

## **Heart of the South West (HotSW) Local Enterprise Partnership (LEP) Joint Scrutiny Committee – Notice of Motion**

### **Report of the County Solicitor**

#### **1. Introduction**

1.1 The Notice of Motion submitted to the County Council by the Councillor shown below have been referred to this Committee in accordance with Standing Order 8(2) - for consideration and to make a recommendation back to the Council.

1.2 A factual 'Briefing Note/Position Statement' prepared by the County Solicitor is included below to facilitate the Committees discussion of the Notice of Motion.

#### **2. Notice of Motion on the Scrutiny Committee (Local Enterprise Partnership) from (Councillor Biederman)**

*This County Council welcomes the fact that the Heart of the South West Local Enterprise Partnership Joint Scrutiny Committee has now met, but believes that for effective scrutiny to take place:*

*(1) two of the Council's four places on the Committee should be made available to opposition groups from next May;*

*(2) there should be an opportunity for the Non-Aligned Group to be represented from time to time;*

*(3) an opportunity for public participation should be provided;*

*(4) proceedings should be webcast.*

#### **3. Briefing Note / Position Statement from the County Solicitor**

3.1 The Mary Ney report, [Review of Local Enterprise Partnership Governance & Transparency](#), was commissioned by the Government and published in October 2017. Within that Report was the advice that Scrutiny arrangements should be in place to monitor both the decision-making and achievements of the Local Enterprise Partnership (LEP).

3.2 The new guidance '[Strengthened Local Enterprise Partnerships](#)' received in August 2018 was not detailed in terms of how any local arrangements should operate, but the guidance did recognise the role of local authorities in scrutinising LEPs and the recommendations of the Mary Ney Report.

3.3 The key features of the guidance 'Strengthened Local Enterprise Partnerships' was on roles and responsibility, leadership and organisational capacity, accountability and performance, geography and also, in terms of a Scrutiny function, that LEP's need to operate on organisational structures that support local decision making and provide greater assurance over the management of public funding. Government has said it will support all LEP's to actively participate in relevant local authority Scrutiny panel enquiries.

3.4 The aim of the Local Authorities (whose officers met to start to identify a solution) was to develop a proposal, independent of existing Scrutiny Committees, with a focus on Strategic Scrutiny of the LEP and its strategies, therefore adding value and meeting the Government's requirements for LEP scrutiny.

3.5 The agreed terms of reference and operating procedures were agreed by Members and agreement to the proposals was reached through all four constituent authorities between July and September 2018. Members may recall this was discussed at the Council's Procedures Committee on [4<sup>th</sup> July 2018](#).

3.6 The Committee provides a new joint Scrutiny function, with constituent authorities delegating the strategic overview of the LEP functions to the Joint Scrutiny Committee (not removing the right of local authorities to scrutinise matters relating to programme delivery that impact on the people within those communities).

3.7 The Joint Scrutiny Committee is charged with:

- The review of strategic decisions made by the LEP Board;
- The review of progress of programmes under the management of the LEP to identify barriers to progress, good practice and possible improvements to the LEP's programme management function, notwithstanding the ability of Local Authorities to scrutinise individual programmes of delivery which impact on their communities;
- Scrutiny of the delivery of the Strategic Economic Plan and the Productivity Strategy; and
- To review LEP performance and consider any comparative data the Joint Committee deems necessary.

3.8 In terms of Membership of the Committee, it is;

Devon County Council	(4 Members)
Plymouth City Council	(2 Members)
Torbay Council	(2 Members)
Somerset County Council	(4 Members)
Devon Districts	(3 Members)
Somerset Districts	(2 Members)

3.9 In line with the requirements of the Local Government and Housing Act 1979, political proportionality wasn't considered to be appropriate to apply to the collective membership. However, where a Council appoints three or more Members, political proportionality will apply to those appointments in line with the legislation.

3.10 In terms of reporting mechanisms, the Joint Committee has a direct reporting line to the LEP Board in relation to LEP business and this is the key line of accountability. The Committee will make regular reports to the Board and may make recommendations to the Board. The Committee has responsibility for its own work programme but the LEP may also request that the Committee undertakes scrutiny of its activities and performance.

3.11 A key function of the Joint Scrutiny Committee is to scrutinise delivery of the Productivity Strategy. The Strategy was jointly agreed by the LEP and the HotSW Joint Committee and will be jointly delivered. A secondary line of reporting for the Joint Scrutiny Committee will therefore be to the HotSW Joint Committee and specifically in relation to the delivery of the Productivity Strategy.

3.12 The LEP Scrutiny Committee, when it met for the first time on 2<sup>nd</sup> November 2018, considered the guidance (which was not prescriptive in any way), and resolved that the current processes in relation to Scrutiny were fit for purpose.

3.13 There was a general feeling in that first meeting that the Committee needed to become established, but there is a commitment to review and evaluate its operation to assess effectiveness, added value and consider whether any changes to its constitution and operation are necessary and / or appropriate.

3.14 The Committee suggested a 12 month time scale (therefore autumn 2019), to give time for the Committee to settle in to its role and for the LEP's role in the development and delivery of the Local Industrial Strategy and the impact of its change of focus on its operation and relationship with the HotSW Joint Committee to become clear.

3.15 It is important to note that any changes proposed to the current model would be subject to the approval of the Constituent Authorities and may require wider consideration across the Heart of the South West Councils.

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This Report has no specific equality, environmental, legal or public health implications that will not be assessed and appropriate safeguards and/or actions taken or included within the detailed policies or practices or requirements in relation to the matters referred to herein.

JAN SHADBOLT

[Electoral Divisions: All]

**Local Government Act 1972: List of Background Papers**

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<b><u>Background Paper</u></b>	<b><u>Date</u></b>	<b><u>File Reference</u></b>
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Nil