

Notice of:	EXECUTIVE
Decision Number:	EX37/2017
Relevant Officer:	Mark Towers, Director of Governance and Partnerships
Relevant Cabinet Member	Councillor Simon Blackburn, Leader of the Council
Date of Meeting:	6 November 2017

PROPOSAL TO DISSOLVE THE BLACKPOOL, FYLDE AND WYRE ECONOMIC DEVELOPMENT COMPANY AND FORM AN ECONOMIC PROSPERITY BOARD

1.0 Purpose of the report:

- 1.1 To consider a more efficient and effective way of managing the governance of the economic development agenda across the Fylde Coast.

2.0 Recommendation(s):

- 2.1 To recommend Council to authorise the Leader of the Council, in his role as ‘member’ of the Blackpool, Fylde and Wyre Economic Development Company (EDC) to dissolve the aforementioned company. (This will require a special resolution of the ‘members’ of the company. In effect this will be the three Leaders of the three Councils signing a resolution to disestablish the company).
- 2.2 Subject to 2.1 above, to establish a Blackpool, Fylde and Wyre Economic Prosperity Board (EPB) in the form of a Joint Committee and approve the Procedure Rules for that Board as appended at Appendix 2a, to the Executive report.
- 2.3 Subject to 2.1 above, to confirm that the Leader of the Council will be Authority’s representative on the Economic Prosperity Board and that the Leader of the Council be authorised, in accordance with the Procedure Rules of the Economic Prosperity Board, to appoint a substitute member to attend in his absence, should the need arise.
- 2.4 Subject to 2.1 above, that the servicing of the Economic Prosperity Board be undertaken on a rotational basis between the constituent authorities and the Economic Prosperity Board at its first meeting be asked to agree which Authority will commence with that role as the ‘Host Authority’.

2.5 Subject to 2.1 above, to invite Lancashire County Council to be a member of the Economic Prosperity Board on the basis as set out in the Procedure Rules as set out at Appendix 2a, to the Executive report.

3.0 Reasons for recommendation(s):

3.1 To instill a stronger and robust governance framework for the economic development agenda across the Fylde Coast, bringing in greater political accountability.

3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

3.3 Other alternative options to be considered:

To continue with the Economic Development Company as it is or reconstitute the company with a different set up.

4.0 Council Priority:

4.1 The relevant Council Priority is:

“The economy: Maximising growth and opportunity across Blackpool”

5.0 Background Information

5.1 In June 2016, a revised set of articles of association for the Blackpool, Fylde and Wyre Economic Development Company was agreed by the Board and subsequently approved by the 'members' (the Leaders of the three Councils). These revised articles were intended to bring the articles up to date and reflect changes such as the departure of Lancashire County Council from the company.

5.2 As part of that process, a governance review was undertaken with a view to changing the articles to reflect the responsibility for programme managing delivery of the Enterprise Zones amongst other things.

5.3 Part of the review also involved the examination of examples of similar arrangements elsewhere across the country. Views were sought and feedback received from the Local Government Association (LGA), who encouraged partners to consider a series of options, some of which represented new ideas beyond the original remit of the review.

Appendix 5(a)

- 5.4 Based on this review of the Economic Development Company's current purpose and function and the scope of strategic economic development on the Fylde Coast, it was acknowledged that consideration should be given to alternative models of delivering the kind of governance required. For example, in many areas local partners and clusters of Local Authorities in functional economic areas deliver what is required through an 'Economic Prosperity Committee'. In the context of the Fylde coast, such a committee would comprise of the three councils, with partners (co-opted members), as opposed to the existing company structure. Such an arrangement would deliver effective oversight on the work being undertaken in the Enterprise Zones, political interface and accountability on strategic policy areas for the Fylde coast and the link with the Lancashire Enterprise Partnership.
- 5.5 The review has indicated that a company by its nature is a 'clunky' and inefficient way of delivering joined up working on economic development. A company does not naturally have an oversight role with councils whose representatives make up its Board (i.e. the Chief Executives) and also there are a number of overheads with a company that are not necessary for the duties required such as the production of accounts (whether trading or not), producing an annual confirmation statement, filing returns/ associated fees and paying for insurances for Directors. There is also no direct political accountability, in the current set up.
- 5.6 In considering the formation of a Joint Committee, a number of areas of good practice were reviewed and the attached at Appendix 2a, to the Executive report, is a draft set Procedure Rules.
- 5.7 Although legally it will be a joint committee, it is recommended that it be known as an Economic Prosperity Board, with in addition to the three Leaders of the Council, there be three co-opted members as formal members of the Board, to reflect the important role and view point that private sector representatives have had on the Economic Development Company (EDC).
- 5.8 The Economic Development Company has proved a good vehicle for officer collaboration, however the three Chief Executives now meet on a regular basis and will act as principal advisers to the new Board. In terms of formally supporting the Board, it is recommended that the servicing of the Board on a constitutional basis be done by rotation (unless otherwise agreed by the Board) and that one of the constituent Authorities acts as the 'Lead Authority' in terms of undertaking the economic duties delegated to the Board by the constituent authorities.
- 5.9 **Is the Corporate Delivery Unit aware of this report?** Yes
- The Corporate Delivery Unit has been consulted on the report but does not have any issues to raise.

