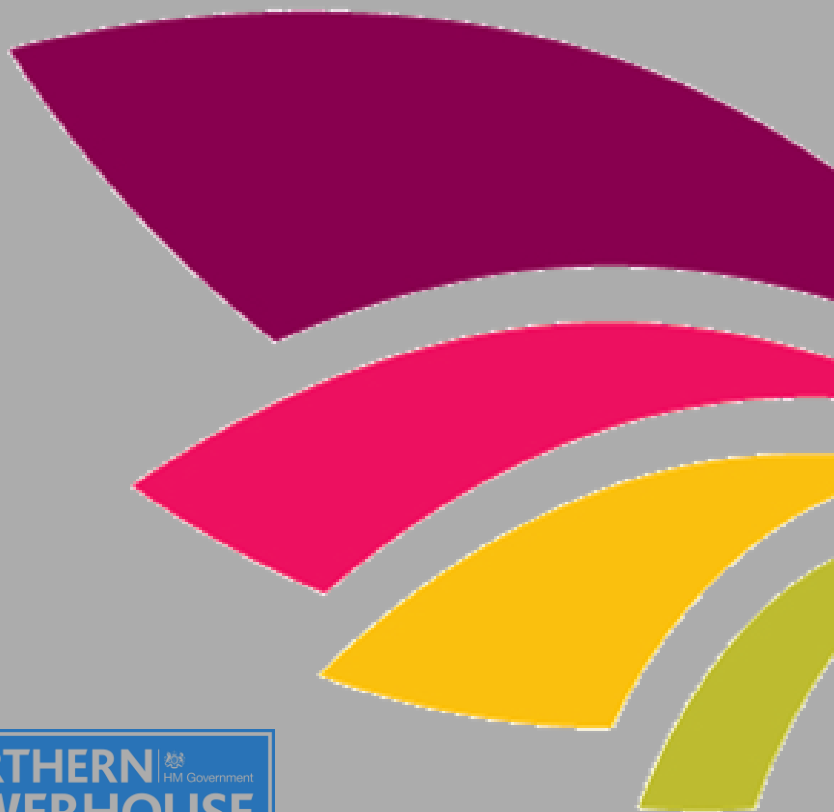


Liverpool City Region Local Enterprise Partnership

Board Induction Pack



Welcome and Introduction

Thank you for taking on a position as a Liverpool City Region LEP Board member. This is certainly an exciting and important time to join our Board where you will play a pivotal role in driving growth in the local economy thereby creating sustainable jobs for our residents.

Our LEP is a business-led, strategic partnership responsible for driving Liverpool City Region's economic potential by enabling business and enterprise to thrive.

By working with partners in the public and private sector, we provide private sector knowledge and expertise to the Liverpool City Region Combined Authority ensuring that strategic, business-led economic growth is at the heart of driving the economy for the City Region.

The relationship with the Combined Authority is further enhanced by the fact that as LEP Chair, I am a non-voting member of the Combined Authority, as well as being Portfolio Holder for Business and Brexit, ensuring we are the voice of business for the city region. In addition the Metro Mayor and two other Combined Authority Portfolio Holders are Members of the LEP Board on an ex-officio basis.

Our priorities are framed within the five foundations of the Industrial Strategy as below:

- **Ideas:** Maximise the potential of our sector strengths and assets by promoting innovation, each becoming a beacon of excellence, productivity and accelerated growth
- **People:** Improve and increase skills, develop existing talent and attract new talent for sustainable growth.
- **Infrastructure:** Improve our transport, digital and energy infrastructure so that Liverpool City Region is Green, Global and Digital.
- **Business Environment:** Become one of the best places in Europe to start, grow and invest through a dynamic innovation and enterprise ecosystem.
- **Place:** Protect and enhance our cultural and environmental assets and improve the quality of life for residents

Our board brings a wealth of knowledge and experience related to these priorities and we pride ourselves on having an effective and diverse leadership that supports our work to improve the economic prosperity of the City Region for those who live, work, invest and study here.

Welcome, and I look forward to working with you to drive forward the City Region's economic growth.

