



Cheshire and Warrington Local Enterprise Partnership Overview and Scrutiny Committee

Date: Monday 20 January 2020

Time: 1.00pm

Venue: Wyvern House, The Drummer, Winsford, CW7 1AH

Chair: Councillor TBC

Membership: Catherine Barber-Brown, Tracey Walsh, Helen Nellist, Councillor Steve Parish (Warrington Borough Council), Councillor Paul Donovan (Cheshire West and Chester Council) and Councillor Brian Roberts (Cheshire East Council).

Officer Contact: Sharon Parker, Democratic Services Manager, Warrington Borough Council, Tel: 01925 442161, E-mail: szparker@warrington.gov.uk

AGENDA

Agenda Item	Lead	Timings
Open Meeting - Items during the consideration of which the meeting is expected to be open to members of the public (including the press)		
		1.00pm
		1.00pm
1.		2.00pm
2.		2.05pm
3.	Chair	2.10pm
4.	Chair	2.15pm
5.	Chair	2.20pm
8.		2.25pm
<ul style="list-style-type: none"> • Terms of Reference • Membership (Report attached)		
9.		2.30 pm

10.	Review of Progress of the Programmes that the LEP manages - presentation.		3.00pm
11.	<p>Public Participation</p> <p>To receive questions from members of the public in accordance with Governance Procedure Rule 6. A total period of 15 minutes will be allocated for members of the public to speak at Panel meetings. Each member of the public shall be limited to a period of up to 5 minutes speaking.</p> <p>Members of the Public may speak on any matter relating to the work of the Committee. During public speaking time, members of the public may ask questions of the Committee and the Chairman in responding to the question may answer the question, may decline to do so, may agree to reply at a later date or may refer the question to an appropriate person or body.</p> <p>Questions will be asked and answered without discussion. In order for officers to undertake any background research, members of the public who wish to ask a question at a Committee meeting should submit the question at least a day before the meeting.</p> <p>Members of the public are to be able to put questions direct to the Committee via social media platform Twitter: @candwlep</p>	Chair	3.30pm
12.	Work Programme	Chair	3.45 pm
13.	<p>Future Meeting Dates (3pm at Wyvern House)</p> <p>Provisional Dates for 2020/21</p> <p>5 March, 4 June; 3 September; 3 December 2020.</p>	Chair	4.00pm
Part II - Matters to be discussed in private			
14.	Nil		

Agenda Item 4



Cheshire and Warrington Local Enterprise Partnership Overview and Scrutiny Committee 7 March 2019

Present: Councillor B Powell (Chair), , G Butler and Councillor H Davenport

Also In Attendance:

- B Magan, Head of Democratic and Member Services, Warrington Borough Council providing support for the Cheshire and Warrington LEP; and
- Representatives from MHCLG were in attendance: Alex Plant and Rebecca Bryning.

16. Apologies

Apologies for absence were received on behalf of Councillor J Kerr-Brown.

17. Declarations of Interest

A Boyd declared an interest in relation to being a Non-Executive Member on the Board of Weaver Vale Housing Trust appointed September 2018, remained in the room and took part in any voting and decision making.

18. Minutes

The minutes of the meeting of the Scrutiny Committee held on the 7 June 2018 were received as a correct record.

The notes of the informal meetings held on the 6 September and 6 December 2018 were received and noted.

19. Feedback on the actions following the last meeting

Philip Cox, Chief Executive Cheshire & Warrington Local Enterprise Partnership provided feedback on the recruitment process for Board and Committee members, including new Scrutiny Committee members.

20. General Governance/Constitutional Matters: Terms of Reference; Membership

Members **AGREED** as follows:-

- (1) To note the recruitment process as reported in 19 above;

- (2) That the Scrutiny Committee take ownership and responsibility for the Terms of Reference and work programme of the Committee;
- (3) That the quorum should remain at four;
- (4) That the number of representatives on the Committee be increased from six to eight;
- (5) That the additional two representatives to be included on the Committee be drawn from business intermediary groups and that the groups chosen should represent the spectrum of large, medium and small/micro sizes of business;
- (6) That the change in membership be reported to the next LEP Economic Prosperity Board (on which the 3 LA Leaders sit) for comment and discussion;
- (7) That the date of meetings the Committee be more close aligned to the timetable for significant LEP activity such as budget development, the production of key plans and strategies and the monitoring of major programmes: the dates being as follows: 6 June; 5 September; 5 December 2019; and 5 March 2020;
- (8) That the three local authorities be invited to nominate two substitute Members each for the public sector appointments;
- (9) That the terms of office of appointees be lengthened;
- (10) That the local authority representatives be requested to brief any substitute required to serve, as necessary;
- (11) That appointees may, if they so wish, serve for a period of two consecutive terms of office, subject to the usual appointment arrangements; and
- (12) That representatives who are unable to attend for two consecutive meetings without reasonable cause should be disqualified

