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

Date: 18 July 2018

Subject: **Strengthened Local Enterprise Partnerships**

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1. Purpose of this report

- 1.1 To update the LEP Board on progress to ensure the City Region's future local enterprise partnership (LEP) arrangements comply with the Government's requirements for strengthened LEPs.

2. Information

- 2.1 At its meeting on 6 June 2019, the LEP Board was updated on progress of the Government's review of LEPs (*Strengthened Local Enterprise Partnerships*) which requires all LEPs to remove overlaps. Through the Transition Subgroup, the LEP Board continues to work collaboratively with partners in the York, North Yorkshire and East Riding (YNYER) LEP to establish a new local enterprise partnership covering all of West Yorkshire, North Yorkshire and York from April 2020.
- 2.2 In-principle agreement has been reached on many matters, with outstanding issues subject to further discussion. Without prejudicing the outcome of those discussions, the LEP Board has acted to ensure future governance arrangements of the LEP in the City Region are compliant with Government's requirements. By spring 2020, at least two-thirds of members should come from the private sector, at least a third of members should be women, and the Board should otherwise reflect the diversity of the City Region.
- 2.3 On 6 June 2019 the LEP Board agreed 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.

- 2.4 Work is now underway to progress the search and selection work, and it is anticipated that the work would be completed in the autumn. Both Boards will be updated as work progresses to completion.
- 2.5 The Transition Subgroup has discussed in February 2019 how Government's position on the size and composition of LEP Boards results in challenges, given the size and diversity of local authorities across West Yorkshire, North Yorkshire and York. As a result the Subgroup agreed, on behalf of both LEPs, to submit a proposal for Board of the new LEP to comprise 27 permanent members, satisfying the equalities and diversity criteria and comprising two-thirds private sector representatives. It also emphasised that the new LEP should effectively receive two-times capacity funding, so there is no disbenefit from the two LEPs coming together. A copy of this letter is attached as Appendix 1.
- 2.6 The LEPs have now received Government's answer, after formal consideration by the Minister and Permanent Secretary in accordance with the process for exemption requests from the National/Local Growth Assurance Framework.
- 2.7 Government have said that a new Board can be established by April 2020 with a maximum of 27 members, with a Board of no more than 20 members to be in place by April 2022.
- 2.8 With regards to funding, the existing LEPs will be funded separately for 2019/20, including the additional funding that all LEPs receive to support the development of Local Industrial Strategies. No assurances have been given for funding beyond 2019-20.

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.
- 3.2 In future years, there is no guarantee that the new LEP will receive the same capacity funding as two separate 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.

5. Staffing Implications

- 5.1 There are no direct staffing implications, and capacity is available to manage the recruitment process for LEP Board members.

6. External Consultees

6.1 There are no external consultees.

7. Recommendations

7.1 That the Board notes that work is underway to procure external expertise to 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, and specialist advice to inform a remuneration policy for the Chair and any other appropriate positions;

7.2 That the Board notes the Government's response to the proposals raised jointly by the Transition Subgroup about LEP Board membership and future capacity funding.

8. Background Documents

None

9. Appendices

Appendix 1 - Letter to officials on LEP Board composition and funding