Asif Hamid MBE



1. History of the LEP and Mayoral Combined Authority

- 1.1 The Liverpool City Region LEP was established in shadow form in 2010 until it became incorporated in March 2012. In 2014, as part of the Growth Deal process, the Government required all Local Enterprise Partnerships (LEPs) to develop, to agree and implement a single assurance framework covering government funding flowing through LEPs. This was to ensure that LEPs have robust value for money processes in place.
- 1.2 The requirements of Local Growth Deals, in particular the LEP Assurance Framework, led to the LEP reviewing its governance structures and its delivery responsibilities and whether these were compromised or conflicted by its legal form. As a consequence, in April 2015 the LEP instituted changes to its governance, to clearly separate its strategic role and its delivery role. As a consequence, the LEP became an unincorporated Partnership Board.
- 1.3 Alongside this, there were governance changes in Local Government such as the formation of Combined Authorities and which in some cases led to the agreement of Mayoral Devolution Deals with additional powers and funding.
- 1.4 In these cases, delegated and devolved funds could be administered by the Combined Authority as a Single Pot and which would be subject to a Single Pot Assurance Framework. Further, by agreement of the LEP, funds previously devolved, such as Local Growth Funds, could be included in these administrative arrangements.
- 1.5 As a consequence, the guidance issued by Government set out how local areas should set out their decision-making arrangements and seek assurance that they are taken properly in a transparent manner and deliver value for money.
- 1.6 Liverpool City Region negotiated a Mayoral Devolution Deal and agreed a Single Investment Fund Assurance Framework with the Department for Housing, Communities and Local Government. The Liverpool City Region LEP (LCR LEP) also agreed that funds previously devolved or delegated to LCR LEP would form part of the Single Pot and managed by the LCR CA.
- 1.7 In January 2019, Government issued a revised assurance framework, the 'National Local Growth Assurance Framework' for Mayoral Combined Authorities and Local Enterprise Partnerships. This introduced a single assurance framework to replace the separate LEP and Single Pot frameworks.
- 1.8 This new framework also required all LEPs to assume a legal personality either through incorporation or by assuming the legal personality of the Combined Authority. In LCR, it was agreed that the LEP would assume the legal personality of the LEP but in keeping with Government requirements it would be supported by an independent executive provided through a jointly owned incorporated entity, Growth Platform (this is further explained later).

2. Board composition and code of conduct

- 2.1 The Liverpool City Region LEP and Combined Authority work together to deliver the Growth Strategy for the City Region. Although the LEP has adopted the legal personality of the CA, it remains independent and individually accountable to HM Government for any funds received and decisions that are taken over their use.
- 2.2 The LEP Board has its own Constitution, which can be found here. The LEP Constitution sets out the aims, objectives and priorities of the LEP Board as well as its functions and responsibilities. It also sets out the composition of the LEP Board as well as arrangements for publishing its meeting agendas, minutes and associated papers; the latter are published on the LEP website.
- 2.3 A maximum of twenty members are allowed on the LEP Board and within this a maximum of three positions on the LEP Board are filled by nominated representatives of local government. These are taken from a pool comprising the Metro Mayor, the elected Mayor of Liverpool City Council and the five leaders of the remaining constituent councils of the LCRCA. Nominations are determined by this pool through identifying which LCR CA portfolio holders would be most appropriate for inclusion on the Board. This provides the Board with Democratic accountability.
- 2.4 Accountability to the business community and other key elements of the local economy are provided by business representation at the LEP Board, Sub-Boards and Advisory Council and its relationship with representative organisations in the Liverpool City Region. This is supplemented by representation for other key elements of the local economy such as Higher and Further Education and Third Sector.
- 2.5 The LEP Board makes no funding decisions but advises on the strategic merit of programmes and projects. Made up of 20 members, the Board has a Chair taken from the private sector, as well as representatives from other sectors relevant to the Liverpool City Region, such as higher education, further education and voluntary sectors as well as a Trades Union representative.

Functions and Responsibilities of the LEP Board are set out below;

- Provide strategic insight on the challenges and opportunities for growth of the Liverpool City Region economy;
- Inform key sub-regional, regional and national strategies, in particular the Local Industrial Strategy;
- Inform the City Region Economic Strategy, Local Growth Deals, Single Growth Strategy and any other strategic economic plans for the City Region and any subsequent amendments or updates;
- Monitor delivery of the LCR Growth Deals, Single Growth Strategy and Strategic Economic Plan together with enabling and supporting action plans;
- Approve the use of any funds designated to directly support LEPs e.g. Core Funds, Growth Hubs etc schedule;

- Approve and amend the Constitution;
- Appoint its Chair and Vice Chair;
- Appoint other Members of the Board
- Form appropriate sub-boards and appoint a Chair to develop terms of reference and membership for agreement by the LEP Board;
- Appoint representatives to selected outside bodies; and
- Establish any task and finish groups appointing their Chairs and determining their terms of reference.

