

Officer Non Key Executive Decision

Relevant Chief Officer:	Neil Jack, Chief Executive
Relevant Cabinet Member:	Councillor Simon Blackburn, Leader of the Council
Report Author:	Mark Towers, Director of Governance and Partnerships
Implementation Date of Decision:	29 March 2019

ADMISSION AS A 'MEMBER' TO THE LANCASHIRE ENTERPRISE PARTNERSHIP

1.0 Purpose of the report:

- 1.1 To consider agreeing to accept the invitation from the Lancashire Enterprise Partnership Board (LEP) to become a 'member' of the company under the Companies Act 2006.

2.0 Recommendation(s):

- 2.1 To agree to the request from the Lancashire Enterprise Partnership Board for the Council to become a 'member' of Lancashire Enterprise Partnership Ltd (Company Number: 07388600) and in doing so agree to be bound by the Articles of Association and be entered in the register of Members of the Company.
- 2.2 To agree that the Chief Executive, or an officer nominated by him be authorised to sign any relevant legal documentation, including any agreement as to how the members of the company would work together and the application for admittance as a member to the company.

3.0 Reasons for recommendation(s):

- 3.1 To demonstrate the Council's commitment to support the role of the LEP in meeting the requirements of the Growth Assurance Framework and playing an active part as a 'member' of the company in the future of the LEP.
- 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:

3.4 To decline the invitation to be a 'member' of the company.

4.0 Council Priority:

4.1 The relevant Council Priorities are "The economy: Maximising growth and opportunity across Blackpool" and "Communities: Creating stronger communities and increasing resilience".

5.0 Background Information

5.1 Local Enterprise Partnerships are currently accountable under the 2016 Local Enterprise Partnerships National Assurance Framework and a local framework derived from that, to cover all the Government funding received by them via accountable bodies. From 1 April 2019 this Framework will be replaced by the National local growth assurance framework and together with the Local Enterprise Partnership Review this provides a major opportunity to strengthen the Lancashire Enterprise Partnership, to strengthen its business voice and leadership and to focus on a collaborative strategy and public-private partnership, capable of transforming the Lancashire economy for all. An updated Lancashire Local Growth Assurance Framework was considered by the LEP Board at its last meeting.

5.2 At present the only 'member' of the LEP is Lancashire County Council and as part of the review the LEP Board at its last meeting considered that there would be positive benefits to be gained by opening up opportunities for the other local authorities to be more involved and make a stronger contribution to the Lancashire Enterprise Partnership by becoming a 'member' of the company.

5.3 One of the key issues within the Local Enterprise Partnership Review is to strengthen both the business voice and the independence of the Lancashire Enterprise Partnership. There were no detailed prescriptive requirements, beyond securing legal personality, that relate to the ownership of the company, although the Department for Business, Energy and Industrial Strategy expressed the view that sharing the 'membership' of the company was in the spirit of the review and demonstrated a more transparent and accountable organisation.

5.4 In the first instance, membership of the company is being offered to the existing local authorities represented on the Board and the Chamber of Commerce. These are Blackburn with Darwen Borough Council, Burnley Borough Council, South Ribble Borough Council, North and Western Lancashire Chamber of Commerce and East Lancashire Chamber of Commerce.

Does the information submitted include any exempt information?

No

List of Appendices:

None

6.0 Legal considerations:

6.1 The term 'Member' denotes a person or entity who is the 'owner' or where there are several 'members' of the company 'owners'. They collectively constitute the company as a corporate body. The 'members' are the ultimate authority in matters relating to the appointment and removal of the directors and auditors. In a company limited by guarantee there are no shares and the liability of members is limited to £1.

6.2 Under the National local growth assurance framework there is also an accountable body which is responsible for overseeing the proper administration of financial affairs within the LEP when these affairs relate to public funds. The accountable body will remain as Lancashire County Council for the Lancashire LEP.

7.0 Human Resources considerations:

7.1 None

8.0 Equalities considerations:

8.1 It is best practice for LEPs to ensure a diverse Board drawn on the representation of sectors and geographical area and the Lancashire LEP is adopting this practice in current and future appointments.

9.0 Financial considerations:

9.1 There are no financial implications in becoming a 'member' of the company.

10.0 Risk management considerations:

10.1 The company does not hold shares and is a company limited by guarantee. The application for membership and the articles of association states that the member will be liable for the debts of the company to a maximum of £1.

11.0 Ethical considerations:

11.1 No ethical considerations in relation to joining as a 'member' of the company.

12.0 Internal/ External Consultation undertaken:

12.1 Consultation has taken place with the Leader of the Council as the relevant Cabinet

Member for this area and the Council's appointed Director on the LEP Board. Internal consultation has also taken place with the Head of Legal.

13.0 Decision of Chief Officer

13.1 To agree to the request from the Lancashire Enterprise Partnership Board for the Council to become a 'member' of Lancashire Enterprise Partnership Ltd (Company Number: 07388600) and in doing so agree to be bound by the Articles of Association and be entered in the register of Members of the Company.

13.2 To agree that the Chief Executive, or an officer nominated by him be authorised to sign any relevant legal documentation, including any agreement as to how the members of the company would work together and the application for admittance as a member to the company.

14.0 Reasons for the Decision of the Chief Officer

14.1 To demonstrate the Council's commitment to support the role of the LEP in meeting the requirements of the Growth Assurance Framework and playing an active part as a 'member' of the company in the future of the LEP.