

**Appendix 1: NEP Board (Source: NEP Business Plan 2012-14)**

Paul Southworth	Chair
David Laing	Vice-chair
Milan Shah	Virani Foods
James Saunders Watson	Rockingham Castle Estate
Martin Sutherland	Royal & Derngate
David Bodily	Carlsberg UK
Richard Phillips	Silverstone Circuits
David Rolton	Rolton Group
John Markham	West Northamptonshire Development Corporation
David Reynolds	North Northamptonshire Development Company
Prof Phillip Sugarman	St Andrew's Healthcare
Barbara Mellish	Barclaycard
Prof Nick Petford	The University of Northampton
Stuart Wesselby	Tresham College
Cllr. Jim Harker	Northamptonshire County Council
Cllr. Andre Gonzalez de Savage	Northamptonshire County Council
Cllr. Russell Roberts	Kettering Borough Council
Cllr. Catherine Boardman	Northamptonshire County Council
Cllr. David Mackintosh	Northampton Borough Council

(Advisers – Gerald Couldrake and Graham Goss)

**Appendix 2**  
**NEP Healthcheck – Response to Recommendations**

	<b>Recommendation</b>	<b>Response</b>	<b>Notes</b>
	<b>OVERALL</b>		
1	NEP is generally doing a good job and strongly recommend that it should continue to exist	Accept	
2	Need for NEP to focus its resources and targets on those areas where it can have the greatest added-value and return on investment	Accept	
	<b>TARGETS</b>		
3	Creating and safeguarding jobs should be the <u>key</u> success measure, as the best single proxy for economic growth	Accept	
4	Should be separate targets for job creation and retention	Accept	
5	New target required relating to the quality of jobs created	Accept	
6	New target required measuring return of NEP's investment (as measured by cost per job)	Accept	
7	A distinction should be made between output and activity measures; the outputs should be the key targets, with progress on activity measures monitored rather than having targets	Accept	
8	That the revised targetry framework is owned by NEP's Board, and they are given clear responsibility for its development	Accept	
9	Put plans in place for a longer-term evaluation of NEP's programmes by mid 2014	Accept	
10	NEP should apply pressure at national level to establish some form of data capture to enable benchmarking across LEPs	Accept	
	<b>ROLES AND PRIORITIES</b>		
11	High Performance Technology and Logistics are the top priority sectors as Northamptonshire's two main 'differentiators' and to allocate resources accordingly	Accept	
12	Food and Drink remain a priority, but at a lower level than the two above	Accept	
13	Creative and Cultural industries should not be a priority sector	Accept	
14	Growing Places programme is fit for purpose	Accept	
15	Ambassadors programme has a lot of potential, but should be restructured to concentrate on helping the Ambassadors take on specific tasks	Accept	
16	NEP performs an important delivery function on	Accept	

	Business Support and this should continue		
17	NEP's relationship with the top 50-100 companies in the county is vitally important	Accept	
18	Inward investment – look at well targeted lead generation in specific markets and using local connections	Accept	
19	NEP's role on skills should be as a facilitator, but this needs to be set out clearly to the business community so roles are clear	Accept	
20	NEP to either exit its tourism activities or align more closely with its other activities	Accept	Future approach to be considered by the NEP Board
21	The European Office has an important role to play in influencing the direction of policy and in securing additional funding for Northamptonshire	Accept	
22	Review the European Office once it has been operational for 2 years	Accept	The European Office is reviewed regularly through Cabinet, Scrutiny processes and a Project Board. It has been successful in attracting £2m to the county, with a further £4m in assessment and a pipeline of a further £9m
23	NEP's role on infrastructure and physical development should be as facilitators and influencers and that its funding should be restricted to Growing Places Fund	Accept	
24	Bring the Fit For Market programme to an end	Accept	Programme now discontinued
25	NEP to issue a statement of intent to partners and the local business community on the Enterprise Zone	Accept in part	NEP is fully engaged in the EZ work programme and Board. NEP could take the lead role, but at the moment this is the responsibility of SEMLEP. External communications to the wider community are channelled through

