



Lancashire Enterprise Partnership Limited

Private and Confidential: NO

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Local Enterprise Partnership - Governance and Transparency - Draft Best Practice Guidance

(Appendices 'A' to 'F' Refer)

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Executive Summary

At the last Lancashire Enterprise Partnership Board (LEP) meeting the Board received a report in light of the Government commissioned Ney Review on LEP governance which confirmed the Lancashire LEP's Assurance Framework was fully compliant and in most cases exceeded the governance and financial assurance requirements of the Ney Review.

In December, post-Ney Review, Government issued a further report on Best Practice on LEP governance and transparency. This report is currently in draft form, awaiting formal Ministerial sign-off, but all LEPs have been advised to consider its emerging findings and address any deficiencies in their respective Assurance Frameworks by the deadline of 28th February.

This report sets out a number of recommendations, taking account of the draft Best Practice Guidance, to ensure the LEP's governance framework, as set out in the Assurance Framework, continues to match or exceed Government requirements. However, it should be noted that the Government's Ministerial National Review of LEPs is still on-going and additional requests may be made of all LEPs, in due course.

Recommendation

The Board is asked:

- (i) To note that the LEP's Assurance Framework continues to comply with Government's new Best Practice Guidance.
- (ii) That in light of new Best Practice Guidance, to approve that the Annual Assurance Framework Refresh, which usually takes place in June each year, be brought forward with an updated Assurance Framework presented to the 24th April 2018 LEP Board meeting for approval alongside a presentation of the LEP's new website.



- (iii) To approve the updated Complaints, Whistleblowing, Code of Conduct and Register of Interest Policies (Appendices 'B' to 'E') for inclusion in the existing Assurance Framework and for publication on the LEP website, in accordance with Government requirements, by the deadline of 28th February 2018.
- (iv) To approve the additional LEP Director and Committee Member Protocol containing a further detailed explanation of "The Nolan Principles" of public life (Appendix 'F') be added to the existing Assurance Framework.
- (v) To note that the enhanced Register of Members Interests will be updated, re-published on the LEP website, and maintained in accordance with the new Best Practice Guidance; and
- (vi) To ask the Section 151 Officer of the LEP's accountable body to review and confirm to Government that the LEP is fully compliant with all current Guidance and requirements, by the deadline of 28th February 2018.

Background and Advice

In April 2017, Mary Ney (a Non-Executive Director at DCLG) was asked to undertake an informal review of Local Enterprise Partnerships to consider further improvements in their governance and financial assurance arrangements. The findings of the six-week review, were presented to the last LEP Board meeting held on 7th November 2017.

It was reported to the Board that the current practice of the LEP matches or exceeds the key benchmarks identified by the Ney Review. Government accepted the Ney Review's recommendations and has developed further Best Practice Guidance on Governance and Transparency, which is attached at Appendix 'A' to this report.

This Guidance is still in draft form, as it requires final Ministerial sign-off, but is designed to enable LEPs to both demonstrate and apply consistent practice and robust approaches in five particular areas, including the publication of meeting and agenda items; confidential reporting procedures for third parties and the public; and in ensuring a Whistleblowing Policy, a Code of Conduct and an updated Register of Interests are in place and easily accessible to the public.

Though the Guidance is still in draft Government officials have advised all LEPs to have considered and addressed the emerging findings by the deadline of 28 February 2018.

As the Board know, the LEP's Assurance Framework sets out detailed governance and financial assurance arrangements that ensure the LEP operates to a very high standard. Whilst the LEP already matches or exceeds current national benchmarks the new Best Practice Guidance is welcomed as it provides an opportunity to further enhance the robustness of the LEP's own governance framework.



As outlined above, the Best Practice Guidance identifies specific recommendations regarding an enhanced Complaints procedure, Whistleblowing Policy, Code of Conduct for LEP Board Members and Register of Interests. The LEP has robust policies in respect of all of these areas. However, the Guidance states that this documentation should be in an "easily accessible" part of each LEP's website. These documents are publicly available but difficult to access. Subject to Board approval, to ensure full compliance, it is proposed the LEP adapts the Best Practice Guidance draft documents for Complaints, Whistleblowing, and the Code of Conduct and Register of Interests. These are attached at Appendices 'B' to 'E'. Once agreed, these revised documents will be placed in a new prominent location on the LEP's website, within the "About Us" section in a separate box headed "LEP Policies and Procedures".

It is not proposed necessary to make any changes to current practices regarding the publication of LEP meetings and agenda items (as described in Chapter 1 of the Best Practice Guidance) as current practice already exceeds Government Guidance.

In addition, it is noted that Government has placed additional emphasis and importance on the adoption of "The Nolan Principles" of public life. Whilst the LEP already applies the Nolan Principles in its Assurance Framework, it is considered timely and prudent that additional detailed guidance on the Nolan Principles be added to the current Framework in the form of an additional Annex. This document is attached at Appendix 'F' for Board approval.

The Board will be aware that in accordance with previous Government guidance, the LEP has undertaken a refresh of its Assurance Framework in June each year since the requirement to have in place an agreed Assurance Framework.

However, in light of recent national developments, it is proposed to bring this year's refresh forward with a new fully updated version of the Assurance Framework presented to the LEP Board for approval at its meeting scheduled for 24th April 2018. As previously reported to the Board, it is intended to refresh the current structure of the LEP and its Committees to ensure they continue to be fit for purpose and in line with Board objectives and priorities.

In addition, work is underway to develop and enhance the LEP website alongside the Assurance Framework refresh. It is proposed that the new look website will also be presented to the 24th April 2018 LEP Board meeting. The new look website will be clearly focused on showcasing LEP programmes, and demonstrating its robust governance arrangements and commitment to transparent working. A complementary Inward Investment website will focus on strategic investment opportunities and key Lancashire growth initiatives.

The actions identified in this report will ensure the LEP continues to meet or exceed all current Government requirements with respect to governance and financial assurance. However, the Ministerial National Review of LEPs is still on-going and may lead to further changes required by LEPs, in due course.