
Report to:	Leeds City Region Enterprise Partnership Board (LEP Board)
Date:	15 June 2022
Subject:	Governance Arrangements and Annual Accountability Reports

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1. Purpose of this report

- 1.1 To review and approve governance documents for the Leeds City Region Enterprise Partnership (LEP).
- 1.2 To provide the annual accountability reports about complaints and concerns raised about the Leeds City Region Local Enterprise Partnership (the LEP) and/or members of the LEP Board this year.
- 1.3 To provide a summary of applications for grants considered during the last financial year under arrangements to address conflicts of interest and to seek the agreement of the Board to recommend to the Combined Authority a broadening of the scope of the Conflicts of Interest Policy and Protocol to non-voting co-optees on Combined Authority committees.

2. Information

Governance Documents

- 2.1 As referenced elsewhere on this Agenda, it is intended that the LEP Constitution, Procedure Rules and wider governance arrangements are retained in their current form until such time as the Integration Plan is approved and implemented and revised governance arrangements are adopted. However, to recognise the transitional arrangements pending implementation of the Integration Plan and in particular the need for the Deputy Chair to act as interim Chair it is proposed that where the Constitution and Procedure Rules make reference to the 'Chair' this should be read as including reference to the 'interim Chair'.
- 2.2 In parallel with the preparation of the Integration Plan, preparations for the recruitment procedure for the new Chair will commence over the Summer with the intention of presenting a proposed recruitment procedure and timeline to

the LEP Board at its meeting in September for approval. As a consequence, the current Recruitment and Appointment Procedure for Private Sector Representatives may be revised and updated and presented as part of the wider proposals for adoption at that time.

Annual Reports

- 2.3 As part of the business of the Annual Meeting, annual accountability reports are provided, in relation to the complaints and whistleblowing procedures and the management of conflict of interests during the 2021/22 financial year.
- 2.4 Concerns from a member of the public or a third party about the LEP may be reported through:
- the procedure for considering complaints alleging a failure to comply with the LEP Board Members' Code of Conduct, and
 - the LEP's confidential complaints procedure.

Complaints about the LEP may also be channelled through the Combined Authority's complaints policy and concerns raised under the Combined Authority's Whistleblowing Policy. (The Whistleblowing Policy extends to concerns raised about the LEP and has been endorsed by the LEP Board).

- 2.5 The procedure for considering complaints alleging a failure to comply with the LEP Board Members' Code of Conduct requires the Monitoring Officer to report annually to the LEP and to the Governance and Audit Committee about any complaints received about any member of the LEP Board, and the outcome of any such complaint.
- 2.6 The Monitoring Officer can now report that no complaint has been received under this procedure in the financial year ending 31 March 22. Further, no complaint has been received under the confidential complaints procedure, nor the Combined Authority's complaints procedure.
- 2.7 The Whistleblowing Policy requires the Combined Authority's Head of Internal Audit to provide an annual report of concerns raised under the Policy to the LEP and to the Combined Authority's Governance and Audit Committee. The Head of Internal Audit has confirmed that no concerns in relation to the LEP were received under this policy during the financial year 2021 – 22.

Grant applications

- 2.8 The LEP and Combined Authority's jointly adopted Conflicts of Interests Policy provides an overview of conduct-related provisions applying to Members and officers, with a particular focus on conflicts of interest arising in respect of applications for loans or grants to business, which is addressed by way of the Conflicts of Interest Protocol. The Protocol seeks to ensure that such applications are dealt with fairly and impartially, including where decisions are made by officers under delegated authority. (The specific declaration requirements in the Codes of Conduct adopted by the Combined Authority and the LEP reflect the statutory requirements relating to declarations at formal

meetings, and do not extend to declarations outside of formal meeting of the LEP Board or Combined Authority meetings.)

- 2.9 No grant applications were received that required consideration under the conflicts of interests arrangements for the last municipal year. Declarations made by members at the LEP Board or Combined Authority meetings are publicly available on the LEP or Combined Authority's website as they are recorded in the minutes for each meeting.
- 2.10 For the purposes of transparency, the LEP Board is asked to note the below recipients of grants who are private sector members without voting rights, who currently fall outside the scope of the conflict of interests arrangements.

Recipient	Date of application	Project amount	LEP Programme	Related Member
Mind Body Goals Ltd	19/11/2021	£24,990 (project) £10,570 (Grant award)	Connecting Innovation	Colin Glass, Business Investment Panel
Paxman Coolers Ltd	25/1/2022	£87,500 (project) £39,375 (Grant award)	Connecting Innovation	Richard Paxman, Business, Economy and Innovation Committee

- 2.11 When the conflicts of interest arrangements were first introduced, the thematic committees were advisory and not decision making and the private sector co-optees were voting members and therefore fell within the scope of the arrangements. As a consequence of moving to decision making committees, non LEP Board private sector representative co-optees must legally be non-voting and as such now fall outside the arrangements. However, for the purposes of full and open transparency it is considered best practice for the arrangements to apply to all co-optees whether voting or not and therefore it is proposed to extend the scope accordingly. As the arrangements are jointly owned with the Combined Authority the Board is asked to agree the proposed changes and recommend these to the Combined Authority.
- 2.12 This report will be shared with the Governance and Audit Committee at its next meeting.

3. Tackling the Climate Emergency Implications

3.1 None arising directly from this report.

4. Inclusive Growth Implications

4.1 None arising directly from this report.

5. Equality and Diversity Implications

5.1 None arising directly from this report.

6. Financial Implications

6.1 None arising directly from this report.

7. Legal Implications

7.1 None arising directly from this report.

8. Staffing Implications

8.1 None arising directly from this report.

9. External Consultees

9.1 None.

10. Recommendations

That the LEP Board:

- 10.1 Agrees that the LEP Constitution, Procedure Rules and wider governance arrangements are retained in their current form until such time as the Integration Plan is approved and implemented and revised governance arrangements are adopted subject to the recommendation at 10.2 below.
- 10.2 Agrees that pending recruitment of a LEP Chair, and in recognition of the need for the Deputy Chair to act as interim Chair, that where the Constitution and Procedure Rules make reference to the 'Chair' this should be read as including reference to the 'interim Chair'.
- 10.3 Notes that no complaints or concerns have been raised this year about the LEP (nor about any member of the LEP Board) under the LEP's complaints procedure, the Combined Authority's complaints policy or the Whistleblowing Policy).
- 10.4 Notes that no grant applications were received that were required to be considered under the conflicts of interest arrangements in place during 2021 – 2022.

10.5 Agrees that the scope of the Conflicts of Interest Policy and Protocol be extended to non-voting co-optees on Combined Authority committees and recommends this revision to the Combined Authority.

11. Background Documents

11.1 None.

12. Appendices

12.1 None