

4<sup>th</sup> November 2019

## LEP Geography Implications

### Purpose of Report

This paper sets out the process required to formalise the withdrawal of the District Councils with effect from the 1<sup>st</sup> April 2020 and the implications on LEP Board membership. This report also presents a revised draft of the Collaboration Framework with D2N2 LEP for consideration and agreement.

### Thematic Priority

Cross cutting – governance arrangements

### Freedom of Information and Schedule 12A of the Local Government Act 1972

This paper is not exempt from FOI requests and will be published in line with the Combined Authority Publication Scheme.

### Recommendations

1. LEP Board members are asked to note the:
  - Process required to formalise the withdrawal of the District Councils with effect from the 1<sup>st</sup> April 2020
  - Impact on the current balance of membership
  - Implications for the Thematic Boards
2. LEP Board members are asked to approve the draft Collaboration Framework with D2N2 LEP.

## 1. Introduction

- 1.1 The LEP Review 2018 required all LEPs to remove any overlapping geographies by the 1<sup>st</sup> April 2020.
- 1.2 From 1 April 2020, the revised SCR LEP geography will consist of the four districts of South Yorkshire (Barnsley, Doncaster, Sheffield and Rotherham).
- 1.3 LEPs have been advised to establish a Collaboration Framework with neighbouring LEPs to manage activities and communications in the former overlap areas.

## 2. Proposal and justification

2.1 The LEP Board received a report on 20th May 2019 which confirmed that four of the five districts (Bassetlaw, Bolsover, NE Derbyshire and Derbyshire Dales) in the overlap area had written to confirm that they would be revoking their membership of the SCR LEP to comply with the LEP Review recommendation. SCR subsequently received written confirmation that Chesterfield would also revoke their membership of the SCR LEP.

2.2 The withdrawal of the five districts results in the following changes to the size and composition of the LEP Board:

- **Removal of geographical overlaps** - with the D2N2 and Leeds City Region LEP areas
- **Reduction from 25 private and public sector Board members to 20** - the LEP Review recommended a maximum number of 20 private and public sector seats
- **A ratio of 75% private sector members to 25% public sector** - the LEP Review specified that at least two thirds of members should be from the private sector
- **A ratio of 38.1% of female LEP Board members to 61.9% of males** - the LEP Review stipulated that LEP Boards should ensure that by 31<sup>st</sup> March 2020, one third of their members should be women

From 1<sup>st</sup> April 2020 SCR LEP will comply with all of the requirements made in the LEP Review on Board size and composition.

2.3 In September, the LEP and Mayoral Combined Authority (MCA) Boards agreed to change the membership and quoracy of the Thematic Boards, to reflect the position of the five district authorities. These changes mean that Bassetlaw and Chesterfield will remain as members with voting rights on the respective Housing and Skills and Employment Boards but non-constituent authorities will only have a right to attend and participate in discussions at other Thematic Board meetings.

2.4 The draft Collaboration Framework (Appendix 1) was discussed and agreed by the D2N2 LEP Board on the 24<sup>th</sup> September 2019. It outlines:

- The arrangements for project appraisal and approval up to the 31<sup>st</sup> March 2020, after which the revised LEP geography takes effect
- The management and monitoring of contracted projects during the transition period (up to the 31<sup>st</sup> March 2021 - the end of the current LGF programme)
- The sharing of data and information from now and into the post-transition period to aid cross-border partnership working

2.5 Agreement is now sought from the SCR LEP Board to the draft Collaboration Framework.

## 3. Consideration of alternative approaches

3.1 **Do nothing** – SCR LEP was not awarded funding to deliver the LEP Review recommendations due to non-compliance with the LEP Review requirements. Continued non-compliance would result in the withholding of future funding. It is also considered prudent to put a Collaboration Framework in place with D2N2 LEP to manage the delivery of existing contracts, to confirm data sharing and project appraisal arrangements and to deliver shared and consistent messaging to partners and potential funding applicants.

## 4. Implications

### 4.1 Financial

There will be a reduction in financial resource of circa £1.02 million as a result of the withdrawal of the district authorities from the SCR LEP. The above proposal will result in

SCR LEP complying with the LEP Review requirements, thereby avoiding financial penalties from non-compliance.

#### **4.2 Legal**

The SCR LEP can continue to use the MCA as its legal personality, acting as the accountable body for all its funding.

#### **4.3 Risk Management**

Risks associated with implementing the LEP Review recommendations, including the financial impact of a reduced LEP geography, have been incorporated into the group SCR MCA / LEP risk register.

#### **4.4 Equality, Diversity and Social Inclusion**

There are no implications associated with this report. The gender ratio of the LEP Board will be continually monitored to ensure that SCR LEP complies with the recommended requirement.

### **5. Communications**

- 5.1** A communication plan will be developed jointly with D2N2 LEP to ensure that consistent messages are given to businesses, partners and potential project applicants / scheme promoters on accessing LEP funding and support from the 1<sup>st</sup> April 2020.

### **6. Appendices/Annexes**

- 6.1** Appendix 1 - SCR and D2N2 Local Enterprise Partnership's Collaboration Framework (Draft)

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Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ

Other sources and references: