

Leeds City Region Local Enterprise Partnership (LEP) Chair Review

Section One: Introduction and background

- 1.1 This report sets out the outcome and recommendations of the review of the current LEP Chair's final year of tenure and proposals for the recruitment of a new Chair. In the light of the review findings the following recommendations are proposed:
- The LEP Chair remains in post for the remainder of the agreed tenure,
 - The LEP takes a proactive role working with private sector members to engage with the Government's review of LEPs,
 - Following the outcome of the Government review, work begins in partnership with local authorities, LEP Board members, and wider stakeholders on the scope and role profile for a new LEP chair, and enhanced LEP engagement from private sector members.
- 1.2 The [Strengthened Local Enterprise Partnerships](#) review (2018), resulted in actions being taken to recruit new members to the LEP Board / advisory panels, and a change to the LEP's geography.
- 1.3 In February 2020, it was agreed that given the exceptional circumstances of the review and ongoing negotiations to agree a devolution deal for West Yorkshire, the current LEP Chair's tenure would be extended for up to two years to the Annual Meeting in 2022. At the end of this two-year period, the maximum nine-year term of the Chair will have been reached and a new LEP chair appointed.
- 1.4 The second year of the extended term is subject to a light-touch review in the context of the future role of LEPs and future role profile of the next LEP chair. The terms of reference for the review were agreed at the February LEP Board.
- 1.5 The review considered:
- the extension of the current Chair's tenure and
 - the potential future role of a new LEP chair.
- 1.6 The review involved a mix of desk-based research and interviews / group discussions. The interviews were structured around a short set of questions which were circulated to participants in advance (see Annex 1). Representatives from the following groups were consulted:

- West Yorkshire Chief Executives and Senior Local Authority representatives
- West Yorkshire Council Leaders
- Private sector LEP panel chairs and Board members
- Senior Civil Servants.

1.7 The remainder of this report is structured as follows:

- **Section Two:** Sets out the policy context in which the review took place,
- **Section Three:** Describes feedback from the interviews and group discussions,
- **Section Four:** Provides conclusions and recommendations for the LEP Board.

Section Two: Policy Context

2.1 Background and contextual issues relating to the ongoing operating environment for the LEP and the role of the chair both in the short-term and the long-term were reviewed. The following issues were explored:

- Outcome of the Strengthened Local Enterprise Partnership review
- The future role of LEPs and upcoming Government review
- West Yorkshire Devolution Deal
- Health and economic impact of Covid-19
- LEP performance.

Each of these is addressed in more detail below.

Outcome of the Strengthened Local Enterprise Partnership review

2.2 To comply with the requirements of the Local Enterprise Partnerships review, it was agreed that the Leeds City Region LEP geography would change to the districts of Bradford, Calderdale, Kirklees, Leeds, and Wakefield, while retaining the name of Leeds City Region, and strengthening collaborative arrangements across the functional economic area of the city region.

2.3 A recruitment exercise was carried out to ensure that the diversity and representation stipulations set out in the review were met. The outcome of this was the appointment of new Board and panel members to strengthen private sector membership and increase the number of women and members from Black and Minority Ethnic (BAME) backgrounds.

The future role of LEPs and Government review

2.4 The [March Budget](#) provided minimal detail on the future role of LEPs. While capacity funding has been approved for 2021/22, no additional programme funding has been identified. The Budget did provide further details on the administration of the Levelling Up Fund (the replacement for Growth Deal funding) and the UK Community Renewal Fund aimed at supporting communities to pilot programmes and new approaches as the government moves towards the UK Shared Prosperity Fund. Both funds are to be

administered centrally and no formal role for LEPs was identified. While the future overall role and function of LEPs remains unknown, LEPs will no longer have responsibility for administering large capital funded projects.

- 2.5 A further Government review of LEPs was announced in the guidance released as part of the Budget:

“We will also be working with local businesses on the future role of Local Enterprise Partnerships. We want to ensure local businesses have clear representation and support in their area, in order to drive the recovery. We will work with Local Enterprise Partnerships over the coming months, with a view to announcing more detailed plans ahead of summer recess. This will also include consideration of Local Enterprise Partnership geographies¹.”

- 2.6 Budget announcements and the LEP review coincided with the disbanding of the Industrial Strategy Council and move away from Industrial Strategy policy. A date is awaited for the publication of the Devolution White Paper which is expected to outline local organisational roles in relation to economic development.

