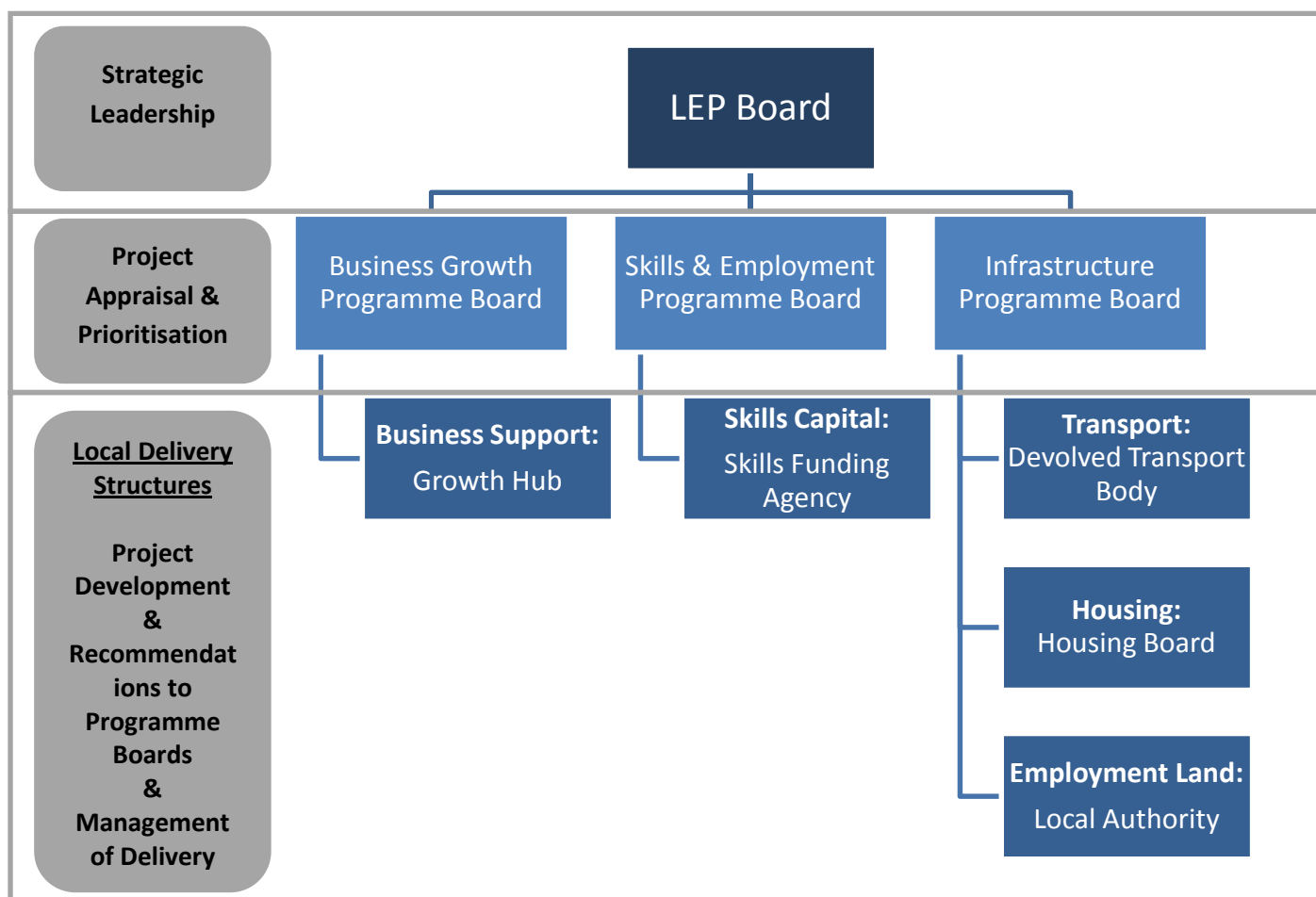


York, North Yorkshire & East Riding LEP Funding Proposal

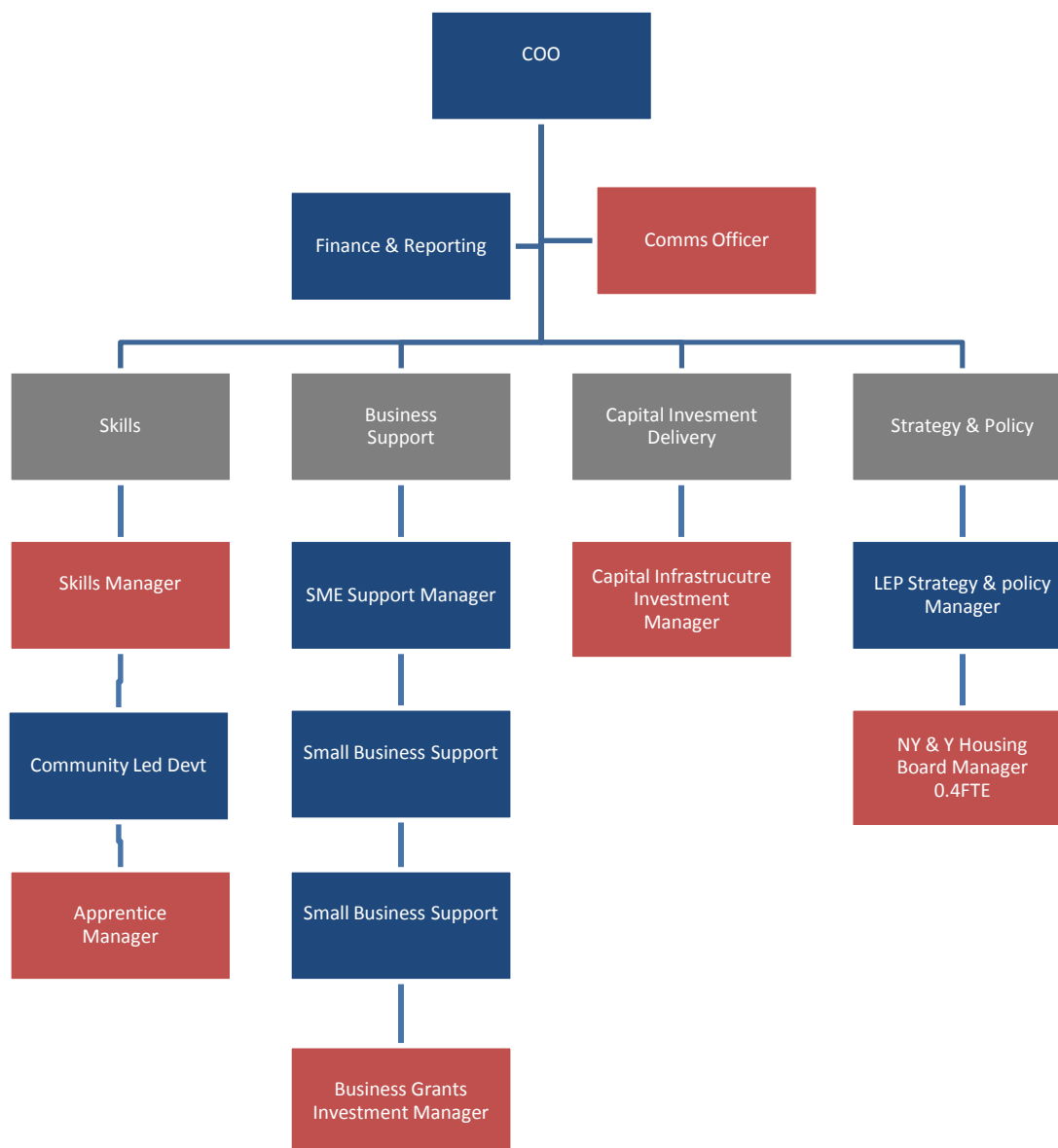
- 1 This paper sets out a proposal on how the York, North Yorkshire & East Riding LEP could be funded. The two drivers in developing this model are;
 1. Ensure delivery of its Strategic Economic Plan,
 2. to maximise the investment into the LEP area from the Single Local Growth Fund and other competitive sources.
- 2 To give some context, the governance structure below outlines how the LEP will work with the existing structures which operate across the LEP area.
3. To support the LEP Programme Boards a Local Growth Team will be created. The Local Growth Team will consist of the LEP Secretariat and key local delivery partners. This will include Senior Local Authority Economic Development Officers, together with the Managing Officers of established local delivery structures, such as the York and North Yorkshire Housing Board and the Devolved Local Transport Body, where there is experience of managing multi-million pound funding programmes.
- 4 The principle driving this model is to benefit from the existing expertise in the region and to capitalise on the resources currently in place.