21. Draft Local Industrial Strategy

The Committee received a progress report from Philip Cox, Chief Executive Cheshire & Warrington Local Enterprise Partnership. The progress report covered the following key areas:

- Journey so far;
- Local Policy Context;
- Our approach to the LIS
- Economy and Productivity and Overall Productivity;
- Spotlight on the super strength specialism: manufacturing, energy & environment, life sciences;
- Bringing finance and business service to the forefront;
- Unlocking the potential of the logistics and distribution sector;
- The five foundations of productivity: ideas, infrastructure, business environment, place, people;
- The clean growth grand challenge;
- Supporting UK development of other grand challenges; and
- Potential priorities for growth.

Scrutiny Committee Members discussed and noted the progress report.

22. Work Programme

The Scrutiny Committee received and considered a work programme report and AGREED that an 'induction session. Be added as part of any future meeting to welcome new members to the Committee

23. Future Meeting Dates

Decision – To note the following schedule of meetings, commencing at 3.00pm, at Wyvern House (subject to availability)

- 6 June; 5 September 2019;
- 5 December 2019; and
- 5 March 2020

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**Cheshire and Warrington Local Enterprise Partnership
Overview and Scrutiny Committee**

Title: Introduction to Overview and Scrutiny	Agenda items: 8
Prepared by: Matthew Cumberbatch, Director of Law and Governance - Warrington Borough Council	Date of Report: 20 January 2020

A. Executive Summary

This report is intended to support the first meeting of the Cheshire and Warrington Local Enterprise Partnership Overview and Scrutiny Committee and provides background information to a number of items on the Committee's main Agenda, including:-

- General background to the Committee
- The Committee's role and its governance arrangements
- Appointment of the Chair and Deputy
- Terms of Reference
- Training Work Programme
- Future Meetings Dates

B. Recommendations /Actions Requested

To note the purpose of the Overview and Scrutiny Committee and to agree the core governance arrangements for the operation of the Committee.

C. Details

1. Background

1.1 Local Enterprise Partnerships (LEPs) were established as locally-derived business-led partnerships between the private and public sector that would drive local economic growth. There are now 38 LEPs in England and their role has developed considerably since 2010. They now have responsibility for around £12billion of public funding and are the mechanism for channelling the Local Growth Fund and other funding to localities.

- 1.2 As the role of LEPs has developed, the Government has reviewed the statement of arrangements it expects to see in place within each LEP. This is set out in the National LEP Assurance Framework issued by the Department for Communities and Local Government (DCLG) and is one element of the wider assurance system around LEPs. The National Assurance Framework sets out what government expects LEPs to cover in their local assurance frameworks and the last revision was issued in November 2016. That revision strengthens the rules which LEPs must follow to ensure greater transparency and accountability on how public money is spent.
- 1.3 The National Framework states that it is important that LEPs have clear arrangements in place which enable effective and meaningful engagement with local partners and the public. LEPs are required to operate transparently, thereby giving the public confidence that decisions made are proper, based on evidence, and capable of being independently scrutinised.
- 1.4 The National Framework goes on to say that the LEP's local assurance framework must set out what (if any) independent scrutiny arrangements the LEP has in place and whether these are integrated into part of the local authority's arrangements or separate from them. DCLG would strongly encourage LEPs to make use of independent scrutiny arrangements, for example by establishing an overview and scrutiny committee to provide checks and balance in the operation of the partnership.
- 1.5 For those LEPs who already carry out independent scrutiny, the format for overview and scrutiny varies across the country. For example, in some areas joint overview and scrutiny committees have been established by their constituent local authority members to undertake externally based overview and scrutiny. In other cases the overview and scrutiny committee is a committee of the LEP itself.
- 1.6 The Cheshire and Warrington Local Enterprise Partnership Growth Programme Assurance and Accountability Framework, published on 28 February 2017, confirms that CWLEP's commitment to working up proposals to set up an independent overview and scrutiny committee to provide checks and balance in the operation of CWLEP and to ensure accountable and transparent decision making within CWLEP.
- 1.7 The outcome of a Review of Local Enterprise Partnership Governance and Transparency, led by Mary Ney, Non-Executive Director, DCLG Board, in October 2017, reinforced the importance and value of independent scrutiny. The review identified a number of key features of decision-making processes which promote assurance on good governance, including use of scrutiny arrangements to monitor decision-making and the achievements of the LEP. The Review Report goes on to recommend that local assurance frameworks should set out that all decisions must be subject to the normal business case, evaluation and scrutiny arrangements. The Report also notes that a number of LEPs, but not all, refer to the role of scrutiny in overseeing their performance and effectiveness. However, in the light of the different structures across LEPs, the Report did not believe it appropriate to specify any particular approach to scrutiny.

