)CA), a county council or a unitary authority across a functional economic area with (Level 3) or without (Level 2) a directly elected mayor. LEP functions and roles will be integrated into institutions with devolved powers for the purpose of hosting a county deal, and the London Economic Action Partnership will be further integrated into the Greater London Authority. Where devolution deals have already been implemented, we expect LEPs' functions and roles can be integrated over the coming year. Where devolution deals are set to be negotiated, the integration of LEP functions, roles and boundaries will be considered as part of those negotiations, with LEPs supporting local leaders, where requested, to embed a private sector perspective into that conversation. Once a future devolution deal is agreed and implemented, or where an institution progresses to at least Level 2 of the devolution framework, LEP functions and roles can be integrated. Where no devolution deal is in place, LEPs will be maintained until a devolution deal is agreed, subject to future funding decisions. Where a devolution deal geography cuts across a current LEP geography, we will engage with local partners and consider the best outcome for local businesses on a case-by-case basis guided by local preferences. Democratically accountable local leaders will lead the integration of LEP functions and roles into their respective institutions, working jointly with LEPs and, where necessary, other local stakeholders.

#### **Future role**

- 5. The future role of individual LEPs will differ depending on local circumstances and the status of devolution locally. Broadly, we expect the future role of LEPs or the local democratic institution after LEP functions have been integrated will be to:
  - a. Embed a strong, independent and diverse local business voice into local democratic institutions.
  - b. Carry out strategic economic planning in partnership with local leaders that clearly articulates their area's economic priorities and sectoral strengths. This should involve building and maintaining a robust local evidence base that identifies local strengths and challenges, future opportunities and the actions needed to support priority sectors, aligned to the relevant levelling up missions. The nature of this role will depend on individual LEPs' integration pathway. Across all pathways, LEPs, or local democratic institutions where LEP functions and roles have been integrated, should continue to use their convening power to bring together business, education and other local economic stakeholders.
  - c. Continue to deliver a number of functions on behalf of government departments, shaped by the local business voice where relevant. Future programme and funding decisions will be taken by each respective department according to their own decision-making and business planning processes, priorities and timescales. However, at the present juncture we would expect departments to continue to engage with LEPs, or begin to engage with the respective local democratic institution once LEP functions have been integrated, on the delivery of:
    - I. Growth Hubs, on behalf of the Department for Business, Energy and Industrial Strategy:
    - II. International trade and investment activity, provision of local business intelligence, grant funding and levelling-up focused projects, on behalf of the Department for International Trade;

- III. Local Digital Skills Partnerships, on behalf of the Department for Digital, Culture, Media and Sport;
- IV. Careers Hubs, on behalf of the Department for Education;
- V. Local skills analysis via Skills Advisory Panels, on behalf of the Department for Education; and
- VI. Monitoring and assurance pertaining to existing local growth programmes and funds for which LEPs are responsible.
- d. Where appropriate, LEP business boards can help broker and support new or deeper devolution deals, where requested by local partners. New or deeper devolution deals will not need to be signed off by LEPs.

## **Future funding**

- 6. For LEPs that are set to be integrated, we term their funding 'transition' funding. For LEPs that are not set to be integrated over the coming year or once their functions and roles have been integrated into local democratic institutions, we term their funding 'core' funding. We can confirm that we will provide core/transition funding of £375,000 for the full financial year 2022/23, subject to business case approvals. As set out in paragraphs 17(a) and 19–21, we will work with local partners to give effect to LEP integration at the earliest possible opportunity, where relevant.
- 7. Where LEPs are integrated into (M)CAs or institutions with devolved powers for the purpose of hosting a county deal and there are subsequent boundary changes, we will proportionately revise future core/transition funding grants, where required, on an individual basis. We will maintain the expectation that match funding of at least 50% of government's core funding grant must be secured. We will allow a reasonable proportion of LEP core funding to be used to cover essential preparatory work and legal costs associated with the integration process, where necessary. Our expectation is that only one set of external legal advice should be procured for every integration, with all parties agreeing on the legal questions to be resolved, where necessary.

