



Lancashire Enterprise Partnership Limited

Private and Confidential: NO

Date: Tuesday, 6 November 2018

LEP Transition Update - Response to Local Enterprise Partnership Review
(Appendices 'A', 'B' and 'C' refer)

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Executive Summary

This report summarises the plan to comply with the Local Enterprise Partnership Review and seeks approvals to progress necessary actions in collaboration with key partners.

In addition, specific approval is sought for the process to recruit a new Lancashire Enterprise Partnership Board Chair and the process to be followed in accordance with the Review, together with the fixed term requirements for the roles of Chair and Deputy Chair.

Recommendation

The Lancashire Enterprise Partnership Board is asked to:

- (i) Note the Transition Summary at Appendix 'A' and approve the next steps required to comply with the Local Enterprise Partnership Review, noting that some steps will require actions outside of the Board's control.
- (ii) Approve the consultation drafts of the Chair Job Description and Person Specification (Appendix 'C') and process for recruitment reviewed and amended in accordance with the LEP Workshop on 30th October 2018.
- (iii) Authorise the Interim Transition Director to lead the Chair recruitment consultation in accordance with the process, and report findings, with appropriate recommendations to the LEP Board in December 2018.
- (iv) Delegate authority to the Interim Transition Director and Head of Lancashire Enterprise Partnership Co-ordination, in consultation with the Chair, and in consultation with the Company Secretary, to commission professional support as defined in Appendix 'B', as necessary up to the value approved by Government, in accordance with the transition programme.



- (v) Approve the use of Lancashire Enterprise Partnership funds in the short term to secure the necessary professional support pending reimbursement via the Government Additional Funding approval expected by Christmas 2018.
- (vi) Note that the draft Lancashire Enterprise Partnership Annual Report 2017/18 will be circulated for comment with a view to reporting the final version to Lancashire Enterprise Partnership Board on 12th December 2018.
- (vii) Authorise the Interim Transition Director, in consultation with the Company Secretary to conduct a review of the company's constitution, and when and where appropriate, take the necessary action to give effect to the recommendations of the review and proposals set out in this report; and
- (viii) Approve the implementation of due process in accordance with the human resources policies and procedures of the accountable body, to consider executive capacity in order to manage business as usual over the coming transition period and identify any posts to be created within the new Lancashire Enterprise Partnership operational structure, with a view to the new structure commencing in Spring 2019.

Background and Advice

1. Introduction

- 1.1. On 24th July 2018, Government published its long awaited Local Enterprise Partnership Review – Strengthened Local Enterprise Partnerships. The Review identifies a range of issues which all Local Enterprise Partnerships need to consider and address. The Review re-states the importance of Local Enterprise Partnerships and confirms that they will be central to the delivery of prosperous communities in England, moving forward. Local Enterprise Partnerships will continue to drive local growth by leading the development of Local Industrial Strategies and securing funding from the emerging Shared Prosperity Fund.
- 1.2. At the Special Board meeting on 12th September 2018, the Board considered the way forward on key issues, including the resourcing, mobilisation and definition of an agreed transitional work programme. Within the context of the wider Board task of repurposing the Lancashire Enterprise Partnership, the Board agreed that Lancashire Enterprise Partnership Officers, supplemented with support from the Interim Transition Director, scope a transition work programme in response to the Government's Review, in consultation with the Chair.
- 1.3. This report summarises the Transition Implementation Plan and Additional Funding Form submitted to Government on 31st October 2018 following



consideration at the Lancashire Enterprise Partnership Directors workshop held on 30th October 2018. Board approval is now sought for the Interim Transition Director to progress the transition work and commission associated professional support in accordance with that programme, in consultation with the Company Secretary.

