

**LOCAL ENTERPRISE  
PARTNERSHIP CAPACITY FUND**

**Guidance Note**

**FEBRUARY 2011**

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# Guidance Note

**In order to help Local Enterprise Partnerships (LEPs) understand the issues facing businesses in their areas and to allow them to develop and prioritise action plans, the Department for Business Innovation and Skills (BIS) has made available a £4 million capacity fund.**

## Detail

All LEPs who have been asked to put their boards in place by Ministers will be able to bid into this fund on a challenge basis. The fund will be spread over 4 years with the first bidding round, aiming to allocate up to £1 million, closing midnight on 31<sup>st</sup> March 2011. A second bidding round will be launched in Autumn 2011 with further rounds in 2012 and 2013. Funds from the first round will need to be spent during the financial year 2011-2012.

Bids must be for projects that meet one or more of the following objectives:

- Address a gap in the intelligence available to LEPs on business needs and barriers to growth;
- Facilitate business engagement and interaction with the LEP; or
- Boost board capacity to prioritise actions which will support business-led growth and jobs within the LEP area. We will not be considering bids for secretariat support.

The types of applications that may be successful for funding include:

- Analysis of existing economic data or intelligence to help LEPs prioritise the activities to engage in.
- Analysis of new or emerging industries or clusters.
- Analysis of potential barriers and collection of new economic data. This may include analysis of data that already exists on a LA level, on a LEP level.
- Training for board members.
- Facilitating SME engagement with the partnership.
- Identifying economic benefits of working between LEPs on infrastructure issues or sectoral priorities.

However, this is not a comprehensive list, and successful bids will need to address capacity gaps specific to the applicant(s); there are no specific activities that will be guaranteed to receive funding. It is therefore up to Partnerships to apply for funds to support a project that can best address their specific issues and will be of most benefit to them within the aims of the fund.

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There is no minimum or maximum level for funding and bids will be judged individually on merit. However, BIS will want to ensure that as many worthwhile bids as possible are able to benefit from the fund so any very large bids would need to be of exceptional quality to be approved.

We anticipate that those LEPs whose boards have been recognised by Ministers as meeting expectations around the level of business representation will be in a particularly good position to put forward a strong application representing business needs in their area.

Applications will not be approved where they seek to fund activity that is already ongoing or if it seeks to collect data that is already available through existing routes, for example through recent RDA sub-regional analysis. Bids will need to demonstrate how they add value to intelligence already assembled, for instance through local authority economic assessments. Partnerships will need to be able to demonstrate that they are applying for funding for something new. High levels of match funding would help in demonstrating the strength of the bid and partners' support. This match funding could take the form of in kind resource but greater weight will be given to a monetary match.

In order to obtain funding, applicants should complete the attached form providing details of their proposal and the rationale behind it. Each LEP is eligible to submit a maximum of one bid in each round. Joint bids between LEPs can also be submitted. Where these joint bids are in addition to bids from individual LEPs, each LEP should clearly identify which bid is its priority.

The accountable body to which the grant is paid can be any of the partners within the LEP that are a legal entity as long as the budget and commissioned activity is overseen by the LEP Board. There is no requirement for the LEP to form as a legal entity to receive the grant.

Bids will be assessed by BIS with advice from a small panel of external stakeholders. This panel will consider bids against the fund objectives as set out above and the value for money offered by each proposal. Decisions on the first round of bids will be made in early May. Those unsuccessful in the first round will have the opportunity to revise their proposals and re-submit for consideration in further bidding rounds the next of which we expect to take place towards the end of 2011.

## **Submission of Applications**

Completed forms should be submitted electronically by midnight on 31 March to [LocalEnterprisePartnerships@bis.gsi.gov.uk](mailto:LocalEnterprisePartnerships@bis.gsi.gov.uk)

For help or advice in completing the application form please send an email to the above address.

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## Additional Guidance for the LEP Capacity Fund – Available Data

This section describes some of the available resources for gathering data on LEPs that should be considered before submitting a bid to the LEP capacity fund. Bids for intelligence that can be gathered through these sources will not be considered for funding.

### LEPs and Statistics page on BIS Website

BIS will shortly be putting a page on the LEP part of its website setting out where statistics are available at LEP level, how these can be created from local authority level data and the issues involved in using this data.

### ONS LEP Toolkit

ONS, through its Centre for Regional and Local Statistics, currently assists local authorities in undertaking their Local Economic Assessments by making available a whole range of statistical indicators through a Local Profiles tool, which together with other tools, forms part of the ONS toolkit to support Local Economic Assessments. ONS is currently producing statistical profiles for LEPs for a spring publication.

The indicators that ONS is expecting to be able to publish initially for LEPs are:

- Demography
  - Population by broad age
  - Population density
- Skills
  - NVQ levels
- Employment
  - Employment rate
  - Self employment
  - ILO unemployment
  - Inactivity
- Inclusion
  - DWP benefit claimants
- Housing
  - Dwelling stock
  - Property sales
  - Mean house prices
- Enterprise
  - Business stock by size
  - Enterprise births/deaths (as a % of stock)
  - 1 – 3 year survival rates
  - Industrial structure (local units)
  - Employment by broad industry group

It may be possible for additional indicators to be included at a later date as ONS looks to develop the LEP profiles, although further development will be subject to resourcing decisions made within ONS.

For the initial LEP profiles, the publications will closely reflect the tables and charts within spreadsheets for each theme in the existing local authority profiles<sup>1</sup>. It is likely to be the case that the initial LEP profiles will be available as an Excel spreadsheet to download.

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**URN 11/739**

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<http://www.neighbourhood.statistics.gov.uk/dissemination/Info.do?page=analysisandguidance/analysisarticles/local-authority-profiles.htm>

