

Heart of the South West Local Enterprise Partnership

LEP Board Paper agenda item 9

Draft

Report title: Board recruitment

Date: 18th September 2020

Purpose: This paper is for **decision**

(overwhelming papers should be for decision)

Link to LIS: Indicate by **bolding** which area the paper links to.

Inclusive Growth		Clean growth		
Energy		Engineering		Digital
Ideas/ Innovation	People/Skills	Infrastructure	Bus. Environment	Places

Non- LIS purpose: this paper sets out the proposed recruitment process for new Board members.

Timing: implement from 18th September 2020

Financial Impact: (cost or cost saving): c£8-10k for recruitment agency and advertising

Decisions requested: agree recruitment campaign

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Summary

With retirements and resignations in 2020 the LEP is currently carrying four private sector Board member vacancies. It is proposed to run a recruitment campaign, announcing at the AGM and continuing through the autumn so that new Board members are in place for the January 2021 Board meeting. This paper sets out details of timings and skill sets as recommended by the Nominations (NOMs) Committee.

Attachments

1. Draft candidate pack

Background

The National Assurance Framework sets out that LEP Boards can consist of up to 20 members of whom two-thirds must be private sector; Government view FE and HEI Board members as private sector. LEPs are also required to ensure that 1/3rd of Board members are female with a 50/50 split by 2023. With Martha's retirement the LEP Board now has 16 active members of whom 10 (63%) are private sector and 6 (38%) are female. LEPs are also able to appoint up to 5 co-opted Board members. This paper sets out the approach to filling the current vacancies and future rolling retirements of private sector members.

In May the Board agreed that LEP Board private sector directors fulfil the function of Independent directors as defined by the Code of Corporate Governance and "should provide constructive challenge, strategic guidance, offer specialist advice and hold management to account"¹. Independent directors should bring a spread of relevant experience but do not represent their sectors or areas: they are selected for the potential to provide independent review and challenge of the LEP's strategy and operation.

Alongside Independent directors, local authority Leaders act as Stakeholder directors, representing their nominating body whilst still making decisions in the interests of the LEP overall.

A candidate pack is included with this paper and key points drawn out below; the pack is draft and with the comments within to be addressed before the final version is published.

Skills/ Knowledge

Within the guidance above, the NOMs committee considered the current skills and experience of the Board, forthcoming challenges and opportunities and succession planning. The committee therefore intends to seek candidates who can increase the LEP's capacity in the following areas:

- Understanding the transformational opportunities for the area especially around clean growth, digital utilisation and digital connectivity
- Articulating the needs of the area's SMEs and business owners, and especially research-intensive businesses
- Ensuring inclusive growth is central to everything the LEP and wider partnership do
- Driving productivity growth in the bedrock sectors such as construction, farming, food, fishing, tourism and hospitality
- Support succession planning through members who have expertise which could be drawn on by the Board's key sub-committees
 - the Strategic Investment Panel overseeing project investment
 - Finance & Resources committee overseeing operational expenditure
 - the four Leadership Groups of Business, Innovation, Place and Skills Advisory Panel

This list is not exclusive and recruitment will also consider broader experience from the following areas of real interest; it's recognised that some Board members have experience in some of these already but succession planning is an important factor

- one or more of the HotSW area's opportunity sectors identified in the Local Industrial Strategy: clean energy (including floating offshore wind, solar, nuclear), high tech engineering (including marine, aerospace, photonics and advanced

¹ Code of Corporate Governance S2

manufacturing) and digital (incl. big data, health tech and digital creative industries)

- Housing, transport, innovation, people, environmental, health or rural agendas as well as commercial and infrastructure development also form key focuses and would be an equally valuable background.

Consideration was given to the potential for co-opted directors though as identified in the May report, research has shown that companies with smaller boards outperform those with larger boards and the size of a typical board is 9-11 members, some way below the LEP's. The NOMs committee therefore recommends that co-opted directors are not sought at this stage.

The committee also considered whether the third sector should be asked to nominate a representative in a similar way to FE colleges proposing a member on their behalf. The NOMs committee decided against this as the Board should decide who private sector members are and representing inclusive growth is not necessarily the preserve of the third sector.

A recruitment agency will be used to help identify potential candidates and do the initial sift of applications. Details of the interview panel, interview format etc are to be agreed at a later date.