1.8 A further Government report - *Strengthened Local Enterprise Partnerships published in July 2018*, sought to improve LEP governance. That document includes a chapter on 'Accountability and Performance' which mentions engagement with LA scrutiny panels. However, C&WLEP were doing this anyway as well as having their own internal Scrutiny Committee.

1.9 The concept of overview and scrutiny in the public sector is not a new one. At national level Governmental policy decisions and Issues of national significance are debated by Parliamentary Select Committees, which make recommendations to Government for action. At local authority level, the Local Government Act 2000 provided for overview and scrutiny committees to be appointed by those authorities operating executive models of governance, to enable backbench councillors to review and scrutiny decisions of the executive or the Council itself. Scrutiny is now embedded into the way that public bodies carry out their business and more recent statutory constructs such as sub-national transport bodies, like Transport for the North, and combined authorities, must all have scrutiny arrangements build in.

2. Effective Scrutiny

2.1 Overview and scrutiny comprises both forward looking ('overview') and review ('scrutiny') elements. This means that work can be about influencing decision makers before decisions are taken based on input from the stakeholders or from a sense of what the local community would want. Work can also be reflective, looking at performance and the outcomes of previous decisions and programmes to see where improvements can be made for the future. Scrutiny can also have a focus on internal processes or the culture of an organisation, such as how transparent it is.

2.2 The Centre for Public Scrutiny (CfPS) is a charity which promotes and supports scrutiny in the public, private and not for profit sectors. CfPS, has identified three good governance principles, and see the role of scrutiny as ensuring:- accountability , transparency and involvement. Their view is that the need for oversight and accountability is particularly urgently felt in the case of LEPs, because of the large amounts of public money available to invest to promote growth across the areas for which they have responsibility. CfPS also point to a more reflective governance environment amongst LEPs, at national and local level and an opportunity for scrutiny to find itself at the heart of securing a financially sustainable future for local people.

2.3 CfPS has previously identified four Effective Scrutiny Principles, in that it:-

- Provides critical friend challenge to decision-makers;
- Enables the voice and concerns of the public and its communities;
- Is carried out by independent minded governors who lead and own the scrutiny process; and
- Drives improvement in public services.

2.4 Some key concepts for the Committee to consider are that Scrutiny should:-

- Be a Member led process;
- Be independent of the LEP Board;
- Offer constructive challenge to prompt LEP Board reflection;
- Be an honest broker;
- Make recommendations which are evidence based;
- Be part of a wider web of accountability, which may include partners and the public;
- Not unnecessarily duplicate other assurance activity;
- Be appropriately challenging and use effective questioning techniques;
- Ensure value for money;
- Provide high levels of assurance.

2.5 To enable the Committee to carry out its role effectively, Scrutiny will need to gather and filter intelligence from a variety of sources. The following information could potentially be used, however the list is not exhaustive:-

- CWLEP Board agendas and decisions;
- Other Committees' agendas and decisions;
- Performance Management and Budget monitoring information;
- Programme progress and outcomes;
- Strategic Economic Plan;
- Accountability Framework;
- Commissioned research;
- Officer reports and partners' reports;
- Government reports;
- Witness and stakeholder evidence;
- Reports from local authority overview and scrutiny committees;
- Hot topics (public and press); and
- Best practice/benchmarking

2.6 It should be noted that, as with all other models of scrutiny, CWLEP's Overview and Scrutiny Committee is not a decision-making body. However, it will be able to publicise its findings and make recommendations to the CWLEP Board and its other Committees as to their decision making processes. All recommendations must be realistic and achievable in order for the Committee to make an impact and to be a credible voice within the assurance framework.