## Integration pathways

- 8. The principles set out above will translate differently into different local contexts, largely depending on the status and outcome of local devolution negotiations. We expect individual LEPs will follow one of three 'integration pathways' (also illustrated in **Annex A):** 
  - I. Integrating LEPs into (M)CAs or institutions with devolved powers for the purpose of hosting a county deal;
  - II. Maintaining LEPs until a devolution deal is agreed; or
  - III. Finding a local solution where one or more (M)CA or institution with devolved powers for the purpose of hosting a county deal covers only part of the LEP area, leaving part(s) of the LEP area outstanding.

At the present juncture, we expect most areas will either be on pathway I or II with only a few on pathway III.

# Pathway I: Integrating LEPs into (M)CAs or institutions with devolved powers for the purpose of hosting a county deal

9. We anticipate that all LEPs will eventually fully integrate into local democratic institutions in line with our mission to offer a devolution deal to everywhere that wants one by 2030.

- a. Where LEP geographies are coterminous with existing (M)CAs, we will support the integration of LEPs' functions and roles into those democratically accountable institutions.
- b. Where there are multiple LEPs within a single (M)CA or county deal area and boundaries are coterminous, we expect them to become one integrated institution on the geography of the constituent (M)CA or institution with devolved powers for the purpose of hosting a county deal. Where this involves boundary changes, Ministers will consider the preferred local solution put forward by local partners on a case-by-case basis, considering the guiding principles suggested for pathway III.
- c. Where there is one LEP area but multiple (M)CAs or institutions with devolved powers for the purpose of hosting a county deal which cut across its geography, we expect LEP functions and roles to integrate into those separate institutions.
- d. LEP functions and roles are part of Level 3 (top) and Level 2 (mid) of the devolution framework; they will not be integrated into institutions at Level 1 of the devolution framework, where local authorities are working together across a functional economic area or whole county area (for example, through a joint committee). In Level 1 areas, LEPs will likely follow either integration pathway II or III, or potentially a mixture.
- e. Since the 2018 LEP review, we have had a clear position on geographic boundary overlaps: they dilute LEPs' ability to set clear strategies for places and confuse the local growth landscape. All LEP overlaps must be removed through the process of LEP integration. This will be a 'red line' in our devolution negotiations.
- 10. We expect the future role of LEPs integrated into (M)CAs or institutions with devolved powers for the purpose of hosting a county deal will mirror the principles set out in paragraph 5, with some modifications. LEPs' functions and roles should complement and add value to the wider suite of decision-making powers we are devolving to local leaders, which presents opportunities to further join up activity and drive progress towards the levelling up missions. As set out in paragraphs 17(a) and 19–21, local democratic institutions should submit an 'integration plan' to government before 29 July 2022, or by 27 January 2023 where more time is required.
  - a. With regard to the business voice, the LEP board should become, or integrate with, the (M)CA or institution with devolved powers for the purpose of hosting a county deal's business board. The (M)CA or institution with devolved powers for the purpose of hosting a county deal will have the flexibility to preserve the current LEP board as a sub-board or merge the LEP board into an existing or new internal business board(s). Local leaders will also have the flexibility to adjust the membership of the newly integrated business board, including by inviting the participation of local economic partners outside of the business community, and can re-brand as necessary. The business board should be consulted on all relevant economic decisions. Any new business board members must be appointed through an open process. That process should ensure appointees are politically independent and able to provide a constructive check and challenge on local decisionmaking using their private sector perspective. (M)CAs and institutions with devolved powers for the purpose of hosting a county deal must, in their integration plans and as part of any future devolution negotiations, set out how they will ensure business boards are meaningfully involved in decision making and openly recruited, which will be a prerequisite for the release of further core/transition funding. Any newly integrated business voice function should play an active role in partnerships such as Town Deal Boards, where those partnerships currently have local LEP participation at the request of local partners. Where the LEP is mentioned in statute, in due course we will amend so that it reflects any new arrangements.
  - b. With regard to strategic economic planning and maintaining a local economic evidence base, the (M)CA or institution with devolved powers for the purpose of hosting a county