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5 The current LEP Secretariat structure is detailed below. The blue boxes are funded by existing Local Authority contributions, the red boxes by external funding sources (Grants etc)

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- 6 In addition a short term secondment from Ryedale has been supporting the development of the LEP Strategic Economic Plan.
- 7 If the LEP is to be successful in delivering its Strategic Economic Plan and in maximising the funding it secures into the region, it needs to ensure the Local Growth Team it creates, has the right skills, knowledge and capacity.
- 8 To date NYCC has disproportionately funded the LEP secretariat costs. The role of the LEP has significantly evolved whereby the Strategic Economic Plan will attract far greater financial investment in to all Local Authorities growth plans. Therefore a more equitable allocation of costs is required.

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9 There are two clear sets of roles required to create an effective Local Growth Team.

1. **Strategic Leads** to operate across the LEP geography, engage with key local partners along with regional and national bodies to identify and secure investment opportunities. They would also take responsibility and be directly accountability to the Programme Boards for delivery of key investments. It is estimated each of these posts would be 0.5 FTE and expertise is required in -
Transport, Housing, Coastal & Rural/Environmental

It is proposed that these posts are funded via a cash contribution into the LEP

2. **Project development/delivery** capacity. These posts are to ensure that LEP investments are delivered on the ground and that future priority projects are developed in to a high quality, investment ready position to support future bids for funding.

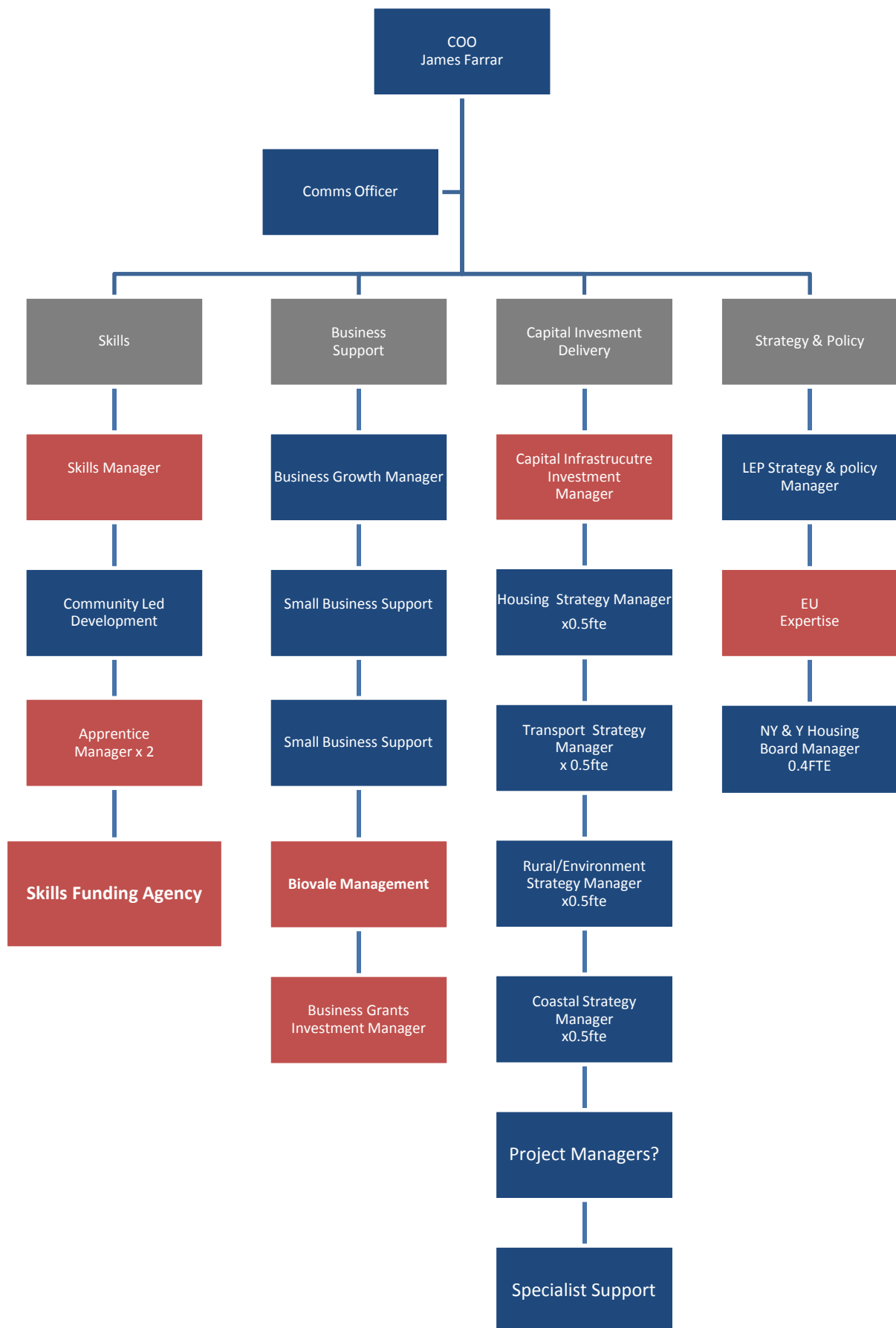
Reflecting different resources and needs within each Local Authority, it is proposed that these contributions are made through a mix of cash contributions, in kind delivery and secondment