5.10 Does the information submitted include any exempt information? No

5.11 **List of Appendices**

Appendix 2a – Proposed Procedure Rules for the Economic Prosperity Board.

6.0 Legal considerations:

6.1 A Joint Committee can be formed pursuant to powers under the Local Government Acts 1972 and 2000 and under the Local Authorities (Arrangement for the Discharge of Functions) (England) Regulations 2012.

7.0 Human Resources considerations:

7.1 The support for the Joint Committee could be provided through the constituent councils, as set out in the draft Procedure Rules.

8.0 Equalities considerations:

8.1 None.

9.0 Financial considerations:

9.1 Any costs can be subsumed by the relevant host council, or where appropriate shared across the constituent authorities.

10.0 Risk management considerations:

10.1 A joint committee approach will ensure Fylde Coast involvement from members and officers.

11.0 Ethical considerations:

11.1 A joint committee approach would enhance democratic and political accountability.

12.0 Internal/ External Consultation undertaken:

12.1 Consultation has taken place with Leaders of the three Councils and the current directors of the Economic Development Company.

13.0 Background papers:

13.1 None.

14.0 Key decision information:

14.1 Is this a key decision? No

14.2 If so, Forward Plan reference number:

14.3 If a key decision, is the decision required in less than five days? No

14.4 If **yes**, please describe the reason for urgency:

15.0 Call-in information:

15.1 Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process? No

15.2 If **yes**, please give reason:

TO BE COMPLETED BY THE HEAD OF DEMOCRATIC GOVERNANCE

16.0 Scrutiny Committee Chairman (where appropriate):

Date informed: N/A Date approved:

17.0 Declarations of interest (if applicable):

17.1 None.

18.0 Executive decision:

18.1 The Executive resolved as follows:

Appendix 5(a)

1. To recommend Council to authorise the Leader of the Council, in his role as 'member' of the Blackpool, Fylde and Wyre Economic Development Company (EDC) to dissolve the aforementioned company. (This will require a special resolution of the 'members' of the company. In effect this will be the three Leaders of the three Councils signing a resolution to disestablish the company).
2. Subject to 1 above, to establish a Blackpool, Fylde and Wyre Economic Prosperity Board (EPB) in the form of a Joint Committee and approve the Procedure Rules for that Board as appended at Appendix 2a, to the Executive report.
3. Subject to 1 above, to confirm that the Leader of the Council will be Authority's representative on the Economic Prosperity Board and that the Leader of the Council be authorised, in accordance with the Procedure Rules of the Economic Prosperity Board, to appoint a substitute member to attend in his absence, should the need arise
4. Subject to 1 above, that the servicing of the Economic Prosperity Board be undertaken on a rotational basis between the constituent authorities and the Economic Prosperity Board at its first meeting be asked to agree which Authority will commence with that role as the 'Host Authority'.
5. Subject to 1 above, to invite Lancashire County Council to be a member of the Economic Prosperity Board on the basis as set out in the Procedure Rules as set out at Appendix 2a, to the Executive report.

18.2 Date of Decision:

6 November 2017

19.0 Reason(s) for decision:

To instill a stronger and robust governance framework for the economic development agenda across the Fylde Coast, bringing in greater political accountability.

19.1 Date Decision published:

7 November 2017

20.0 Executive Members in attendance:

20.1 Councillor Blackburn, in the Chair

Councillor Benson, Jackson, Kirkland, Smith, I Taylor and Mrs Wright

21.0 Call-in:

21.1

22.0 Notes:

22.1 Non-Executive Members in attendance: Councillors D Coleman and L Taylor

Apologies were received from Councillors Cain and Cross who were elsewhere on official Council business.