



Department for
Business, Energy
& Industrial Strategy



Ministry of Housing,
Communities &
Local Government

Cities and Local Growth Unit
1st Floor, Fry Building, 2 Marsham Street,
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SW1P 4DP

20 February 2018

Richard Harrington
Chief Executive Officer
Buckinghamshire Thames Valley LEP
By email

Dear Richard

I am writing to you following your Annual Conversation on 30 November 2017 to communicate formally the outcome of the process and to set out the next steps and immediate actions that are required. **The agreed note of the Annual Conversation is attached.**

With the increasingly important role that LEPs have, it is important to Ministers and our Permanent Secretary, Melanie Dawes, as Accounting Officer, that there is a strong emphasis on ensuring that LEPs have the highest standards in place and are able to effectively act as key drivers of growth in their places. This is a point reinforced by the Public Accounts Committee in their recent hearing.

Performance Review

As set out in the Guidance, following the Annual Conversation officials in the Cities and Local Growth Unit undertook a Performance Review to look at the performance of each LEP across the three themes; governance, delivery and strategy. The review also sought to highlight any areas where there may be need for further development or where there is good practice to be shared. This involved reviewing the information provided for the Annual Conversation along with other sources including (but not limited to) Growth Deal data submissions and LEP governance processes and policies. Following the conclusion of the Annual Conversation process we have determined that overall your LEP's performance is considered to be 'good'. Feedback under each theme is set out below:

Governance

The LEP's governance is considered to be good. As reflected at the Annual Conversation, there is a strong governance culture with a commitment to continuous improvement, led by the Chair and yourself and reinforced by a strong Board that is used to working to high professional and ethical standards in their own organisations.

The LEP and its Accountable Body have responded to the Mary Ney Review recommendations and the Government Guidance proactively and at pace. It is good to see that the S151 officer attends all Board meetings, and at the 17th November Board meeting, the Board unanimously agreed to implement all the findings of the DCLG Non-Executive Director Review into Local Enterprise Partnership Governance and Transparency. I am pleased that in some areas the LEP has gone further, for example in terms of the Whistleblowing Policy the LEP has adopted, which is now dealt with outside the LEP area by Thames Valley Berkshire LEP, and vice versa, to ensure maximum transparency.

I note that the LEP and its Section 151 Officer from Buckinghamshire County Council, Richard Ambrose, have committed to ensure BTVLEP meet both the letter and the spirit of the new Best Practice Guidance. This will include reviewing your Register of Interest forms; Code of Conduct; Complaints Procedure and Whistleblowing Policies. The LEP and Accountable Body have committed to ensuring that all requirements are in place and published on the LEP's website by 28 February.

One area you have committed to review going forward is with regard to your constitution. The LEP is an un-constituted body and you will look to move toward the company limited by guarantee model subject also to the outcome of HMG's LEP Review and the outcome of the Modernising Local Government decisions

Delivery

The LEP's delivery is considered to be good with strong programme management in place.

With regard to Local Growth Funded projects the LEP's data return shows that the LEP Local Growth Funding spend against profile for 2017/2018 is 21%. This is due to jump to 75% in quarter 4 with Board support for the Eastern Link Road business case, with the planning agreement secured for the Aylesbury Woodlands development subject to the finalisation of section 106 arrangements. The BTVLEP programme board will meet in March 2018 to consider the business case and funding release for this project. **Confirmation of the release of this funding would place the LEPs expenditure in a clearly healthier position.**

The delivery of this particular project exemplifies the LEP's risk-based approach to delivery. Planning permission for the Eastern link road has been granted and the project will proceed subject to the related Hampden Fields planning application being called in. It is important that the LEP has contingency plans in place should this arise and are confident of the project proceeding.

Looking at the wider programme the success of the three EZ sites is noted and in particular the speed of development at Silverstone and the unique nature of the rocket propulsion Westcott site with the challenges that brings. I am pleased that the LEP has recycled 100% of its original Growing Places Funding and has reinvested this capital into skills, tourism, digital and business support initiatives. The Bucks Business First Growth Hub continues to perform strongly.

Strategy

The LEP's approach to strategic planning is considered to be good.

The last 12 months have been a challenging time for partners in Buckinghamshire with the National Infrastructures Commission's (NIC) corridor report, the award of a Local Industrial Strategy 'trailblazer' pilot status and the debate about local government modernisation amongst local authority partners. **The LEP and its Board will need to retain a positive and proactive response to any decisions made with regard to local government reorganisation to ensure that strategic local growth opportunities remain a priority.**

I am pleased that the LEP has responded positively and at pace to these challenges and the opportunities they have presented for developing the local economy. This includes the development of the Buckinghamshire Growth Strategy which evolved from the Strategic Economic Plan which itself had been refreshed in July 2016.

Next Steps

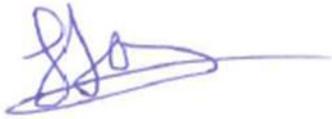
Where there are key actions that require attention these are set out above and your local Area Lead will be in touch to follow-up on this letter. You should now upload the joint assurance statement you wrote with the LEP Chair ahead of your Annual Conversation to the LEP website. **Please ensure this is done by the 28 February.**

As you will be aware, your Accountable Body's Section 151 Officer is required to write to the Ministry of Housing, Communities and Local Government Permanent Secretary by this date, confirming compliance of your Local Assurance Framework with the National LEP Assurance Framework (updated November 2016) and that the best practice guidance has been implemented. This is to ensure that the recommendations contained in the Mary Ney Review best practice guidance **have been implemented by the 28 February.**

I also wanted to take this opportunity to thank you, the LEP Chair, and the Accountable Body for participating positively in the process. As part of the Annual

Conversation preparation we asked you to provide us with information on where Government could better support you to fulfil the ambitions of your place. We will continue to work with you to explore these issues over the coming months.

I am aware that LEPs are already doing good work to ensure they have the highest standards in place. As this letter sets out, we are committed to working with you to support this work over the coming months.



STEPHEN JONES
DIRECTOR, CITIES AND LOCAL GROWTH UNIT