10 The LEP also has a requirements for additional Business Support and Skills capacity. **All funding** for these posts will be secured from external sources.

11 The organisation structure below summarises the proposed Local Growth Team which is required to maximise investment and growth across the LEP area.

Please note: The **blue boxes** are to be funded by Local Authority contributions, the **red boxes** are funded by external funding sources (Grants etc) at no cost to Local Authorities.

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Posts & Costs required to deliver the LEP SEP / LEP Capacity Funds (£250k)

Costs	LA Funding	LEP Capacity Funding	LEP Successful Bids
Existing Posts Chief Operating Officer Senior Managerx2 (1xSME & 1xStrategy Manager) Enterprise Partnership Officersx3 Research Officer New Posts Housing Strategy Manager Coastal Strategy Manager Transport Strategy Manager Environment/Rural Strategy Manager	329,000		
Funded Via LEP Capacity Funds Comms Officer Skills Manager NY & Y Housing Board Manager 0.4fte		105,000	
Funded via successful LEP Bids/EU Funding Regional Growth Fund Manager Growing Places Infrastructure Manager Apprentice Managersx2			180,000
Non Staff Costs Premises Travel, Stationery, etc	30,000	30,000	
Total Costs to be funded through cash contributions	£473,000		
ADDITIONAL CAPACITY which would deliver increased regional efficiency and cost savings Potential activity could include: Project delivery Feasibility work Future business cases Project development Transport support Consultation Masterplanning	170,000 To be determined at Local Authority level funded through a mix of cash, in kind, secondment	145,000	
Total Budget	643,000	250,000	180,000
Current LA Cash Contributions Total £389k	NYCC £314,000 (82%) Other LA £75,000 (18%) These costs exclude Accountable Body, finance, legal and admin support provided to the LEP secretariat at no cost by NYCC.		

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<p>Proposed Cash Contributions Total requirements £486k</p>	
<p>If the full cost of the LEP (£486,000) was split in accordance with the LEP voting rights, the contribution would be £20,250 per vote. NYCC £141,750 East Riding £121,500 City of York £81,000 Districts £20,250 each</p>	
<p>Proposed allocation City of York and East Riding get 50% reduction based on their transport being 100% in another LEP City of York - £40,500 East Riding - £60,750 NYCC – £243,000 7x Districts - £20,250</p>	

Key Points:

- The LEP would not retain any of the funding for the new posts required. This is about
 1. Better utilisation of expertise within Local Authorities; and
 2. Ensuring those Local Authorities whose employees take a regional role are compensated; and
 3. Developing a future pipeline of good quality investments and ensuring successful delivery of existing approvals.
- The aim is to utilise our best talent on a regional basis, allowing all Local Authorities to benefit from the expertise and creating better quality investment project moving forward.
- It assumes government will continue with their existing strategy of backing projects which are 'Shovel Ready' and high quality.
- Project development is therefore done at risk and we need to maximise the quality of proposals and the potential for investment.
- The LEP Governance proposes to utilise the existing governance structures to manage delivery (Housing Board, Devolved Local Transport Body etc), this provides support to those structures to ensure they have the capacity to deliver the investments.