

Board Director Rolling Replacement Policy

Finance & Resource Committee

March 2019

Background

This paper sets out the LEP's policy for rolling replacement and/or retirement of HotSW Board members, following the Strengthened LEPs report¹.

Recommendation

That the proposed policy is adopted

Considerations

The Strengthened LEPs report highlighted a need for LEPs to improve diversity across their board members. Specifically it stated that

- "Government expects refreshed Local Enterprise Partnership boards to improve their gender balance and representation of those with protected characteristics." (p.17). Protected characteristics cover age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.
- LEP boards should "have equal representation of men and women by 2023 ... and a minimum of a third women's representation on their boards by 2020." (p.17-18)
- LEPs board members should be drawn from "a more diverse representation of sectors and all parts of their geography." (p.15)
- LEPs should "introduce defined term limits for Chairs and Deputy Chairs where these are not currently in place." (p.17)
- LEP Boards should have a maximum of 20 members with a majority from the private sector

Current Position

The LEP Board currently has 19 active members, as per the below. Note that Government recognises HE and FE representatives as 'private sector'. The policy proposed here would apply to private sector members under this definition; the role of local elections means Local Authority members would not be affected:

Sector	Director	Commencement*	Retirement Date
Private	Barbara Shaw	19 th March 2014	18 th March 2020
	David Bird	1 st June 2017	31 st May 2023
	Fiona McMillan	1 st June 2017	31 st May 2023
	Helen Lacey	1 st June 2017	31 st May 2023
	Karl Tucker	1 st June 2017	31 st May 2023
	Martha Wilkinson	16 th Sept 2015	15 th Sept 2021

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https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/728058/Strengthened_Local_Enterprise_Partnerships.pdf

	Melanie Squires	1 st June 2017	31 st May 2023
	Richard Stevens	1 st June 2017	31 st May 2023
	Steve Hindley	1 st Jan 2014	31 st Dec 2019
	Stuart Brocklehurst	1 st June 2017	31 st May 2023
	1 x vacancy	-	-
Private (HE ²)	Judith Petts	18 th Feb 2016	17 th Feb 2022
	Steve Smith	19 th Mar 2014	18 th Mar 2020
Private (FE)	Diane Dimond	18 th Dec 2017	1 st August 2019
Public	David Hall	21 st July 2011	n/a
	David Thomas	20 th Feb 2018	n/a
	Harvey Siggs	22 nd July 2014	n/a
	Paul Diviani	19 th July 2014	n/a
	Rufus Gilbert	25 th May 2018	n/a
	Tudor Evans	20 th June 2018	n/a

*as reported at Companies House

HotSW's response to the Strengthened LEPs report highlighted compliance with the term limit for the Chair – 6 years, in line with other Board members. The new National Assurance Framework³ states that both the Chair and Deputy Chair positions should be for three years with a three year extension period and, in exceptional circumstances and with Board approval, a further three years beyond that. The Framework states that these term limits should become business as usual once the current Chair's term expires.

HotSW is also compliant with the need to have a majority private sector board and the Articles are being updated to make clear the maximum 20 board members. The board currently has 19 members and therefore one vacancy. The recommended policy would apply to recruitment of that vacancy.

Of the 19 active Directors on the LEP Board 7 are female, 12 male or 37/63, thereby meeting the 2019-20 target. Wide-scale recruitment of Board members last occurred in 2017; mid-2023 would be the first opportunity to make large-scale changes and achieve the 50/50 balance.

The LEP does not however have a policy on the approach should any Board members wish to retire or resign before their term is complete. In addition, the 2017 recruitment and mid-2023 end dates means that there is a risk of the LEP again losing a large amount of experience in one go so there are merits in considering a staggered approach. Board member recruitment is a time consuming exercise so it is important that any policy is mindful of this

It is therefore recommended

1. To introduce a break point for each private sector Board member allowing retirement from the Board ahead of the normal 6 year term. The break point could be activated by the LEP Board member or the LEP Board and would be at the 3 year point in a term.

² The Articles state that HE Directors are appointed collectively by the HE sector organisations, similarly the FE Director is appointed collectively by the FE Colleges

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https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/768356/National_Local_Growth_Assurance_Framework.pdf

2. A minimum of 6 months' notice ahead of the break point would be required from either the LEP Board member or the LEP Board to allow for replacement. A Board member taking this option at this point would also be asked to help with finding a replacement.
3. To avoid a large-scale loss of experience, the Chief Executive will work with the Chair to use the break point mechanism to ensure a better balance in the timing of replacement of Board members. Ideally this would lead to all members serving 6 years but with start and end dates staggered across smaller cohorts of directors. For example 3 serving 2017-23, 3 serving 2020-26 and so on.
4. Recruitment of Board members will strongly aim to strengthen diversity (protected characteristics) on the LEP Board.
5. Recruitment will also have regard to the priorities within the Local Industrial Strategy, or its equivalent, to ensure appropriate Board expertise in key areas