

# CONSTITUTION

# THE LIVERPOOL CITY REGION LOCAL ENTERPRISE PARTNERSHIP

## CONSTITUTION

### 1. INTRODUCTION

Local Enterprise Partnerships (LEPs) were proposed by Government to drive the growth agenda at local level. They invited bids from 'localities' to form bodies covering their natural functional economic areas which would be likely to be larger than local authority districts and counties but smaller than Regional Development Agency boundaries.

### 2. THE GEOGRAPHY OF THE LIVERPOOL CITY REGION LEP

The geographical area covered by the bid from Liverpool City Region comprised the local authority areas of Halton, Knowsley, Liverpool, Sefton, St Helens and Wirral (hereinafter called "the City Region").

However, LEPs were expected to form around natural functioning economies and in that regard there was to be collaboration and engagement with neighbouring local authorities and LEPs.

### 3. NAME

The bid was accepted and a LEP was formed and is known as "The Liverpool City Region Local Enterprise Partnership" (hereinafter called "the LEP").

### 4. AIMS, OBJECTIVES AND PRIORITIES OF THE BOARD

The LEP is a true partnership between public sector bodies and representatives of the private sector. It will provide strategic direction for the City Region economy, ensuring alignment between national policies and local opportunity. The partners have joint responsibility for market stimulation and making recommendations for the commission of relevant economic activity. In governance terms, the LEP will act in a 'collaborative' capacity and not as a 'corporate' body. It will not be incorporated and will not have the capacity to directly enter into any contracts either for employment or services. However, it will make recommendations to those managing funds, (such as the Combined Authority as accountable body for the City Region) as to how they should be used and this would include providing adequate and appropriate executive support to the Board of the LEP ("the LEP Board").

Actions of the LEP will be taken as authorised, directly or indirectly, by the LEP Board.

The LEP acts as the primary body to provide strategic direction for the City Region economy and will seek to drive key ambitions for economic growth in areas such as employment and skills; business support; inward investment and international trade; marketing and tourism, transport and housing. Aligned to this is an overarching commitment to develop the City's status as a thriving European and international City Region. In order that the LEP is able to satisfy this responsibility, the LEP will require executive support through partners and any other appropriate delivery entities.

The LEP will work to create the right environment for business and growth and ensure appropriate mechanisms exist through which the private sector can inform and influence the shape and future direction of local and national government policy and services to deliver such growth agenda.

All delivery bodies undertaking such activity on behalf of the LEP for the benefit of the City Region will be expected to demonstrate clear outcomes, fitness for purpose and value for money and this will be assessed through the [LEP Assurance Framework](#). If funds are invested through the Single Investment Fund (SIF) then the SIF Assurance Framework will be utilised. Copy of the SIF Assurance Framework can be found on the Combined Authority website and through this link [here](#).

The LEP Assurance Framework, required by Government as part of the Local Growth Deal process, is intended to operate a single assurance framework covering all Government funding flowing through Local Enterprise Partnerships, to ensure they have robust value for money processes in place. The exception to this is where the LEP has agreed that funds would be administered through the SIF in which case, the LCR SIF Assurance Framework will be used.

The LEP Assurance Framework causes some specific additional responsibilities for the LEP as follows;

- to oversee the development of an appropriate pipeline of projects.
- to monitor delivery of investments/projects using the outputs of monitoring and evaluation of information to inform future project prioritisation; and
- together with the Combined Authority, to lead on the development of a transparent methodology to enable strategic decisions to be taken across different policy areas and allocate resources to schemes that will deliver the greatest benefits.

The LEP will also

- Provide strategic leadership and will be tasked with determining key investment priorities and act as a co-ordinated voice for the City Region. This will include, but not be limited to, developing a City-Region Single Growth Strategy and Strategic Economic Plan;
- Co-ordinate bids to Central Government including for devolved funds;
- Monitor Growth Deal implementation and delivery to ensure future prioritisation of bids or asks;
- Identify opportunities and leverage of funding from the private sector;
- Provide leadership on key sectors for economic growth, presently the low carbon economy, Superport, innovation, life sciences and advanced manufacturing and the visitor economy and also any other sectors that are subsequently so determined. It will also lead on creating the conditions for private sector growth, including leadership on planning and transport and strategic housing delivery as part of an integrated approach to infrastructure delivery; and
- To manage and take forward an overarching strategy brought forward by the private sector for locally targeted business support activity.

## **5. MEMBERSHIP OF THE BOARD**

The Board will consist of an appropriate number of individuals who reflect the local economy and so allow public sector partners to engage with an appropriate and relevant group from the private sector and other sectors including the Third Sector. Initially, this will number a minimum of twenty-two members including at least fifteen from the private

and other non-public sectors (for ease of description this cohort will be called 'private sector') together with the Metro Mayor and City Mayor and Leaders of the six local authorities named in paragraph 2 above.

These latter positions are made ex-officio but this would be subject to review should the geography of the LEP alter or other public bodies be invited to join the LEP Board.

The duty of a Board member, irrespective of his or her particular background or geography, is to act in the best interests of the City Region as a whole.