West Yorkshire Devolution Deal

- 2.7 The ‘minded to’ devolution deal agreed in March 2020, was made into law in January, with a mayoral election taking place in May. Becoming a Mayoral Combined Authority and the new powers and funding this brings will lead to a period of change for the LEP. This will have a significant impact on the role of the LEP Chair.
- 2.8 Following the mayoral election there will be a period of transition for the LEP as new ways of working are implemented and new relationships built. This transition will be taking place at the same time as the future role of LEPs is resolved (see above). Clarity of future roles and responsibilities in particular of the new LEP chair is likely to remain uncertain until the outcome of the Government review (due before the summer recess).

Covid-19 Pandemic

- 2.9 The ongoing health and economic risks from Covid-19 will continue to impact on our region over the coming months. It will remain a challenging time for many businesses. Infection levels remain high relative to the UK average, and parts of West Yorkshire have been under restrictions for longer than almost anywhere else in the country.
- 2.10 There is still uncertainty in terms of the easing of economic restrictions, and the full impact of the Covid-19 pandemic on the economy. While the Government has announced a ‘roadmap’ of dates for reopening, these are dependent upon a series of conditions being met. The Budget did not provide any additional funding for Economic Recovery Plans. There is therefore a

¹ [New levelling up and community investments - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

need to continue engaging with Government over the coming months to make the case for the additional support required in the Region.

Annual Performance Review

- 2.11 The LEP has focused on economic recovery over the last year. The coordination of the Economic Recovery Plan has been undertaken in partnership with the private sector ensuring business voices played a prominent role in development. The LEP has been able to respond flexibly to the Covid-19 pandemic adapting business support and skill provision accordingly. The LEP has maintained day-to-day activities including a full schedule of advisory panel and Board meetings via an online platform. The Annual Performance Review (APR) took place in February, highlighting the strong performance of the LEP over the previous 12 months. The APR showed that delivery is on track for Growth Deal and Getting Building Fund projects up to March 2022. The LEP Board met all Government criteria year-on-year in relation to the APR.

Section Three: Participant Feedback

- 3.1 Key findings of the face-to-face and group interviews are grouped under discussion themes emerging from the interview questions.

LEP Performance

- 3.2 Several participants noted that the LEP could not be reviewed against formal performance objectives at this time. In this context, participants were pleased with the performance of the LEP and the contribution it made. In a challenging year, the LEP has been able to consolidate its positive reputation with Government. Participants recognised the scale of the challenge faced including the outcome of the Strengthened Local Enterprise Partnerships review, the impact of Covid-19, and increased workload. The ability to adapt to changing circumstances and the focus on economic recovery was viewed as well managed, demonstrating an agile and flexible approach.
- 3.3 As well as responding to the challenges of Covid-19, participants were positive about the way in which inclusive growth and tackling the climate emergency continued to be embedded within the work programme of the LEP.
- 3.4 Participants welcomed the diversity of the LEP Board with increased representation of women and members from BAME backgrounds. The enhanced diversity of business background was noted as contributing to productive conversations and increased diversity of thought.
- 3.5 The role of the Chair during a challenging year was praised by many participants. This included the Chair's role on the Economic Recovery Board ensuring the LEP's representation complimented that of wider partners and added value where it could be most effective. The Chair's level of engagement, clear narrative, and attention to detail were highlighted as strengths.