- 2.6 Where decisions are reserved to the LEP Board, they are generally reached through a simple majority, although the LEP Constitution allows for voting. The LEP Chair does not have a casting vote, nor automatic authority to take decisions independently of the LEP Board. However, the LEP Chair can be given delegated authority by a majority decision of the LEP Board.
- 2.7 As the LEP has been incorporated into the legal personality of the LCRCA, it has been incorporated into the LCRCA's Constitution. As a result, it is within the scope of the CA's Overview and Scrutiny Committee.
- 2.8 The LEP Board provides a unified platform, which fuses the private and public sectors, to solidify inclusive governance and decision-making processes, which ultimately lead to funding decisions taken by the Combined Authority. Members with the necessary expertise are sought from all sectors of the LCR economy, its geography and its diverse community to ensure appropriate representation.
- 2.9 Vacant positions on the LEP Board are filled through open recruitment and are advertised on the LEP website, Government website(s) and social media channels. Recruitment to the various boards of the LEP are presided over by the Appointments Committee.
- 2.10 The LEP provides further expertise, knowledge-base and representation through a number of Sub-Boards. However, these delegated bodies do not have authority in directing or deciding on the use of public funds; their role is purely advisory to the LEP Board on 'Key Growth Sectors' within their delegated remit.
- 2.11 Sub-Board members are often leaders from business and the public sector who provide strategic insight, intelligence and guidance to the LEP Board relating to policy and activities for the Liverpool City Region.
- 2.12 To ensure effective interaction and information sharing between bodies, either the Chair of a Sub-Board will be a member of the LEP Board, or an existing member of the LEP Board will be appointed as a 'champion' of a particular Sub-Board. The LEP Board also nominates champions for SMEs and for Equality and Diversity.
- 2.13 The LEP also has an Advisory Council, which acts as a senior stakeholder sounding board and aims to provide additional and focussed feedback.

3. Corporate Governance and Code of Conduct

- 3.1 In addition to the LEP Board Constitution, the LEP have a number of policies and documents (that can be accessed here) that seek to regulate the conduct of LEP Board Members. Policies include:
- [Code of Conduct](#), underpinned by the Seven Principles of Public Life (the Nolan principles);
 - [Declarations of Interest](#);
 - [Confidential Reporting](#);
 - [Whistleblowing](#);
 - [Gifts and Hospitality](#).
- 3.2 LEP Board Members are required to abide by the above policies and, on selection for appointment to the LEP Board, are required to sign an offer letter indicating that they accept this as a term of appointment.
- 3.3 On appointment, Board Members are required to make a declaration as to their interests using a Register of Interests declaration form. It is the responsibility of Board Members to maintain this declaration ensuring changes are reported in a timely manner but annually the LEP Executive will confirm it remains accurate. Regardless of the Register of Interests, declarations are required and are requested and recorded at each meeting of the LEP Board.

