

2013/27

11 April 2013

Pocket Watch – Implementing Heseltine

Introduction

Next week the Local Enterprise Partnership (LEP) Network holds its Annual Conference and significantly one its keynote speakers will be Michael Heseltine. Ever since the Chancellor admitted last December that he was minded to accept many of Lord Heseltine's recommendations for decentralising economic and skills planning as a way of trying to inject new energy into growth, 'Implementing Heseltine' has become one of the big challenges facing local leaders and providers alike. Last month's formal adoption of much of the Report and the commitment in the Budget to work towards a Single Local Growth Fund to support the new approach have inevitably added to the excitement

Current picture

The theory is that LEPs will now take a lead role in developing local growth plans which will incorporate a large chunk of skills planning. The rhetoric has modified a little since the Chancellor's Autumn Statement and as it now appears in the Government's Response Paper, "LEPs will be responsible for setting local skills strategies, and chartered status for FE colleges is now dependent upon having taken into account the skills priorities of local LEPs." The Government's intention is that these strategies should be complete by the summer not least because they need to tie in with the 2015/16 spending decisions due at the same time. Although they have limited resources, many LEPs have been doing this for some time and indeed local skills planning is hardly a new art although as Ofsted reported last month, it still suffers from a number of weaknesses: "the quality and availability of labour market data varied far too much for colleges and other providers...to respond to specific skills identified by local employers." The Government hopes that by handing responsibility over to local partnerships, the alignment between employer needs and skills provision will be strengthened and locally driven but it does mean that instead of one approach there could be up to 39 different ones

The Greater Birmingham Path to Local Growth

One approach that may point the way to the future, not least because Lord Heseltine himself worked on it, is that undertaken by Greater Birmingham and Solihull LEP. Their project [plan](#), published last month identifies "ten separate yet linked opportunities" that could help stimulate growth in the area. Some involve maximising local assets such as the motorway and the airport, some harnessing private sector support but a lot of it is about deploying the Single Funding Pot to support skill development, careers advice, digital roll out and local areas of deprivation. In many ways, the kind of local stimulus model the Government is looking for

Looking ahead

The key mechanism in the Heseltine recommendations is the Single Local Growth Fund. That is not due to come in until April 2015 and it's not yet clear what impact this will have on skills activity. For the moment, LEPs have limited resources and little need or appetite to act as commissioning agents or quality assurers of skills provision. Their strength may come through overcoming that age old problem of ensuring learning provision matches identified need



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