- 3.6 Communicating a clear and consistent narrative for the region was identified as a strength of the LEP, the Chair was seen to play a key role ensuring that partners locally and nationally engaged with the narrative. Participants felt the Chair was able to successfully manage and effectively balance engagement with partners at the right spatial level for the issue concerned. The LEP Chair's connections including with the NP11 and Government were cited as beneficial for the region.
- 3.7 Participants recognised both the challenge and opportunity as the role of the LEP and the LEP Chair evolves within a Mayoral Combined Authority (MCA). It was agreed that clear roles and transparency of process to make the most of the devolution opportunities is needed. Embedding a strong business voice and partnership approach within MCA structures is a priority for the future.
- 3.8 It was felt that more could be done to utilise the expertise and diversity in thought of LEP Board members to influence policy development and delivery at an earlier stage. Greater engagement on activities beyond formal meetings would further strengthen the work of the LEP and maximise the benefits of business engagement and private sector expertise.
- 3.9 Being able to build on the agile approach demonstrated in response to the continued disruption of Covid-19 is likely to be an ongoing challenge. Key sectors of the economy will face difficulties as the region emerges from restrictions and new ways of working will need to be understood and responded to by the LEP.
- 3.10 Participants highlighted key policy agendas of the LEP presenting challenges in both the short and long-term reflecting future trends and responding to current events. Tackling the climate emergency will require new ways of thinking and adjustments in delivery to meet the ambitious targets for carbon reduction. New ways of approaching digital infrastructure and transport will also be required and these issues will need to be understood in the context of the LEPs agenda to drive inclusive growth.
- 3.11 The current Chair was seen to have built a strong legacy with important links at local, regional, and national level. Building on this legacy and continuing to step-up the diversity of the LEP Board and empowering its members to effectively shape agendas should be central to the role of the new LEP Chair. The role should facilitate a strong partnership approach, ensuring more individual engagement from LEP members building stronger links into the business community, working with politicians across parties, and forging strong links to the Mayor. Participants emphasised the need for a transition period and handover to utilise the expertise of the current Chair.
- 3.12 Given the ongoing uncertainty in Government policy and the multiple challenges of climate change, Brexit, and post-pandemic impacts, recruiting a new Chair who can take an agile and flexible approach to the role was cited as important. A Chair with relevant expertise to enable impact on the climate emergency and inclusive growth agenda was also raised as key.

- 3.13 It was agreed that the role of the new chair will be more clearly defined following the outcome of the Government's LEP review (see above) and a recruitment process should be kept on hold until then. Building on private sector members desire to make a difference to the region through expanded and deeper engagement with LEP activities, an agreed remuneration package for the new chair is likely to reflect a sharing of responsibility and broader engagement of LEP Board members. It was acknowledged that the Chair's role profile and remuneration would be looked at again with several private sector members noting that remuneration was not a key driver for participation.

Section 4: Conclusion and Recommendations

- 4.1 Interviews conducted as part of the review were undertaken in the context of an uncertain period for both Leeds City Region and LEPs more generally. The future role of LEPs will not become clear until the outcome of the Government review is reported in summer. The impact of Covid-19 will continue to pose challenges for the region as we emerge from restrictions. The election of a Mayor for West Yorkshire will lead to a period of transition for the LEP as new ways of working are established and new relationships built.
- 4.2 The review found widespread recognition that the LEP has performed strongly under challenging circumstances including the impact of Covid-19 and implementation of the outcomes of the Strengthening Local Enterprise Partnerships review. The LEP has continued to build on its strong reputation and has embedded the approach to tackle the climate emergency and drive inclusive growth at the heart of activities. The enhanced diversity of the LEP Board was highlighted as a strength and asset for the region.
- 4.3 The role of the current LEP Chair in driving the agenda for economic recovery while promoting a compelling narrative for the region was praised. As were the Chair's strong links locally, regionally, and nationally. The Chair was seen to have put the LEP on a strong footing on which to build for the future.
- 4.4 While there are considerable challenges ahead, there are also opportunities for the LEP to build a more partnership-based approach which draws on a diverse range of private sector members and enhances the contribution of members with deeper engagement and clearly defined roles.
- 4.5 In the light of the review findings the following recommendations are proposed:
- The LEP Chair remains in post for the remainder of the agreed tenure,
 - The LEP takes a proactive role working with private sector members to engage with the Government's review of LEPs,
 - Following the outcome of the Government review, work begins in partnership with local authorities, LEP Board members, and wider stakeholders on the scope and role profile for a new LEP chair and enhanced engagement from private sector members.

Annexe One

Interview Questions

Discussion questions shared with participants in advance.

Looking back

1. How do you view the LEP's performance over the past year?
2. How do you view the role of the Chair within this?
3. What do you consider to be the key strength of the LEP?

Looking forward

4. What do you consider to be the challenges confronting the LEP over the coming year?
5. How will the ongoing impact of the Covid-19 pandemic impact on the Chair's role in both the short and long-term?
6. How will the move to becoming a Mayoral Combined Authority / arrival of a Mayor / Gov't review of LEPs impact on the Chair's role in both the short and long-term?