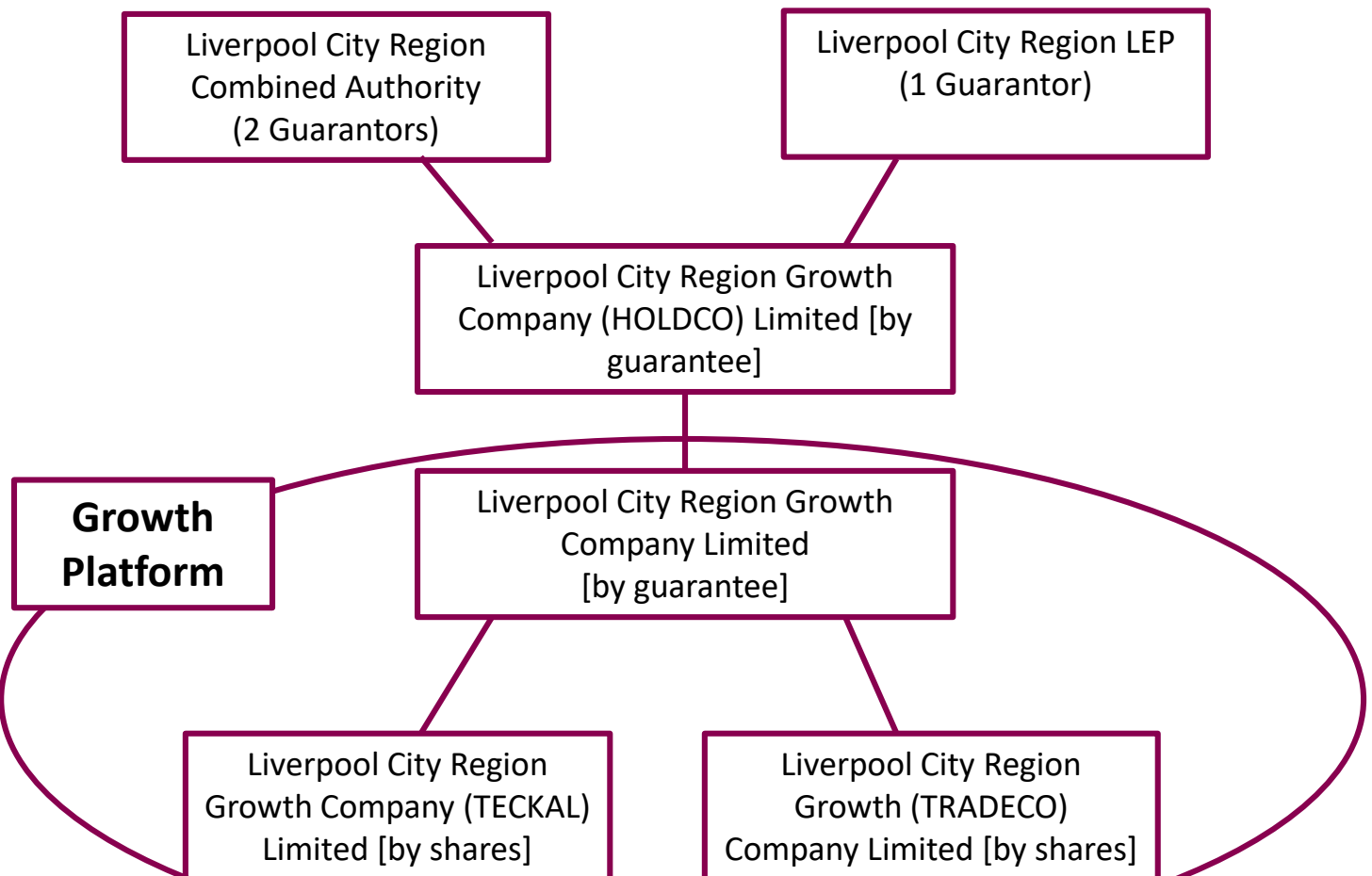
4. Role of the LEP Board

- 4.1 The LEP's role is to help create a globally competitive place at the heart of the UK, delivering inclusive growth by attracting and developing more business and talent and creating more sustainable employment and high value jobs. It does that through providing Insight, Advice and Challenge to the Combined Authority and Government and any intermediary bodies such as NP11.
- 4.2 The LEP Board executes its role through the following activities or responsibilities;
- The City Region's leading strategic business organisation dedicated to economic growth
 - A member of the Combined Authority, represented on the Board, with responsibility for Business and Brexit portfolio
 - A constructive and supportive partner to LCR Local Authorities working collaboratively towards common goals
 - Active engagement with Central Government on economic strategy and effective implementation in the City Region working with our private and public-sector partners to achieve powerful and aligned single and complementary voices
 - Interface and engagement with all businesses across the City Region, including leaders in key growth sectors, to small and micro businesses, to fully understand their needs, challenges and opportunities and ensure these are fully reflected in the strategic advice provided to the Combined Authority on business growth and support interventions
 - Building effective partnerships and securing the support of multiple businesses and wider partners to a common goal of accelerated growth for our City Region to realise its economic potential
 - Help develop and deliver the Liverpool City Region Local Industrial Strategy
 - Working with partners to manage and support the City Region's Key Growth Sectors that have been identified as having the greatest growth potential and economic impact on the City Region and where the City Region has both national and international competitiveness on which to build:
 - Advanced Manufacturing
 - Health and Life Sciences
 - Clean Growth
 - Built Environment
 - Port and Logistics
 - Visitor Economy
 - Digital and Creative
 - Professional and Business Services
- 4.3 Board Members are chosen as individuals and not representatives of individual organisations, they will have specific expertise, experience and knowledge at a senior operational and strategic level in one or more of the Key Growth Sectors or facilitating such as Skills through Higher and Further Education or Enterprise including the Third Sector. Board Members will be expected to apply themselves to developing or challenging strategies designed to deliver growth in each of these areas.