- deal will decide the direction and balance of these activities. This role must be additional to any statutory planning obligations, such as apply to the GLA.
- c. With regard to the functions LEPs currently deliver on behalf of government departments, please see paragraph 5(c).
- d. With regard to devolution negotiations, LEPs can offer advice where requested by local partners on deepening their devolution deals. Devolution deals will not be subject to sign off by LEPs.
- 11. The principles of future funding for LEPs as set out in paragraphs 6 and 7 apply to all LEPs. Where LEPs are integrated, (M)CAs or institutions with devolved powers for the purpose of hosting a county deal will be allocated the core funding LEPs currently receive, subject to integration plan and business case approvals. Any long-term future funding for the integration of LEP functions and roles will be subject to future funding decisions and business planning. Our intention, however, is that any future funding that is provided for the integration of LEP functions and roles will be additional to any capacity funding agreed as part of individual devolution deals.

### Pathway II: Maintaining LEPs until a devolution deal is agreed

- 12. We want to ensure businesses outside of devolution areas are still able to access the support, insights and representation LEPs currently provide. Where no devolved institutions exist in an area, we will support LEPs as they are currently constituted until there is devolution, subject to future funding decisions. This also applies to Level 1 devolved institutions the lowest tier of the new devolution framework unless and until they progress onto a higher level. Where a future devolution deal is agreed, or where the devolved institution progresses to a higher level of the devolution framework, LEPs will move onto integration pathway I.
- 13. The future role of LEPs will mirror the principles set out in paragraph 5 with some modifications.
  - a. With respect to business voice, we will support LEPs to continue to embed a strong, independent and diverse local business voice into the local decision-making fora they are party to. Local authorities in England may wish to consult with LEPs, along with other local partners, as part of the development of local plans and applications to local growth funds such as the UK Shared Prosperity Fund (UKSPF) or Levelling Up Fund, where projects have an economic development purpose. We encourage all local and relevant national partners to engage with LEPs where a private sector and economic perspective can add value to local decision-making and expect LEPs to readily offer advice where requested.
  - b. With regards to strategic economic planning, we will support LEPs to develop local economic strategies and maintain business and economic intelligence for their areas. LEPs outside of devolution areas should set how they intend to utilise their strategic economic function (alongside the other functions and roles set out here) in their delivery plans (see paragraph 15 for more details). These should be published by 30 June 2022. In considering how to employ their strategic economic development function, LEPs should consider what will add most value to their local area, aligning where possible to the levelling up missions set out in the Levelling Up White Paper, in particular mission 1<sup>1</sup>.
  - c. With regards to the functions LEPs currently deliver on behalf of government departments, please see paragraph 5(c).
  - d. With regard to devolution negotiations, LEPs can offer advice where requested by local partners on deepening their devolution deals. Devolution deals will not be subject to sign off by LEPs.

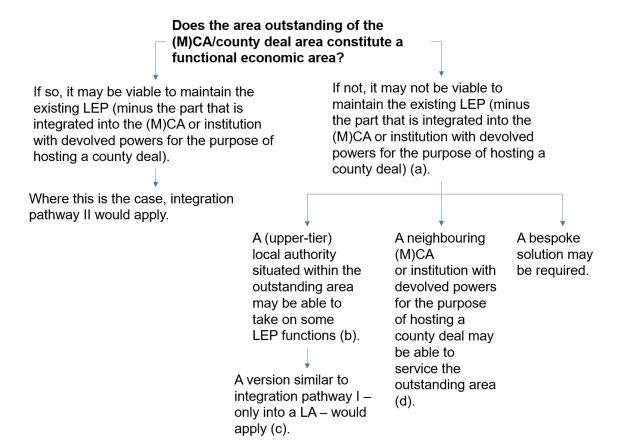
<sup>&</sup>lt;sup>1</sup> By 2030, pay, employment and productivity will have risen in every area of the UK, with each containing a globally competitive city, with the gap between the top performing and other areas closing.