2. Key Issues

- 2.1. Appendix 'A' to this report shows the Transition Summary document supported by Directors at the workshop session on 30th October 2018. The summary addresses all the key review recommendations and highlights the need for investment in professional support to effect the necessary changes, noting that some will require actions outside of the Board's control.
- 2.2. On 31st October 2018, the Lancashire Local Enterprise Partnership Implementation Plan, which contained a more detailed version of the Transition Summary document, was submitted to Government in accordance with requirements. A bid for £200,000 of related transition funding, shown in Appendix 'B' as the Additional Funding Form, was submitted in tandem in accordance with Government instructions.
- 2.3. Directors will note from the Additional Funding Form that in order to effect changes required by the Government review, support will be required imminently in the following areas:
 - Recruitment consultants
 - Independent legal advice
 - Independent finance advice
 - Systems and IT advice
 - Coaching for Directors and Executives
 - Marketing and communications
- 2.4. The Lancashire Enterprise Partnership Implementation Plan and associated Additional Funding Form benefited before submission from external challenge from regional Department for Business, Energy and Industrial Strategy colleagues and from the national Local Enterprise Partnership Network, so we are hopeful of a positive Government response, but unsure of the approval timescales. Bearing in mind many of the deadlines set by Government for completion of Lancashire Enterprise Partnership Transition are imminent, it is reasonable to assume we shall receive funding approval before Christmas 2018. Nevertheless, we need to build on our recent progress to meet deadlines and to do so will necessitate incurring or committing expenditure before receiving Government funding approvals.
- 2.5. In order to meet deadlines, it is proposed to commit available Lancashire Enterprise Partnership funds to a maximum of £200,000 in accordance with the Additional Funding Form considered at this meeting, pending reimbursement via the Additional Funding approvals anticipated before Christmas 2018. Officers will



work within approved Government budgets where possible, seeking further approvals in advance from the Lancashire Enterprise Partnership Board should additional investment be required to protect the interests of the Lancashire Enterprise Partnership.

- 2.6. Directors' attention is drawn to the requirement from Government to set fixed maximum terms limits for the roles of Chair and Deputy Chair (all Local Enterprise Partnerships having been instructed to recruit a Deputy Chair where they do not already have one). Having taken soundings from Department for Business, Energy and Industrial Strategy officials and the Local Enterprise Partnership Network, it is the consensus view that a 3 year term with the opportunity to serve two terms maximum by mutual agreement are appropriate term limits. These limits are reflected in the consultation draft Job Description of the Chair and will come into effect as the new Chair is recruited. The Chair Job Description (Appendix 'C') and process for recruitment were discussed and amended, for consultation purposes, at the Lancashire Enterprise Partnership Workshop on 30th October 2018 with a view to commencing consultation immediately. Endorsement of that decision is sought from the Board. It is recommended in the Government Review that these limits and the transparent recruitment process also apply to the post of Deputy Chair. It will be a priority matter for the incoming Chair to define the timescales for this process.
- 2.7. It should also be noted that Local Enterprise Partnerships are given the authority to Co-Opt Board members for a period of one year where specialist skills and experience are required and this is an option the Lancashire Enterprise Partnership may need to utilise in future. It is recommended that the Lancashire Enterprise Partnership seek to secure agreement to the amendment of its Articles of Association by February 2019 to reflect the changes proposed in 2.6 and 2.7.
- 2.8. Directors should also note the requirement to produce an Annual Delivery Plan by April 2019, and further guidance is awaited from Government on the required content. Nevertheless, the new Plan is likely to be informed by our Annual Report 2017/18 which is programmed for approval by Lancashire Enterprise Partnership Board in December 2018. To this end a draft will be circulated for comment to Directors by mid-November so the final version is available by beginning of December for our "Annual Conversation" with Government on 10th December 2018 and the Lancashire Enterprise Partnership Board on 12th December 2018.
- 2.9. With reference to executive capacity in order to manage business as usual over the coming transition period, discussions will be held with Lancashire County Council as the Accountable Body and Company Member to establish future staffing requirements for the Lancashire Enterprise Partnership core officers team and the implications, with a view to the Lancashire Enterprise Partnership establishing its own staffing structure by Spring 2019.



3. Conclusions

- 3.1. The Lancashire Enterprise Partnership Implementation Plan and associated budget submitted to Government on 31st October 2018 presents a clear plan of activity to implement and communicate reforms in alignment with the Local Enterprise Partnership review policy statement.
- 3.2. Progress is being made on many fronts including developing the Implementation Plan, recruiting a new Chair in accordance with a new transparent process, and defining the constitution of the Lancashire Enterprise Partnership in consultation with Lancashire County Council.
- 3.3. Deadlines for compliance with the Local Enterprise Partnership Review are tight though it is in the best interest of the Lancashire Enterprise Partnership and the community it serves to drive for compliance as quickly as possible, bearing in mind reference in the Review to securing National Prosperity Funding. To this end, it will be necessary to invest available Lancashire Enterprise Partnership funds to secure the necessary professional support with a view to reimbursement once national funds are approved.

List of Background Papers

Paper	Date	Contact/Tel
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None

Reason for inclusion in Part II, if appropriate

N/A