			the Northampton Alive initiative and this is delivering effectively
26	Explore opportunities for working with neighbouring LEPs to provide a stronger foundation for exploiting economic opportunities, e.g. in the HPT sector	Accept	
27	More should be done to raise the profile of NEP locally, including introducing an Annual General Meeting	Accept	
28	Recast the NEP newsletter to focus on achievements and impact	Accept	
29	Enhance the Research and Intelligence function within NEP	Accept	LEP Capacity Funds invested in R&I function
	<b>GOVERNANCE AND MANAGEMENT</b>		
30	Reduce the Board to a maximum of 12 people	Accept in part	NEP Board have agreed to a reduction in size, but actual number is still to be agreed
31	Reduce the number of public sector representatives on the Board, and ensure that Borough / District council representation is an effective two-way channel	Accept	Reduction in overall size will result in a pro-rata reduction in public sector representatives
32	Do not have observers at Board meetings, unless they need to attend for specific issues	Accept	
33	Consider how best to strengthen the Board's role in challenging and scrutinising the executive	Accept	
34	Devote more time at Board meetings for considering progress against NEP's longer term vision and revisit delivery plans	Accept	
35	Introduce a set period of appointment for Board members, on a rolling basis	Accept	Essential that this is done on a rolling basis to ensure that all experience and skills are not lost at the same time
36	Streamline performance reports to Board	Accept	
37	Appoint a private sector Board member to lead a detailed review of management controls and processes	Accept	
38	Consider the need to appoint a Chief Executive	Accept	Recruitment process has started
39	Introduce an appraisal system for the senior team	Accept	

	<b>FUTURE PLANNING</b>		
40	Conduct scenario planning because of the changing policy landscape	Accept	

### Appendix 3: European funds awarded in the county

<b>ZECO2S</b>	To develop a community-focused zero carbon certification scheme for use across Europe	<b>£1,200,000</b>
<b>Changing Tracks</b>	The creation of 3 outdoor temporal artworks by up and coming international artists that respond and relate to former railway lines, their heritage and their future	<b>£200,000</b>
<b>Electric Corby</b>	To develop new potential business models for smart energy systems and their control and management at the district level	<b>£400,000</b>
<b>STEM Project Evaluation</b>	Aims to orientate young people towards STEM careers by reinforcing links between schools and industries through a range of STEM-related education activities	<b>£25,000</b>
<b>Domestic violence</b>	To explore and understand the implications and impacts on young people and measures to better support their recovery	<b>£117,000</b>
<b>Lifelong Learning</b>	The project will focus on the hosting of a European study visit to showcase how the University is promoting social enterprise	<b>£2,000</b>
<b>Erasmus for Young Entrepreneurs</b>	The project will see entrepreneurs from particular sectors mentoring other young entrepreneurs in how to succeed in starting up a new business	<b>£60,000</b>
<b>Adrenaline Alley</b>	Project on combating violence, discrimination and intolerance in sport	<b>£3,000</b>
<b>TOTAL</b>		<b>£2,007,000</b>

## Appendix 4: Government's response to the Heseltine Review, March 2013

### Executive Summary

# Executive summary

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Following a commission from the Prime Minister, Lord Heseltine presented his report *No Stone Unturned* to the Chancellor of the Exchequer and Secretary of State for Business, Innovation and Skills on 31 October 2012. Lord Heseltine makes a series of recommendations in all aspects of government policy that affect economic growth. The Government welcomes this report.

This document sets out the Government's response. The Government confirms that it is accepting in full or in part 81 of Lord Heseltine's 89 recommendations to dramatically advance the process of decentralisation, unleash the potential of local economies, strengthen partnerships with industry and foster economic growth. In five cases the Government has taken a different view: this document explains why. Three recommendations on the content of the Single Local Growth Fund will be addressed at the Spending Round in June 2013.

This response builds on the significant action the Government has already taken to reduce the deficit, restore economic stability and create the conditions for long-term growth. It complements the Government's ambitious supply side growth agenda set out in the *Plan for Growth*; the Government's industrial strategy to strengthen partnerships with business; and the series of reforms that the Government has pursued in recent Budgets and Autumn Statements. Together with the measures set out in this response, the Government has a comprehensive economic plan to create a stronger, more balanced economy.

The core proposition of Lord Heseltine's report is a decentralised approach that breaks Whitehall's monopoly on resources and decision making, and empowers Local Enterprise Partnerships (LEPs) to drive forward growth in their local areas. Alongside this, Lord Heseltine makes a number of recommendations that strengthen the underpinnings of long-term growth, from changes to the way in which Whitehall supports growth, to strengthening partnerships between government and business, and business and education.