- 14. The principles of future funding decisions set out in paragraphs 6 and 7 apply to all LEPs. Our position on core funding provides LEPs with clarity for the coming financial year as a whole, with LEPs on pathway II set to receive £375,000. Subject to future business case approvals, LEPs on pathway II will continue to be the recipient of core funding and their respective local authority will remain the accountable body. Devolution is a process and not an event, and we recognise that some areas may need time to decide which if any devolution arrangement is right for them. As above, any long-term future funding for LEPs outside of (M)CA or county deal areas will be subject to future funding decisions and business planning. We will keep this position under review, considering the progress of local devolution negotiations.
- 15. There will be two parts to our approach to assuring LEPs on pathway II, covering: (a) the coming financial year (2022/23); and (b) the period thereafter.
  - a. As part of the current assurance monitoring process, we ask that all LEPs publish their delivery plans for the coming year (2022/23) by 30 June 2022 at the latest. These documents should set out how LEPs intend to use the full range of their core functions and roles (as set out in paragraphs 13a–d) to support their local economies and local decision-making. Government will work with LEPs to develop measures to report against in these plans. These will be considered as part of the annual assurance process. The National Local Growth Assurance Framework (NLGAF) will continue to apply to LEPs as at present.
  - b. For future years, we will ask LEPs on this pathway to agree delivery plans alongside delivery and performance metrics with government in advance of publication. Our current expectation is that LEPs will need to submit draft delivery plans for 2023/24 by 25 November 2022. Future provision of core funding will be subject to agreement of these plans with government and, thereafter, subject to meeting agreed delivery and performance metrics. We intend to amend the NLGAF over the coming year to ensure our future requirements of LEPs remain proportionate to their revised role and functions.

# Pathway III: Finding a local solution where one or more (M)CA or institution with devolved powers for the purpose of hosting a county deal covers only part of the LEP area, leaving part(s) of the LEP area outstanding

16. Integrating LEP functions and roles into (M)CAs and institutions with devolved powers for the purpose of hosting a county deal may create boundary issues in some areas. We will engage with local partners to understand the range of possible outcomes for LEP integration in such cases, which we will consider on a case-by-case basis through the integration plan process guided by local preferences. If an (M)CA or institution with devolved powers for the purpose of hosting a county deal cuts across a LEP area and only part of the LEP area is integrated, leaving another part outstanding, we will consider each case against the following guiding principles. We will want to hear from local partners on their preferred local solution for dealing with any outstanding areas. We expect that each local solution will provide a template for other LEPs in similar circumstances to consider. Any outstanding overlaps between LEP geographies must be removed as part of the preferred local solution.

FIGURE 2: Potential guiding principles for dealing with outstanding areas



## Further information on guiding principles

- a. It may not make sense in most instances to maintain all LEP functions and roles in geographies that are substantially below the functional economic area level.
- b. Where there are multiple local authorities in the outstanding area, a lead local authority should be appointed, and service agreements signed, to ensure coverage across the LEP area. The host local authority should, where possible, be a UTLA. With regards to the functions and roles of the local authority that absorbs the LEP:
  - i. We encourage the local authority to consider a range of options to maintain an independent business board. The local authority should present its preferred option to government through the process of developing an integration plan. Depending on local context, this may involve using or re-purposing an existing business board function within the local authority or area; creating a new business board; or potentially accessing advice and input from established private sector organisations with a relevant geographic remit. The business board should be consulted on all relevant economic decisions. Local authorities must, in their integration plans, set out how they will ensure business boards are meaningfully involved in decisions and openly recruited or appointed, which will be a prerequisite for the release of future core funding. Any newly integrated business voice function should play an active role in partnerships such as Town Deal Boards, where those partnerships currently have local LEP participation at the request of local partners.
  - ii. In most instances, we would not expect the host local authority to undertake additional strategic economic planning or maintain additional local economic intelligence on behalf of the outstanding area for the reason set out in (a), unless there is a strong strategic and economic case.

- iii. With regards to the functions LEPs currently deliver on behalf of government departments, please see paragraph 5(c).
- c. The process for integrating LEP functions and roles into local authorities would look similar to LEP integration on pathway I, only a local authority would be the 'recipient'. We will similarly expect the local authority to produce an integration plan setting out how it intends to take on the LEP's functions and roles pertaining to the outstanding area, where this is the agreed local solution.
- d. Alternatively, a neighbouring (M)CA or institution with devolved powers for the purpose of hosting a county deal but not a LEP may, in some instances, be able to 'serve' the outstanding area. It will be for the (M)CA or institution with devolved powers for the purpose of hosting a county deal to ascertain whether this arrangement is legally feasible, considering, for example, the formal powers conferred by its devolution deal. Where it is feasible, a proportionate mechanism should be agreed for the outstanding area to be able to input into decision-making processes which have a bearing on its local economy. This mechanism should be jointly developed between the (M)CA or institution with devolved powers for the purpose of hosting a county deal and the council(s) covering the outstanding area.

