

EXECUTIVE COMMITTEE

2nd September 2013

GREATER BIRMINGHAM & SOLIHULL LOCAL ENTERPRISE PARTNERSHIP DELEGATION OF FUNCTIONS TO A JOINT COMMITTEE (LOCAL SUPERVISORY BOARD)

Relevant Portfolio Holder	Councillor Bill Hartnett, Leader of the Council and Portfolio Holder for Community Leadership and Partnership
Relevant Head of Service	John Staniland - Executive Director (Planning, Regeneration, Regulatory and Housing Services)
Non-Key Decision	

1. PURPOSE OF REPORT

This report seeks to update Council on the current position regarding the Greater Birmingham and Solihull Local Enterprise Partnership (LEP) and to agree a format of governance necessary to ensure the appropriate legal mandate for decisions made by the LEP in relation to the expenditure of any funds devolved to the LEP under a Single Local Growth Fund.

2. RECOMMENDATION

The Executive Committee is asked to **RESOLVE** that

- 1) the creation of a Joint Committee to act as a Supervisory Board for the Greater Birmingham and Solihull Local Enterprise Partnership in accordance with the Local Government Act 1972 with voting representatives appointed by each constituent local authority and non voting business representatives be approved;**
- 2) functions relating to the bidding for and approval of schemes and expenditure of funds devolved under the Single Local Growth Fund be delegated to the Joint Committee (Supervisory Board);**
- 3) the appointment of the Leader as an ex officio appointment as the Redditch Borough Council Representative on the Joint Committee be approved;**
- 4) the appointment of the Deputy Leader as an ex-officio appointment as the Redditch Borough Council substitute representative on the Joint Committee be approved;**
- 5) the Head of Legal, Equalities and Democratic Services be authorised to agree and enter into all necessary legal documents**

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**to effect the above decisions and update the Council constitution;
and**

to RECOMMEND to Council that

- 6) the establishment of a Joint Scrutiny Committee, its terms of reference and the appointment of a representative from this Council to the Committee as appropriate be approved.**

3. KEY ISSUES

Background

- 3.1 In its report 'The Greater Birmingham Project: the Path to Local Growth', the GBSLEP committed to forming a Supervisory Board comprising the nine elected local authorities, if a single pot was created.
- 3.2 In the Government's response to Lord Hestletine's 'No Stone Unturned' the Government has created a Local Growth Fund of c.£2billion of which about half will be available for LEPs to bid into competitively. To be successful a LEP will be expected to demonstrate a number of things including arrangements for delivering their Strategic Economic Plan which 'deliver collective decisions from all local authority leaders including the district Councils within the LEP, with evidence underpinning robust partnership arrangements.
- 3.3 In order to satisfy this requirement members are advised that work has been undertaken over the past few months to develop proposals for the Supervisory Board. The proposal is to establish a Supervisory Board as a Joint Committee with each Council delegating functions to it. Various options on the scope and functions were discussed by LEP Leaders on 13th June 2013. The draft terms of reference at Appendix 1 reflect the outcome of this discussion and the discussion at the LEP Board on 26th June 2013 when Directors endorsed this proposal.
- 3.4 Once each Local Authority has the appropriate approvals the GBSLEP Board's Articles of Association will be amended to reflect the new governance model. It is intended that the Supervisory Board will be in operation by the end of September 2013. It states that the strength of governance arrangements in place, including decision-making on spend, will be a key criterion in the negotiations around accessing the single Local Growth Fund.

Financial Implications

- 3.5 Funds applied for and received as part of the Single Local Growth Fund will be devolved to the GBSLEP and as such have no impact on this district's budget.

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- 3.6 The Board will have responsibility for determining how new funding streams are allocated within the LEP area. Scrutiny of these decisions will be provided by the establishment of a Joint Scrutiny Committee.

Legal Implications

- 3.7 The Supervisory Board will act as a Joint Committee under Sections 101, 102 Local Government Act 1972 and Section 20 Local Government Act 2000 and pursuant to the Local Authorities (Arrangement for the Discharge of Functions) (England) Regulations 2012.
- 3.8 Political Proportionality will not apply to the Joint Committee as so constituted.
- 3.9 The power to co-opt non authority members on to a Committee is contained in Section 102 (3) of the Local Government Act 1972.

Customer / Equalities and Diversity Implications

- 3.10 There are no specific customer, equalities or diversity implications.

4. RISK MANAGEMENT

- 4.1 The North Worcestershire economic development and regeneration shared service has a Client Management Group (CMG) that oversees the service and makes joint key strategic decisions and through this means the North Worcestershire representative on the Joint Committee will be charged with effecting the vote for the collective North Worcestershire partners' benefit.

5. APPENDICES

Appendix 1 – Local Supervisory Board Terms of Reference
Appendix 2 – Joint Scrutiny Committee Draft Terms of Reference

6. CONCLUSION

The GBSLEP proposes to establish a Joint Committee Supervisory Board to determine, in this first instance, expenditure across the LEP geography (including North Worcestershire) in respect of the funding devolved under a single local growth fund.

7. BACKGROUND PAPERS

The LSB Proposed Terms of Reference.

AUTHOR OF REPORT

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