- 4.4 All Board members have a responsibility to uphold the high standards of integrity and probity as set out in the LEP's Code of Conduct. They should support the Board to create and maintain the appropriate culture and values and behaviours in the Board room and in representing the LEP.
- 4.5 LEP Chair and Board positions are not financially remunerated, but reward comes in being engaged in driving this important agenda forward for the benefit of current and future generations. It also comes with significant commitments including:
- Attend 6 LEP Board meetings per year equating to 4 days including reading of papers.
 - Attend 3 strategy development sessions of 1.5 days commitment per annum.
 - Championing the sectors and subject to the endorsement of board members, representing and feeding back to the respective sector board requiring a commitment of 3 days per annum.
 - Represent the LEP on appropriate external bodies or task and finish groups that may exist at city-region, region, national or international level. Where necessary, represent the LEP and City Region in meetings with Government or any of its departments and agencies.
 - Be prepared to make statements to, or be interviewed by, the media to promote economic strategy or policy or respond to enquiries.

5. Role of the Growth Company

- 5.1 The Liverpool City Region's Growth Company is known as Growth Platform, formed jointly by the LEP and the Combined Authority to deliver their business growth and investment objectives. It is a group of companies overseen by a Board of Directors appointed by the Combined Authority and LEP.
- 5.2 Growth Platform's role is to help create an integrated and dynamic business support ecosystem that meets the needs of investing and growing businesses in an inclusive economy. Its mission is to increase sustainable investment and business growth in the City Region; to create thousands of new jobs and opportunities; and to enable local residents, employees and students to benefit from them.
- 5.3 Although it became jointly owned by the LEP and CA in 2019 it is built on a pre-existing company that was incorporated on 5 October 1992 as The Mersey Partnership.
- 5.4 The changes effected were to create a group of companies that would together provide vehicles for the commission (that are Teckal compliant) of grant-funded work by the LEP and CA to deliver elements of their core responsibilities and augment and enhance these with activities won through self-initiated (by the company) competitive bids for grant or commercial contracts. The resulting company structure is set out below;



- 5.5 The structure of the group allows a separation of activities between grant-funded and contracted. Despite this distinction, all activities are undertaken towards the core purpose, they only differ in the source of funding and the nature of the transaction. The LEP and CA will commission the group to undertake defined activities, funded either by UK Government awards or locally derived funds, these will be accounted for in the Teckal subsidiary. All other activities will be accounted for through the TradeCo subsidiary or LCR Growth Company but HoldCo will be passive.
- 5.6 In summary, the newly constituted group operates as a not for profit entity and any surpluses are held for re-investment in its activities or to provide against wind-up costs or business interruption, there is no distribution of surpluses. The interested parties have always been UK Government through such as the RDAs and now LEPs as well as local government, most latterly through the CA. In addition, the company has appealed more directly to the local community to support it financially through an unfettered partner contribution. Ultimately, the beneficiaries of the group's activities are the residents and businesses of the Liverpool City Region.

6 Key documents, policies and reference material

In the interests of keeping this induction pack up to date and reduce its length hyperlinks (if viewed electronically) or web addresses if viewed offline are used to provide access to the most recent copies of the following;

- [LEP Constitution](#)
- [Code of Conduct](#)
- [LCR National Local Growth Assurance Framework](#)
- [LEP Board minutes](#)
- Policy on;
 - [Declarations of Interest](#)
 - [Confidential Reporting](#)
 - [Whistleblowing](#)
 - [Gifts and Hospitality](#)

Most if not all links are to the LEP website which can be found [here](#). Other useful websites are;

[Growth Platform](#)

[LCR Combined Authority](#)

[The LEP Network](#)