## **Timescales**

- 17. We expect individual LEPs will need a variable amount of time to integrate into local democratic institutions.
  - a. LEPs in areas where there are existing (M)CAs can be integrated over the coming year. Where integration can happen quickly, and if integration plans can be developed, given proper consideration and approved, mitigating any consequences for neighbouring areas and managing any implications for staff, where relevant, we will work with local partners to give effect to the integration of LEP functions and roles at the earliest practicable opportunity, subject to HMT business case approval. This will require submission of an integration plan before 29 July 2022. There will be a second opportunity to submit an integration plan, by 27 January 2023, where more time is needed. We expect that LEP integration into new (M)CAs or institutions with devolved powers for the purpose of hosting a county deal will likely take longer, considering the time required to negotiate, implement and legislate for new deals.
  - b. We acknowledge that LEP integration in areas where devolved institutions do not presently exist will depend on the timing of any future devolution deal.
  - c. Some LEPs on integration pathway III may need to wait until there is clarity on the outcome of local devolution negotiations to be able to fully consider their options for integration. Where there is uncertainty on local devolution, LEPs should engage with government.
- 18. Key near-term milestones during this period, which should be treated as illustrative, are outlined in **Annex B**.

## Integration plans

19. It is important that LEP functions and roles are considered as part of any deal negotiation process and that integration plans are developed in parallel. Integration plans must, at a minimum, take

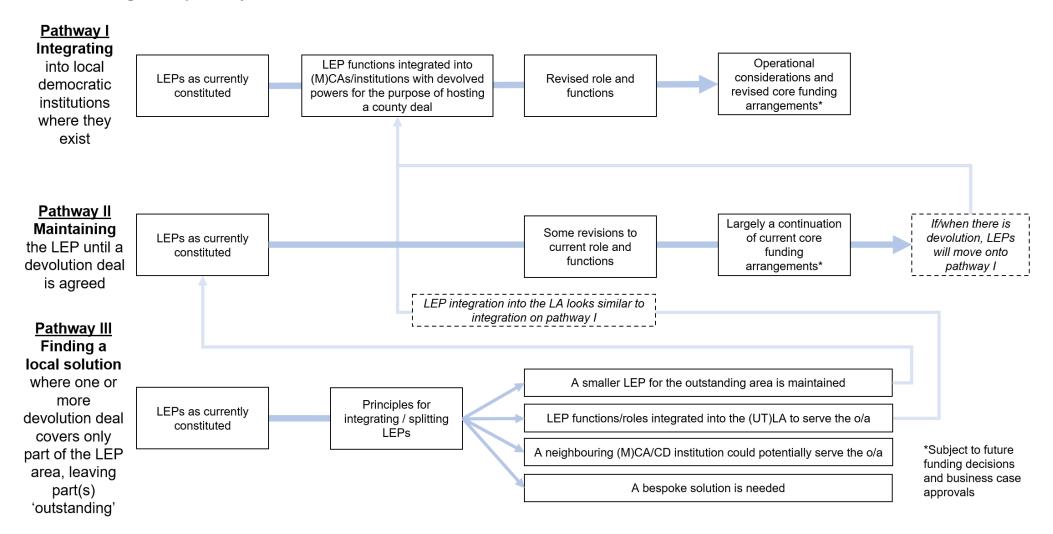
account of all of the above considerations and highlight any additional considerations that are locally specific. The plans must include considerations that are specific to existing LEPs, including how any outstanding liabilities, the transfer (novation) of contractual obligations, any capital underspend and assets will be dealt with. We expect individual LEPs will need to handle each matter differently depending on their present and historic circumstances. Where the LEP is to be integrated, (M)CAs and institutions with devolved powers for the purpose of hosting a county deal must have regard to whether the Transfer of Undertakings (Protection of Employment) (TUPE) principle applies, considering how they intend to discharge their new roles and functions. This matter should be treated with the upmost sensitivity. Should a LEP decide to wind down where its functions and roles are to be integrated, the plans should give regard to all matters and impacts that need to be considered as part of that process. We will provide an illustrative template for integration plans.