### Unleashing local growth – summary of key actions

The Government is undertaking a radical approach to decentralisation that will give business-led LEPs the power to make the choices that are right for their local economies. The Government is:

- creating a Single Local Growth Fund, allocated through a process of negotiation and using competitive tension to strengthen incentives on LEPs and their partners to generate growth;
- asking LEPs to develop new strategic multi-year plans for local growth, which will be the basis on which the Government negotiates deals with each LEP for levers, resources and the flexibility over them; and
- streamlining the management of the EU Structural and Investment Funds in England and aligning priorities on the basis of the plans led by LEPs.

Appropriate accountability structures at local and national levels must first be in place to deliver this step change and it will be up to local areas to determine which governance structure is right for them. The Government is:

- supporting local authorities that wish to create a combined authority or implement other forms of collaboration including conurbation mayors;

- assigning a senior Whitehall sponsor to each LEP to carry out high level engagement, offer strategic challenge to LEPs, and act as champion for the LEP across Whitehall; and
- as part of this, enhancing the arrangements in place for cross-departmental working through the creation of Local Growth Teams, so that senior Whitehall sponsors can deploy these resources more effectively in co-ordinated support of LEPs.

### Transforming Whitehall in support of growth – summary of key actions

All government departments will be departments for growth. The Government is transforming Whitehall and its public bodies so that growth is at the forefront of policy development and delivery. The Government is:

- ensuring that all departments have transparent and ambitious growth commitments and that the expertise of Non-Executive Directors (NEDs) is harnessed;
- streamlining public bodies by transferring functions to the local level and the private sector where appropriate;
- forging closer ties between the civil service, businesses and representative bodies to obtain the necessary commercial skills to deliver pro-growth policies; and
- simplifying and standardising the central government procurement framework to speed up procurements and drive value for money for the taxpayer.

### Boosting engagement with business – summary of key actions

Lord Heseltine's report emphasises the importance of government boosting its engagement with business and major sectors of the economy. This is a priority for the Government's industrial strategy, which seeks to strengthen partnerships with business to develop joint policies for growth. The Government is:

- driving forward its industrial strategy by creating industrial strategy partnership councils and co-creating strategies in 11 key sectors;
- forging stronger links with researchers, universities and business to develop, support and maintain the UK's world class knowledge base; and
- increasing engagement with foreign and domestic investors including through the expansion of the Strategic Relationship Management (SRM) programme.

### Creating the conditions for long-term growth – summary of key actions

The Government's supply-side reform agenda is essential to the UK's success in the global race. While these reforms are already having an impact, there is room for further ambition in some key areas identified by Lord Heseltine. The Government is:

- implementing a new approach to regulators to improve regulatory enforcement and thereby removing unnecessary burdens on business, and lobbying the EU Commission to reduce burdensome EU regulation;
- reforming the planning system to reduce costs and bring speed and certainty to business; and

- addressing under-investment in the UK's infrastructure while providing investment opportunities to the private sector.

### **Fostering private sector growth – summary of key actions**

Lord Heseltine's report sets out a number of recommendations primarily aimed at encouraging businesses to develop and share their capacity for growth. The Government fully endorses this and is supporting the private sector to achieve this. The Government is:

- creating a Business Bank to help address structural gaps in the supply of long-term patient capital to small and medium sized enterprises (SMEs);
- recognising the role of trade associations in improving business performance and encouraging them to undertake reforms to improve their effectiveness;
- enhancing the global competitiveness of UK supply chains, encouraging departments to learn from best practice in the manufacturing sector; and
- encouraging business schools to play a greater part in improving the leadership and management capability of local businesses.

### **Improving employment outcomes from the education and skills system – summary of key actions**

The Government shares Lord Heseltine's goal of reforming England's education and skills system to match the world's best, ensuring that young people leave school and college with the knowledge, skills and attitudes that make them ready to succeed in work. The Government is:

- reforming post-16 vocational provision to ensure that students acquire rigorous qualifications with a clear progression route to employment or higher education;
- forging closer links between employers and education providers to ensure students develop essential skills for the work-place;
- challenging underperformance in schools including providing a new role for the regional director of Ofsted in monitoring underperforming schools;
- placing a greater emphasis on longer-term outcomes of education – progression to higher education and employment – by publishing destination measures;
- publishing data to hold local authorities to account on reducing the numbers of young people not in education, employment or training (NEETs); and
- ensuring businesses can recruit the skills they need from abroad including by streamlining UK immigration rules and reducing backlogs of migration cases.

### **Implementation – summary of key actions**

It is important to make sure these commitments are fully implemented. This will require the right cross-Whitehall machinery to be in place to ensure effective working between all relevant departments. The Government will also use regular ministerial implementation meetings to monitor and provide effective challenge and leadership.