Timing

The proposed timetable is set out in the annex. Subject to Board approval the start of recruitment will be announced at the AGM and candidates have until 8th October to apply. The NOMs committee will then sift and interview and present a recommendation to the November Board. Subject to approval at the November meeting, successful candidates will receive an induction etc with the aim of being in place for the January 2021 Board meeting.

Future Recruitment

The Board have previously agreed a rolling retirement policy for private sector members to avoid a large scale loss of experience; it can also be expected that there will be attrition of private sector members as has happened over the last 12-18 months. Details of which directors retire when are to be agreed but the NOMs committee recommends that an autumn recruitment campaign is run each year along similar timings to the above. This aims to enable retirement of two private sector Board members each year plus any attrition

There are currently 6 private sector members in addition to the FE and HEI members who are also counted as private sector by Government. Retirement of 2 private sector members per year would enable all 6 to be replaced within the maximum 6 year term a Board member may serve. In agreeing who will retire when, consideration will also need to be given to meeting the requirement to have 1/3rd female Board members now and for this to be 50/50 by 2023.

Summary of Recommendations

1. That a recruitment campaign is run from the AGM to November to appoint 4 private sector Board members in time for the January 2021 Board meeting
2. That recruitment in particular seeks to increase the LEP's capacity in the key areas above
3. That co-opted directors are not sought at this stage
4. That the LEP runs an annual autumn recruitment campaign on similar timings to enable rolling retirement of two private sector Board members each year and to cover any attrition

03 September 2020

Annex 1 - Recruitment Timing Plan

	Sep					Oct				Nov					Dec	Jan
	w/c 31/08	07/09	14/09	21/09	28/09	05/10	12/10	19/10	26/10	02/11	09/11	16/11	23/11	30/11		
Board meetings			18th AGM										27th			22nd
Agree approach, spec etc	2nd NOMs															
Advertise			<i>Request candidate pack</i>													
Agency shortlist																
Agree interviews																
Panel interviews																
Recommendations to Board													by 20th			
Board decision													27th			
Confirm appointments																
Induction/ briefing etc																early Jan
First Board meeting																22nd

2. Annex 2 - dates when board members commenced

10 current private sector members

6 current public sector members

Attendees	Organisation		Commencement Date	Resigned/ Retired	3 year Time limit	6 year Time limit
Karl Tucker	Yeo Valley	Private	Board Director 1 June 2017 Commenced as Chair January 2020		Director June 2020 Chair Jan 2023	June 2023 Jan 2026
David Bird	Santander	Private	1 June 2017		June 2020	June 2023
Fiona McMillan	EDF Energy	Private	1 June 2017		June 2020	June 2023
Melanie Squires	NFU in the South West	Private	1 June 2017		June 2020	June 2023
Richard Stevens	Plymouth City Bus	Private	1 June 2017		June 2020	June 2023
Sarah Cook	Leonardo Helicopters	Private	Nov 2019		Nov 2022	Nov 2025
Stuart Brocklehurst	Applegate	Private	1 June 2017		June 2020	June 2023
John Laramy	Exeter College	Private	1 August 2019		Due to retire Dec 2020 as seeing out Diane Dimond's original Tenure, FE Colleges then need to renominate	
Judith Petts	University of Plymouth	Private	18 Feb 2016		*Articles only changed to 3yrs later in 2019	March 2022
Lisa Roberts	University of Exeter	Private	Sep 2020			
David Hall	Somerset County Council	Public	21 July 2011			
Phil Bialyk	Exeter City Council	Public	10 July 2019		June 2021	
Rufus Gilbert	Devon County Council	Public	25 May 2018			
Steve Darling	Torbay Council	Public	June 2019			

Tudor Evans	Plymouth City Council	Public	Re- commended - 20 June 2018			
Val Keitch	South Somerset District Council	Public	17 June 2019			

As per revised Articles 2019

- FE/HE Directors for up to 3 years, can then be re-appointed up to a maximum 6 years
- Public Sector Directors hold office indefinitely
- Private Sector Directors up to 10 hold office for up to 3 years, can then be re-appointed up to maximum 6 years
- Chair can hold office up to 3 years, can then be re-appointed up to a maximum 6 years
- Private sector Co-opted Directors up to 5 maximum with specialist knowledge for a fixed term of 1 year, cannot be re-appointed, non-voting