- 20. On integration pathway I, (M)CAs or institutions with devolved powers for the purpose of hosting a county deal will lead the development of the plans, setting out how the integration of LEP functions and roles will add value to and align with existing and scheduled activity. LEPs that already have the legal personality of a combined authority should still produce an integration plan, omitting considerations that do not apply. This also applies to the GLA. On integration pathway III, integration plans should be developed by the body that is to take on the LEP's functions and roles pertaining to any outstanding area(s) – i.e., the local authority, (M)CA or institution with devolved powers for the purpose of hosting a county deal, depending on the preferred local solution – led by their democratically accountable local leaders in consultation with other relevant parties. In both instances, the respective local LEP(s) should play a key role in co-developing the plan and should sign it off prior to its submission to government for consideration by the relevant departments. Key local stakeholders should be involved in the development of the plans from an early stage. Commercially sensitive information pertaining to the LEP may be submitted in parallel to the main integration plan. We will not require an integration plan for LEPs on integration pathway II unless and until there is local devolution see paragraph 15 for the assurance considerations that apply to LEPs on this pathway.
- 21. The functions and roles agreed as part of the integration plans will form the basis of our core funding grant offer letter pertaining to LEPs on pathways I and III. Performance against these functions and roles will inform future individual core funding decisions. Where a LEP's functions and roles are integrated, individual integration plans will inform our approach to assurance.

## Engagement and next steps

22. To ensure as smooth a transition as possible, we will set up a regular rhythm of engagement with the LEP Network. We encourage individual LEPs to cascade initial questions about the transition to the LEP Network. We will pursue a similar arrangement at working level with the M10 group of Mayors for questions pertaining to combined authorities. LEPs that are set to be integrated over the coming year will, in due course, be assigned an 'account manager' within government – an Area Lead within the Cities and Local Growth Unit – who will be able to respond to and escalate locally specific issues and questions pertaining to the development of integration plans where required. Government will provide an illustrative template for these plans. For further information. submit integration complete. and to plans once contact: LEP.Integration@levellingup.gov.uk.

## **Annex A – Integration pathways**



## **Annex B – Illustrative milestones**

2022	
31 March	<ul> <li>LEPs, (M)CAs and local authorities receive and consider this letter and discuss the integration pathway that applies to them.</li> </ul>
April	<ul> <li>LEPs and (M)CAs should now have a sense of which integration pathway applies to them. Integration plans for LEPs that are to be integrated this year should begin to be developed, where local partners are able to move quickly. Government will provide an illustrative template for integration plans.</li> <li>CLGU officials will commence a regular rhythm of engagement with the LEP Network and, at working level, the M10 group of Mayors.</li> <li>LEPs and (M)CAs on integration pathways I and III will be assigned an 'account manager' who will support the transition to integration.</li> </ul>
30 June	<ul> <li>LEPs on pathway II should publish their delivery plans for financial year 2022/23, as set out in paragraph 15(a).</li> </ul>
29 July	<ul> <li>LEPs and (M)CAs on pathway I will have an early opportunity to submit their integration plans, as set out in paragraphs 17(a) and 19–21.</li> </ul>
Late September October	<ul> <li>Government will respond to the first tranche of integration plans.</li> <li>Where government agrees with the integration plans, LEPs and (M)CAs should proceed to implement them as agreed.</li> </ul>
25 November	<ul> <li>LEPs on pathway II should submit draft delivery plans to government for the following year (2023/24), as set out in paragraph 15(b).</li> </ul>
2023	
January	<ul> <li>Government will seek to agree delivery plans for the coming year (2023/24) with LEPs on pathway II.</li> </ul>
January 27	<ul> <li>Combined authorities and LEPs on pathway I will have a second opportunity to submit their integration plan, as set out in paragraphs 17(a) and 19–21.</li> </ul>
Late March	<ul> <li>Government will respond to the second tranche of integration plans.</li> </ul>