

Heart of SW LEP Board meeting

Paper 4.2 May 2017

Report title: **Actions to implement LEP Future: vision, mission and considerations thereof**

Report theme: Board

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Purpose of the report

To take forward the conclusions of the Governance working group which considered the LEP Boards recommendations on key themes emerging from the LEP Board away day.

Recommendations

1. To note how we are taking forward the conclusions of the Governance working Group and the Board
2. To confirm the next steps for how the LEP's resources can support these implications

Background

The LEP Board agreed a revised Vision and Mission as follows:

Vision

Delivering increased productivity and prosperity for all

Mission

The LEP is a strong business-led independent organisation. It has clear views on the priorities, opportunities and challenges facing our area and works in partnership within the LEP area and across LEP boundaries to provide leadership, influence stakeholders and directly deliver interventions which build a distinctive, productive and prosperous economy.

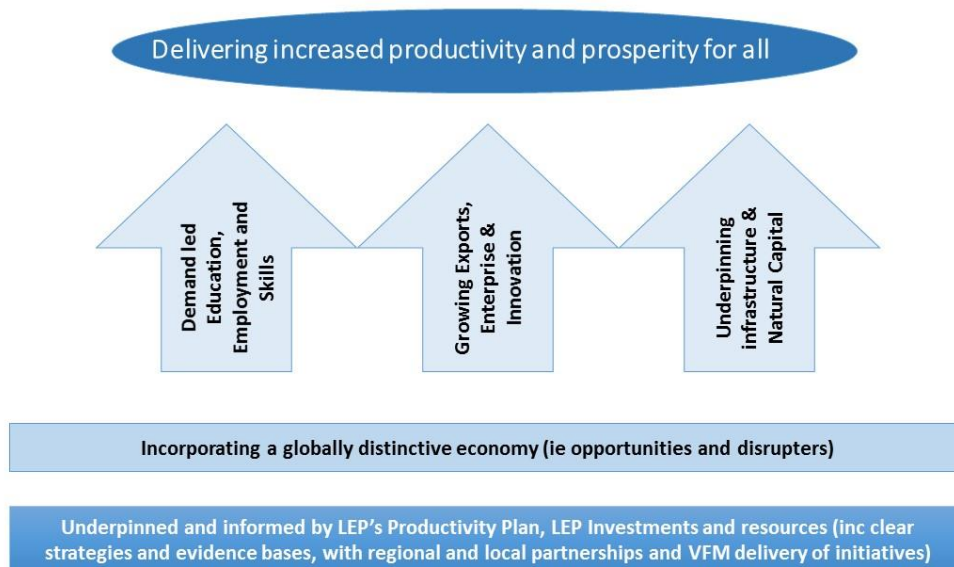
To take forward this revised vision, the following process is underway:



The first two steps are now complete;

Step 1 – the Board and Governance Group has agreed the new strategic priorities:

The LEP's updated focus



Step 2 – Wide ranging discussions have been progressed on what amendments are needed to our existing Governance structure to meet these strategic priorities. The principle is that we should minimise the number of formal governance groups with informal standing or task and finish groups to support the work of the LEP as needed. The new structure should replace the current groups from 1 June 2017.

It is therefore proposed that there should the following sub-committees of the board:

- a) Three **Strategic Priority** groups, each around one of the three strategic priorities of
 - i. Education, Employment and Enterprise

- ii. Business Exporting, Enterprise and Innovation
- iii. Infrastructure and Natural Capital

The purpose of each of these three groups will be to deliver the objectives of the HotSW Productivity Plan in respect of each of the priorities; as agreed by the LEP Board the latter area will be where the LEP envisages it will be in a supportive role to other Partners; the first two being focused on where the LEP can provide Leadership within that priority.

- b) Two **Investment and Resources** groups as follows:
 - i. Strategic Investment Panel
 - ii. Finance and Resources

The purpose of these groups will be to manage the LEPs investments in third party projects and programmes and the LEPs own finances and resources (respectively) so that the LEP's priorities can be achieved.

