



Department for Levelling Up,
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To: LEP Chairs, Combined Authority Mayors,
Local Authority Leaders, and the Mayor of London

4th August 2023

Dear all,

TRANSFER OF LOCAL ENTERPRISE PARTNERSHIP (LEP) CORE FUNCTIONS TO COMBINED AND LOCAL AUTHORITIES

At [Spring Budget 2023](#), the Chancellor announced that the Government was 'minded to' withdraw central government support (core funding) for Local Enterprise Partnerships (LEPs) from April 2024 and transfer their functions – namely, business representation, strategic economic planning, and the delivery of government programmes where directed – to local authorities, where they are not already being delivered by combined authorities or the Greater London Authority.

We wrote to you on 17th March 2023 to launch an information gathering exercise on the practical implications of this proposal. We would like to thank you for your participation in this. A [summary of the findings](#) has been published today on gov.uk.

Following the conclusion of this exercise, we are now writing to you to confirm our 'minded to' decision. From April 2024, the Government's sponsorship and funding of LEPs will cease. The Government will now support local and combined authorities to take on the functions currently delivered by LEPs. Where not already delivered by a combined authority, or in areas where a devolution deal is not yet agreed, the Government expects these functions to be exercised by upper tier local authorities, working in collaboration with other upper tier local authorities over functional economic areas as appropriate. Alongside this decision, we have published [technical guidance](#) for LEPs and local authorities to support them through this policy change.

The information gathering exercise identified overlap between some of the functions being discharged by LEPs, local authorities and combined authorities, as well as confirming that there is already a high level of integration of LEP functions in Mayoral Combined Authority areas. The exercise also highlighted the different perceived levels of benefit and engagement between LEPs and local authorities. The Government's

view is that there is likely to be scope for greater join-up, efficiencies, and clarity for the private sector by these functions being discharged within Mayoral Combined Authorities, devolution deal areas and upper tier local authorities, working together as appropriate.

The Government will therefore provide some revenue funding to local and combined authorities in 2024/25 to support them in delivering the functions currently delivered by LEPs. We will provide further detail of this support in due course. Funding beyond 2024/25 is subject to future Spending Review decisions.

Reiterating the message we sent to LEPs in March, we would like to thank LEPs and their staff for their hard work in supporting and driving local economic growth across England since 2011. We remain enormously appreciative of all the work LEPs have done in advising and supporting businesses and local decision makers for more than a decade, including through EU Exit and the COVID-19 pandemic. We would again like to thank those LEPs that have played an important role over the last year in helping areas broker new devolution deals and prepare Investment Zone bids.

The Government remains committed to our goal that by 2030, every area in England that wants a devolution deal will have one. By empowering local democratically elected leaders to deliver these key local growth functions from April 2024, we are accelerating the integration process set out in the Levelling Up White Paper.

With every good wish,



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