

Appendix H LEP Review Implementation

The Strategic Board signed off the 'workstream' approach to the implementation of the LEP Review on the 22nd March. This paper indicates which board members have offered to participate in steering the work and provides details of **two**, rather than five, **proposed board sub-groups** which will all report back to the Strategic Board to the timeline outlined in the March board paper. This paper also offers a chairperson for each group, ensuring that the conversation is fully owned by board members.

What are we aiming for?

Government require all LEPs to operate in full compliance with the LEP Review. It has already been evidenced to us that failure to do this will result in the holding back of funding. It is important that this does not happen.

We therefore require the two board sub-groups to arrive at complementary proposals for:

- a) A board which meets Government's criteria for being two-thirds private sector and with a maximum of 20 members with 5 co-opted members; while also accommodating the federal model and retaining the Accountability Board
- b) A legal structure which is appropriate to the objectives of the LEP, limits the risk exposure of its members, and passes Government's compliance tests.

We think that elements of our current model offer best practice – whether that is through the transparency offered by the Accountability Board and its supporting body of work or the wider business penetration offered by the federal model. While we recognise that we need to achieve compliance in order to retain funding channels into the future, we should have every intention of recognising what makes SELEP work and retaining it into the future model.

Paper structure

1. *Background & Strategic Board decisions*
2. *Structure of the groups and resourcing the work*
3. *Timeline*

1. Background

1.1 When the SELEP Strategic Board considered the paper on LEP Review at the 22nd March board meeting, the following was resolved:

- a. Ratification of the electronic procedure which agreed to move a 20+5 board with a two-thirds business majority.
- b. Approval of workstream/Steering Group to consider the size and composition of the SELEP Board which would provide advisory options and recommendations reporting to the Strategic Board
- c. Approval of appointment of an external body to undertake the provision of these options and recommendations. The client for this commission to be the board composition Steering Group.
- d. Approval of the workstream approach for all other LEP Review recommendations
- e. Approval of the formation of a 'nil return' company.
- f. Approval of the principle of Board members acting as sponsors for the workstreams.

1.2 The following 16 board members, offering various indications of preferences and caveats around availability, have offered their support to the process indicated in (b) and (d) above:

• Chris Brodie	• Perry Glading
• George Kieffer	• Cllr Rob Gledhill
• Graham Peters	• Cllr Keith Glazier
• Cllr Graham Butland	• Douglas Horner
• David Burch	• Jo James
• Cllr Rodney Chambers	• David Rayner
• Cllr Peter Chowney	• Penny Shimmin
• Ana Christie	• Clive Soper

2. Structure of the groups and resourcing the work

- 2.1 The suggested approach is to establish two board sub-groups – rather than ‘workstreams’ – which will each have the responsibility indicated in the Strategic Board paper, to arrive at advisory recommendations to put to the rest of the Strategic Board at their meetings up to March 2020 and as according to the Decision Plan indicated in Table 1 of the 22nd March Strategic Board paper.
- 2.2 The work to produce the factual materials to enable those discussions, while coordinated by the SELEP Secretariat, will be undertaken by officers from organisations across the LEP area. The LEP’s Senior Officer Group (established in 2011) will support the SELEP secretariat in producing materials for the discussions.
- 2.3 The original board paper sought to establish five separate workstreams. Some further reflection, conversations with board members, and the nature and preferences indicated in the 15 nominations listed above, suggest that the formation of **two groups** would be the most pragmatic way forward. This ensures that we are approaching the task with an appropriate level of rigour, and are yet avoiding creating an industry.
- 2.4 The most logical groupings are as follows:
- i. Board size, composition, chair and board member recruitment and diversity*
 - ii. Legal personality*
- 2.5 The issue around scrutiny, oversight and independence which are highlighted in the 22nd March board paper will be addressed by a group of officers and reported back to the Strategic Board in tandem with the conversations around board composition and legal personality.
- 2.6 In accordance with the Board paper the tables below list an indicative range of topics for discussion. It also indicates which board members are provisionally aligned to the groups and suggests a Chair person for each group.
- 2.7 Section 3 of this report suggests a broad timeline for the work. This is built on meeting the deadlines previously stated around upcoming Strategic Board meetings and positioning SELEP to launch itself as a newly operating entity at its March 2020 Strategic Board meeting. The proposal for the sub-groups is that there is a conference call of all three groups together at the beginning and end of the process, with up to three separate meetings of each group between now and March 2020.
- 2.8 It will be important to ensure that members of the groups are positioned to report back to their host federated board groupings and scheduling of meetings should enable those conversations.
- 2.9 The end goal for this exercise is to have fully implemented all facets of the LEP Review in time for the March 2020 Strategic Board meeting.

