
Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: 6 June 2019

Subject: **Strengthened Local Enterprise Partnerships**

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1. Purpose of this report

- 1.1 To set out the activities the LEP Board needs to initiate in order that future Local Enterprise Partnership (LEP) arrangements in the City Region comply with the Government's requirements for strengthened LEPs.

2. Information

- 2.1 In July 2018 Government published its review of LEPs (*Strengthened Local Enterprise Partnerships*) to set out its future requirements on leadership and organisational capacity; accountability and performance, and geography.
- 2.2 The LEP submitted its implementation plan in October 2018, showing the steps it would take to ensure it meets the requirements; thereby putting the City Region in a strong position to secure further funding and powers and use them effectively to benefit local businesses and communities. An overview of progress is attached as **appendix 1**.
- 2.3 On the issue of geography, Government requires all LEPs to remove overlaps. After consulting with partners, the LEP Board agreed that it should work with partners in the York, North Yorkshire and East Riding (YNYER) LEP to establish a new LEP covering all of West Yorkshire, North Yorkshire and York from April 2020.
- 2.4 A joint Transition Subgroup comprising members of both LEPs was established to oversee that process and has met in January, February and March. The Subgroup is continuing its work, with in-principle agreement reached on some matters and outstanding issues subject to further discussion.
- 2.5 Without prejudicing the outcome of those discussions, some deadlines mean that the LEP must act now in order that LEP arrangements in the City Region meet Government's requirements. Those decisions and the reasons for them are set out below.

- 2.6 By spring 2020, the LEP arrangements in the City Region must include a LEP Board where: at least two-thirds of members come from the private sector, at least a third of members are women, and the Board otherwise reflects the diversity of the City Region.
- 2.7 The current composition of the LEP Board and Members coming to the end of their terms in 2020 mean that further recruitment of private sector representatives is vital to achieve the requirements set out in paragraph 2.6 above.
- 2.8 In accordance with collaborative discussions through the Transition Subgroup, there is a consensus to seek external expertise on specific issues including:
- The approach to search and selection for private sector LEP Board members, particularly to improve the diversity of leadership perspectives and gender balance;
 - The remuneration of the LEP Chair and any other positions.
- 2.9 To meet those objectives, it is recommended that the LEP Board agrees to:
- Procure search and selection recruitment services to help recruit representatives of the private sector that reflect the diversity of the City Region and allow the City Region's LEP to meet gender balance requirements;
 - Procure external expertise to inform a remuneration policy for the Chair and any other appropriate positions.
- 2.10 The findings will be used to inform a recruitment campaign that ensures the area's LEP arrangements fully comply with Government's requirements – for either West Yorkshire, North Yorkshire and York, or a smaller geography.

3. Financial Implications

- 3.1 The costs of acting to procure external expertise will be met from the monies Government has allocated to LEPs to manage the implementation of its requirements for strengthened LEPs.

4. Legal Implications

- 4.1 The report covers the proactive steps that are required in order for the LEP, or whatever future LEP arrangements are in place in the City Region, to be in a position to comply with Government's requirements in spring 2020.
- 4.2 Should the LEP Board not take the steps outlined in the report, there is an increased risk that the City Region's future LEP arrangements will not fully comply with Government's requirements. That means future funding and powers could be jeopardised.

5. Staffing Implications

- 5.1 There are no direct staffing implications.

6. External Consultees

6.1 There are no external consultees.

7. Recommendations

7.1 That the LEP Board notes how the LEP is positioned in terms of meeting the full requirements of Strengthened LEPs (Appendix 1), and that further work is needed.

7.2 That, in order to ensure that the City Region's LEP arrangements comply with Government requirements the LEP Board agrees to procure external expertise to:

7.2.1 provide specialist advice to inform a remuneration policy for the Chair and any other appropriate positions

7.2.2 provide specialist search and selection support to help recruit future private sector LEP Board members that reflect the diversity of the City Region and enable the LEP to meet gender balance requirements

7.3 That the Combined Authority's Managing Director is given delegated authority to commence recruitment in accordance with the LEP Board's Recruitment Procedure and to take such associated actions as are necessary to meet the Government's compliance requirements.

8. Background Documents

8.1 None

9. Appendices

9.1 Appendix 1: Overview of LEP position on Government's requirements in Strengthened Local Enterprise Partnerships