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Dear LEP Chairs and Chief Executives,

Review of future business institutions

I wanted to write to you to thank the LEP network and LEPs for their ongoing collaboration on our review of future business institutions, and to thank you for your recent letter to the Secretary of State and Communities Secretary.

At the Budget in March we committed to reviewing the future role of Local Enterprise Partnerships and were clear that we wanted to ensure that local businesses continue to have the representation and support in their area to drive the recovery and to level up. Since then, we have been working collaboratively with you and other stakeholders through a series of regional roundtables, to understand local priorities, what has worked effectively and what could be improved. This has been much appreciated.

We have heard plaudits for LEPs' ability to convene critical local partners such as universities, educational establishments and skills providers; their support of the Covid-19 response in providing advice and support and helping to adapt local strategies for recovery; the vital role local business support services play or the support LEPs provide in developing business cases; and the role business plays in helping local partners to think more strategically across the functional economic area. We have also heard that there could be a tighter sense of mission for business institutions, more consistency, more engagement with and representation of dynamic SMEs, and more joint working across wider geographies on sector-based projects.

I was also encouraged to read your examples of the fine work business continues to do in partnership with local government in places, such as on lithium extraction to support battery manufacturing in Cornwall.

Since our announcement at the Budget, the Government has committed to publish a landmark Levelling Up White Paper later this year to set out our bold new policy interventions to improve livelihoods and opportunity in all parts of the UK. Just last week, the Prime Minister set out our commitment to rewriting the rulebook on devolution, deepening powers and extending devolution to County areas with a more flexible approach, with strong local leadership at the heart of our agenda. It is our view that we should now consider the future role of Local Enterprise Partnerships, and the vital role for local business leadership in driving levelling up, within the context of the White Paper and the Spending Review.

You have received a separate letter from CLGU Directors regarding core funding for this year. I appreciate the uncertainty the ongoing review is causing but trust you will keep working closely with us through the Summer and as we develop exciting plans to level up our country.

PAUL SCULLY MP Minister for Small Business, Consumers & Labour Markets Minister for London