The Chair will be taken from the private sector cohort. Included in the private sector cohort will be up to five members who may also sit on the board of the Liverpool City Region Local Enterprise Partnership Company (Company Number 2753023) ("the LCR LEP Company") which amongst other roles is commissioned to provide a range of executive and delivery services to the LEP and Combined Authority. The Chair and Vice Chair of the LEP Board will not sit on the board of the LCR LEP Company.

In order that the LEP sub-boards are directly engaged, either the Chairs of the sub-boards will sit on the LEP Board or champions will be nominated from the LEP Board to sit on the sub-board. Such decisions may be deferred until required to allow the LEP Board's composition to be properly assembled to reflect changing circumstances without becoming unwieldy.

**(a) Term of appointment**

The term of office for private sector members will be a maximum of 3 years although, by agreement of the LEP Board, a second term may be served consecutively. Although 3 years is the maximum term, shorter terms may be offered to facilitate rotation of expertise and background.

**(b) Membership Sectors and Proportions**

The LEP Board's membership will comprise of two sectors - the local authority sector and non-local authority (described as 'private sector' for this purpose). The respective proportions of representation will be generally 33% and 66%. Increases in public sector body representation would need to be matched by an increase in private sector representation to maintain these proportions.

**(c) Alternate Members**

In order to maintain consistency and focus, Alternate Members will only be allowed for the Mayor and Leaders of the six local authorities named in paragraph 2 above. If such Board Member is unable to attend a Board they may be represented by the Deputy Mayor or Deputy Leader of the Authority.

**(d) New Members**

In the event of the resignation of a private sector member, the Board may immediately seek a replacement or else defer such decision as circumstances require. In the case of the Metro Mayor, local authority Mayor or Leader ceasing to hold that position, that ex-officioposition on the LEP Board will transfer to the newly elected Metro Mayor, City Mayor or Leader. The responsibility for proposing replacement candidates for Board approval for the private sector cohort lies with the Appointments Committee.

**(e) Termination of Membership**

Any member wishing to resign from the LEP Board may do so at any time by writing to

the Secretariat and the Secretariat will immediately inform the LEP Board who will take steps to put in place procedures to select a replacement.

**(f) Participating Observers**

The LEP Board may, under the authority of the Chair, periodically allow for attendance by Participating Observers as it deems appropriate, to support the work of the LEP Board.

**(g) Executive attendance**

Executives from partner bodies have no right of attendance but there is an expectation that certain executives will routinely attend meetings and others will be required to attend for a specific purpose. Those required to attend routinely and who together should be considered the secretariat are;

LCR LEP Managing Director  
LCR Combined Authority Head of Paid Service  
LCR LEP Finance Director

This list will be confirmed at least annually but kept under review during the year to allow amendment as required.

**6. FUNCTIONS AND RESPONSIBILITIES OF THE BOARD**

The role of the Board will be to:

- Provide strategic insight on the challenges and opportunities for growth of the Liverpool City Region economy;
- inform key sub-regional, regional and national strategies;
- 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;
- approve and amend the Constitution;
- appoint its Chair and Vice Chair;
- 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.

In addition to these responsibilities, the LEP Board will, through nomination of members of the LEP Board, contribute to the composition of the board of the LCR LEP Company ("the Company Board") to oversee the incorporated body that provides support to the LEP, the LEP Board and its sub-boards and employs the LEP Executive team. No more than 5 members of the LEP Board will be nominated to perform these additional responsibilities such that they represent a minority interest on the LEP Board where matters pertaining to the LCR LEP Company arise. The 5 members will comprise 1 representative of the 6 local authority leaders as nominated by that cohort and a further 4 members from the private sector cohort.

In addition to the above, the Chair and Vice-Chair have the right of attendance at

meetings of the Company Board and will receive all papers and information provided to Directors of the Company Board. This is designed to ensure that the LCR LEP Company continues to meet the expectations of the LEP Board. The LCR LEP Company's Articles of Association will record this relationship and these rights of attendance.

## **7. ACCOUNTABILITY**

The LEP provides strategic insight for the City Region in matters of economic development. It will make recommendations to the Combined Authority who has administrative responsibility and accountability for the use of funds. However, the LEP is made accountable through a number of mechanisms:

- a. Democratic accountability is through the inclusion on the LEP Board of the Metro Mayor, City Mayor and Leaders of the Local Authorities.
- b. Executive accountability is through the Assurance Framework and the role of Government in monitoring and evaluating performance
- c. General accountability is through the transparent and public access to the agenda, minutes and accompanying papers that record decisions and the rationale by which they were noted approved or rejected.

## **8. LEAD AUTHORITY**

The LEP Board will appoint a lead entity or entities to act as Secretariat and as accountable body. These do not need to be the same entity.

## **9. MEETINGS OF THE BOARD**

### **(a) Annual Meeting**

An Annual Meeting of the LEP Board will be held each year at which an Annual Report on the activities of the LEP will be published..