The governance structure that reflects these priorities is as follows:

New LEP governance structures from 1 June 2017



The above formal governance structure of the board and five subcommittees will be supported by the LEP Chief Executive and core LEP team and a range of LEP supported working groups / roles:

- a) SME Director – under the terms of our assurance framework one of the directors will be designated as ‘SME Director’ and will be asked to specifically represent the interests of SMEs in the HotSW area on the board.
- b) Future Economy Group - to look at what ‘disruptors’ we could utilise in achieving our strategic priorities and how to gain long term competitive advantage for our economy.
- c) Business representative Groups (BROs) – to extend the reach of the LEP we will engage with the main HotSW BROs. These arrangements are yet to be determined or agreed but will be an important next step.
- d) Marketing and Attracting Investment – a standing group Chaired by a LEP NED to support the LEPs delivery of its strategic priorities and the LEPs focused Inward Investment work.

- e) LA Thematic teams – we will enter into SLAs with our HotSW Local Authorities to support the LEPs thematic teams and the delivery of our operations in accordance with the assurance framework (including business cases and monitoring of our investments)
- f) Non Executive Director Champions - there will be a range of strategic opportunities and potential disruptors where there is potential to support the delivery of our vision the HotSW Productivity Plan. A number of LEP NED have volunteered to be a LEP Board champion for these opportunities – with a cross cutting remit supporting all our priorities

We currently have a number of Special Interest Groups (ie SIGs for Low Carbon, Social Enterprise, Rural, Transport); these have to have a LEP Board member as Chair or sponsor to be recognised as a SIG. They are an information sharing mechanism and are not currently part of our formal governance structure, and are not ‘serviced’ by LEP staff. Any changes to the SIGs will be determined post 1 June when the new board is in place.

This proposed structure of formal Board sub-committees and supporting roles and groups to take effect from the 1 June has been discussed with the majority of individual directors and to date the following interests have been identified (note: conversations with Local Authority directors have been held over to post LA purdah):

<u>Strategic Priority Group / Supporting Group</u>	<u>Chair</u>	<u>Other Directors</u>
Education, Employment & Skills	Stephen Criddle / Fiona McMillan (Note 1)	Karl Tucker
Enterprise, Exporting and Innovation	Richard Stevens	Martha Wilkinson Jackie Jacobs Judith Petts (tbc) Steve Smith (tbc)
Infrastructure & Natural Capital	Barbara Shaw	Mel Squires
SIP	David Bird	Chairs of: <ul style="list-style-type: none"> • E,E & S • E,E & I • Infrastructure
F & R	David Bird	Mel Squires
Future Economy Group	Martin Brown	Judith Petts (tbc) Steve Smith (tbc)
Marketing and Attracting Investment	Stuart Brocklehurst	Martha Wilkinson Helen Lacey (Note 2)

Note 1 – The nominated FE director (currently Stephen Criddle) on the LEP board is anticipated to be rotated later this year. Stephen Criddle will therefore oversee the transition from the existing People Group and Fiona McMillan will take over as Chair in due course, with SC’s successor also joining the EES group.

Note 2 – In accordance with our assurance framework, Helen Lacey will be our nominated SME director; taking a lead on relationship development with our Business Representation organisations (BRO).

Note 3 – the above table does NOT indicate the sole members of any group but where some interest has already been noted.

In addition to the above committees and groups, the following interests of individual directors have been noted (note: conversations with Local Authority directors have been held over to post LA purdah):

Name	Role:
Fiona McMillan	• Nuclear champion
Jackie Jacobs	• Aerospace champion
Judith Petts	• Marine champion
Karl Tucker	• Food and Drink champion
Mel Squires	• Rural champion
Martha Wilkinson	• Social Economy champion
Steve Smith	• Environmental resilience champion
Andrew Leadbetter	• Tbc
David Hall	• Tbc
Gordon Oliver	• Tbc
Harvey Siggs	• Tbc
Ian Bowyer	• Tbc
Paul Diviani	• Tbc

Historically we have also been asked by Partners to put forward representatives of the LEP on some external programmes. This has recently been reviewed by F & R and it is proposed that LEP representatives should only be put forward to committees where the external programme is deemed to be strategically important to delivery of our priorities in the HotSW area.