I: Board size, composition, chair and board member recruitment and diversity

Chair Chris Brodie

Working Group Members

- Cllr Butland
- Cllr Chambers
- Cllr Chowney
- David Burch
- Ana Christie
- Perry Glading
- Jo James
- Penny Shimmin

Officer support SELEP CEO; 1 representative from the Accountable Body; 1 nominated officer from each of the 4 federated areas; 1 education representative (HE or FE)

Short Terms of Reference To provide a recommendation/s to the Strategic Board which addresses HM Government's requirements around the composition of the board; future chair and board member recruitment, and diversity of the board.

Provisional topics for discussion

- To oversee the Independent Commission on Board Composition and ensure that an amenable proposal on the composition of the board is made available to the Strategic Board as soon as practicable
- To propose a policy around Chair and Deputy Chair recruitment
- To propose a policy around board member recruitment and how this works in conjunction with the federated model
- To consider and advocate a plan for the future induction and training of new board members
- To ensure that the Board appointed in time for the March 2020 board meeting is at least one-third female
- To consider good practice in other LEPs and use this to inform the recommendations

Meeting schedule

1. Shared conference call of both sub-groups
2. Inception meeting with Independent Review consultant
3. Progress meeting to consider emergent advice
4. Meeting to finalise advice to board
5. Wrap up meeting of both sub-groups

II: Legal Personality

Chair	David Rayner
Working Group Members	<p>Cllr Chambers</p> <p>Cllr Glazier</p> <p>Cllr Gledhill</p> <p>Douglas Horner</p> <p>George Kieffer</p> <p>Graham Peters</p> <p>Clive Soper</p>
Officer support	SELEP COO; 1 representative from the Accountable Body; 1 nominated officer from each of the 4 federated areas
Short Terms of Reference	To arrive at the most appropriate legal form for SELEP and provide this advice to the Strategic Board in time for implementation by 1 st October 2019 (with a final decision therefore taken at the September 2019 board meeting)
Provisional topics for discussion	<ul style="list-style-type: none"> - To consider legal advice taken to date (through LEP Network and the SELEP Accountable Body) and to commission additional advice where the group determines it is necessary - To consider how the SELEP incorporated model would work in conjunction with the wider structures of the LEP, including the Accountability Board and the federated boards - To consider the exposure and liabilities of board members in the new models and provide this advice to the current board, giving reassurance where necessary - To formulate a plan for taking the proposals through the governance structures of SELEP's partner organisations
Meeting schedule	<ol style="list-style-type: none"> 1. Shared conference call of both sub-groups 2. Meeting One – consolidation of legal advice taken 3. Meeting Two to finalise advice to board 4. Wrap up meeting of both sub-groups

III: Scrutiny, Oversight and Independence (officer led)

Short Terms of Reference	To ensure that a proposal is provided which offers clarity and reassurance around the independence of the Secretariat and a method of scrutinising the decisions of the newly established Board.
Provisional topics for discussion	<ul style="list-style-type: none">- The nature of the formal agreement between SELEP and the Accountable Body which evidences operational independence- Articles of Association for the board including, in particular, statements therein around the independence of the LEP and its Secretariat.- The methods deployed, or group constituted, to ensure that SELEP can demonstrate full scrutiny of the decisions of the Strategic Board. (e.g. a Scrutiny Panel which includes some of the organisations who do not have a place on the new SELEP board)

3. Timelines

3.1 The indicative timetable below offers an outline of the frequency of meetings and the discussions required at board meetings to ensure that the work is progressed at the required pace. The SELEP Governance Officer will work with Board members to identify the schedule of meetings in May 2019.

Group meeting	May	June	July	August	September	October	November	December	January	February	March
Strategic Board		<ul style="list-style-type: none"> Review interim findings Board recruitment policy Legal form options 				<ul style="list-style-type: none"> Review recs on recruitment and composition Options paper on legal form Update on independence agreement with A/B Scrutiny proposals for advice 		<ul style="list-style-type: none"> Confirmation of new board members Induction plan to be discussed Final no/go on incorp Draft independ' agreement Draft scrutiny arr'ments 			<ul style="list-style-type: none"> Inaugural meeting of new Board Agreement of new governance Arts of Assoc agreed Decision to enter new agreement with A/B on independ' Decision on scrutiny arr'ments
Board composition group	<ul style="list-style-type: none"> Shared conference call of both groups 	<ul style="list-style-type: none"> Inception meeting with Indep Review consultants (before board) 			<ul style="list-style-type: none"> Progress meeting to consider consultant advice 		<ul style="list-style-type: none"> Meeting to finalise advice to Board 	<ul style="list-style-type: none"> Wrap up meeting of both groups 			



Legal personality group	▪ <i>Shared conference call of both groups</i>		▪ Discussion around legal advice and way forward		▪ Meeting to finalise provisional advice			▪ <i>Wrap up meeting of both groups</i>			
-------------------------------	--	--	---	--	---	--	--	---	--	--	--