### **(b) Election of Chair and Deputy Chair**

The LEP Board will appoint a Chair and a Vice Chair from the private sector. The Appointments Committee will oversee this process and appropriate arrangements will be made to put forward nominees for these appointments. Any vacancy arising in any of these offices will be filled at the next meeting following the occurrence of the vacancy.

Any Board Member (including any Chair or Vice Chair) will be entitled to serve a maximum of two individual terms, the duration of each will be a maximum of three years.

### **(c) Frequency of Meetings**

- (i) The LEP Board will meet regularly, at least 6 times per calendar year, unless in the opinion of the Chair the business to be transacted does not warrant the holding of a meeting, or they consider that an additional meeting is warranted.
- (ii) A Special Meeting of the Board will be convened on a minimum of 14 clear days notice following receipt by the Secretariat of a request from the Chair or from not less than five Members.

## **10. PLACE OF MEETINGS**

Meetings of the LEP Board will be held at venues approved by the Chair on behalf of the LEP Board.

## **11. QUORUM**

The quorum for meetings of the LEP Board will be no less than 8 of its membership of which in addition to the Chair or Vice Chair should include 2 from the public sector . Notwithstanding this, a quorum will not in any event exist unless the majority of the LEP Board members present at the meeting are not also directors of the LEP Company Board.

## **12. VOTING**

12.1 The principle of decision making by the LEP Board will be that, wherever possible, decisions of the Board will be by consensus, without the need for a vote. Where this is not possible a vote may be taken where the Chair considers it to be necessary to establish whether a consensus exists. The vote will be by way of a show of hands and the vote of each member recorded in the minutes.

12.2 In the event of a vote, only bona fide members will be entitled to vote (including the Chair). In the event of a tied vote, the Chair has no second or casting vote. Any motion or proposal which results in a tied vote, will be deemed not to have been agreed.

12.3 Any member may request a formal ballot.

## **13. AGENDA**

Copies of the Agenda for meetings of the LEP Board will be circulated to members normally at least seven days before the meeting, together with any relevant reports and documents. Unless otherwise agreed in advance, papers shall be circulated by e-mail.

Matters for inclusion in the agendas will be sent to the Secretariat at least 18 days before the meeting and the reports or documents for the meeting at least 14 days in advance.

## **14. ALTERATIONS TO THE CONSTITUTION**

Alterations to this Constitution will be made only by the LEP Board and at the earliest meeting occurring after the cause of the change is identified..

## **15. ATTENDANCE OF THE PUBLIC AT MEETINGS**

Meetings of the LEP Board will be closed unless determined otherwise by the Chair but the agenda, minutes and attending papers (although elements may need to be exempt or redacted) will be made public 7 days in advance of the meeting. In this respect a publication scheme will be agreed as well as a policy on Freedom of Information requests. The LEP Board will also agree a Communications Policy.

## **16. APPOINTMENTS COMMITTEE**

The LEP Board will have a standing committee that will deal with all appointments to the LEP Board and to any sub-boards, committees or other working groups.

Terms of Reference for the committee will be agreed with the LEP Board and a Chair will be agreed by the LEP Board who will then form the committee.

## **17. SUB-BOARDS, COMMITTEES AND OTHER WORKING GROUPS**

The Board may form sub-boards, committees or other working groups as it sees fit and which provide additional expertise and capability with specific terms of reference. These sub-groups will, with the approval of the Board, elect a chairman and a deputy chairman of its meetings. Should the Chair or Deputy Chair not be a member of the LEP Board, then the LEP Board reserves the right to appoint one of its number to be a member of the group and would be referred to as the LEP Board Champion.

The LEP Board will also approve the Terms of Reference of each of the sub-groups and require that they be reviewed annually unless they are time-limited for less than 12 months.

Such sub-groups are also required to produce and submit regular reports on progress against the purpose for which they have been formed and which is described in their terms of reference. The reporting responsibility lies with the Chair and Deputy Chair but by agreement the LEP Board Champion may assume responsibility for reporting this to the LEP Board.

As the main purpose of these groups is to advise and support the LEP Board, they have no authority, particularly in a commissioning role, unless specifically agreed and recorded as a delegated power.

## **18. ADVISORY COUNCIL**

In addition to the sub-groups detailed at paragraph 17 above, there will also be an Advisory Council. The function of the Advisory Council will be to provide a wide-ranging stakeholder group who consider the LEP Board's economic strategy and its progress towards the achievement of its economic objectives, targets and actions.

The Advisory Council will consist of persons deemed to be capable of contributing relevant experience and make recommendations regarding the economic objectives, targets and actions and are not engaged by organisations that are represented on the LEP Board or agencies or authorities that regularly attend meetings of the LEP Board.

Unless otherwise agreed by the LEP Board, the Advisory Council will not have less than 15 members. The LEP Board will nominate not less than 12 individuals to be members of the Advisory Council and the Advisory Council may co-opt at least six individuals to be members of the Advisory Council.

The Chair or Vice-Chair of the LEP Board will convene not less than two meetings of the Advisory Council in each year and one or the other of them will preside over each such meeting, and will give a report to the LEP Board on what was discussed at the meeting.