Four such roles are currently agreed:

- Local Transport Board (tbc - should be specific nominated representatives from the Infrastructure Strategic Priority Group; current practice is for the Chair of SIP to also attend LTB)
- Connecting Devon and Somerset (Martin Brown agreed to attend)
- ESIF Area Committee (Stephen Bird agreed to continue)
- ERDF Business Support Programme (tbc – should be nominated representative from the E, E & I Strategic Priority Group)

Individual directors may participate in programme / project committees in their personal capacity as they wish; LEP staff may also be invited to participate in such committees where appropriate. We understand some of our ex directors may be approached to participate in committees in their personal capacity. We welcome this.

We have also yet to discuss which director will volunteer to be LEP Vice Chairman (ie standing in for Steve Hindley if he is unable to attend Board meetings) and this will be a topic at the July board meeting.

Observations

The terms of reference for each Group will need to be worked up by each group; for approval by the Board for those that are sub-committees. So although there was some debate at the Board and at the Governance Group on the scope and focus for each of the above strategic priorities; these will now require refinement and development by each of the new groups – being built upon and incorporating the evidence and thrust of our emerging Productivity Plan.

Some other key observations made during consultation of these proposals are:

- A. Progressing our pipeline of projects (in accordance with the assurance framework) and feeding into the ESIF area committee (eg helping to shape ESF and ERDF Innovation calls) will remain a major activity of the LEP and the Strategic Priority groups – supported by the relevant LA staff / theme teams.
- B. The LEP Place, People and Business Leadership Groups should be migrated to be new groups delivering the strategic priorities. Directors highlighted that defining the scope of Education would be important during development of the terms of reference. And in particular to consider how we better link, engage and bring schools with us to share the LEP's vision and ambition is a topic for further consideration as we think through the scope of the group
- C. The Place Leadership Group should be refocused to support our partners on identifying our primary infrastructure and natural capital priorities to underpin the desired increase in productivity and prosperity for all - working through a series of existing (cross area) working groups probably lead by other partners. As indicated this is likely to include 'natural capital'.
- D. SIGs continue to sit outside the LEP's governance structure. The function of a SIG is to inform the LEP; any external group is only recognised as a SIG if it is championed / chaired by a Board member.
- E. Cross LEP activity should be adopted by the various groups as needed / appropriate – if HotSW has a formal governance role in such cross LEP activity this will require the approval of F & R.

Next Steps

The following next steps are proposed to be taken forward by the LEP management and core team to facilitate implementation of the above:

Paul Hickson:

- Working with Barbara Shaw to develop scope of Infrastructure and Natural Capital Strategic Priority group
- Facilitating induction for:
 - Mel Squires on Strategic Priority group, existing work LEP natural capital tools and Rural SIG

- Nominees as determined by Strategic Priority Group on LTB (with Ian Harrison) – also David Bird as non voting attendee

Amanda Ratsey:

- Working with Richard Stevens to develop scope of Enterprise, Exporting and Innovation Strategic Priority group
- Facilitating induction for:
 - Jackie Jacobs on Strategic Priority group
 - Stuart Brocklehurst on current / planned Inward Investment marketing activities

Keri Denton:

- Working with Stephen Criddle and Fiona McMillan to develop scope of Education, Employment & Skills Strategic Priority group
- Facilitating induction for Martin Brown as member of CDS

Eifion Jones:

- Working with Martin Brown on developing the scope of the Future Economy group
- Supporting Stuart Brocklehurst with the establishment of the new Marketing and Inward Investment group (through Helena Davidson, Heidi Hallam and Julia Stuckey)

Chris Garcia:

- Working with David Bird on taking over as Chair of SIP and F & R
- Working with relevant Champions on scope of their roles and introductions to relevant staff (eg Corinne Matthews)
- Working with Helen Lacey on way forward for BRO relationships (though Heidi Hallam)