3. Appointment of Chair and Deputy

3.1 The Committee should to appoint a Chairman and Deputy Chairman from amongst its Membership for an annual term of office, which may include the first meeting and the

whole of the 2020 year. Appointments will be made on an annual basis thereafter. The role of the Chairman and in his/her absence the Deputy, will be:-

- To set the Agendas for meetings, having regard to the advice of support officers;
- To develop a draft Annual Work Programme, having regard to the advice of support officers;
- To facilitate the smooth running of each meeting;
- To ensure that Members of the Committee have an equal voice and an opportunity to discuss and debate items of interest;
- To ascertain the sense of the meeting and ensure realistic recommendations are developed;
- To resolve any dispute in meetings through the exercise of his/her powers;
- To be a point of contact for any press queries about overview and scrutiny;
- To lead the Committee in its role as critical friend; and
- To be a champion for the scrutiny role.

4. Terms of Reference

- 4.1 A document comprising the draft Terms of Reference is attached at Appendix 1, for approval.

5. Training

- 5.1 Members of the Committee may wish to consider what training needs they may have. This may include a range of needs, comprising both knowledge and skills development, such as:-

- briefings on the Plans and Programmes of the CWLEP;
- skills based training, such as effective questioning techniques;
- networking with other LEP scrutiny committees to share best practice;
- Access to key documents; and
- Attendance at formal training event or conferences.

- 5.2 Suitable training may be delivered in-house by officers of CWLEP, or its constituent local authorities, or could be available through external providers, such as the Local Government Association (LGA), CfPS, North West Employers, LEP Network and others. No specific budget provision has been made for training, so any expenditure for assessed development needs may require further approval.

6. Work Programme

- 6.1 Good practice suggests that the Committee should develop an Annual Work Programme of key topics it wishes to consider, commencing in 2020. This Work Programme can be developed from a mixture of sources, and it is suggested that initially this is based upon the terms of reference of the Committee, discussions between the Committee Chairman,

core CWLEP Officers and scrutiny support staff. Items for the Work Programme might include:-

- areas of high risk or low levels of assurance;
- areas of significant expenditure;
- areas of identified underperformance;
- programmes which are reaching a milestone or completion;
- new plans or plans which are undergoing review;
- thematic or cross-cutting reviews;
- public or stakeholder concerns; and
- existing areas of interest or concern, as identified by Committee members.

6.2 Subject to the views of the Committee, the Chairman and its officers will carry out work prior to the next meeting to develop a draft Work Programme for 2020. In the interim, the Committee is invited to identify any topics it wishes to consider for inclusion in its draft programme at this stage.

7. Future Meeting dates

7.1 It is estimated that the Committee will need to meet quarterly to fulfil its remit. The Committee is invited to discuss a suitable day, time and venue for its quarterly meetings and to authorise the Chairman to finalise a suitable schedule of dates.

7.2 A suggested programme of dates based on the first Thursday of the month (quarterly) would be as follows, however those dates may be subject to availability of key officers and accommodation:-

- 5 March 2020
- 4 June 2020
- 3 September 2020
- 3 December 2020



Scrutiny
Committee Terms
of reference

Updated November 2019

1. Membership

It is proposed that the committee has a membership of six, made up of three Local Authority representatives and three private sector representatives. These must not be board members of the LEP.

Chair: To be a representative from a Local Authority on an annual rotating basis

The Chair will be appointed at the first meeting of the committee for a period of one year. After this time a new chair should be appointed every year.

Members of the committee

Catherine Barber – Brown

Tracey Walsh

Helen Nellist

Cllr S Parish - Warrington BC (Sub Cllr Kerr Brown)

Cllr Paul Donovan -Cheshire West & Chester Council

Cllr Brian Roberts - Cheshire East Council (Sub - Cllr Suzanne Brookfield)

Each member will be appointed for a period of 18 months.

Appointees may, be re-appointed for a second term subject to agreement by the Chair of the LEP and satisfactory attendance and performance.

Representatives who are unable to attend for two consecutive meetings without reasonable cause are to be disqualified.

2. Overview of the Role of the committee:

The Scrutiny Committee's function is to increase transparency of the decisions made by the LEP and to give further assurance by providing an independent committee that is able to explore and interrogate the rationale for decisions made. The Committee will not have the power to delay or refer back the LEP's decisions, but it will be able to publicise its conclusions and make recommendations for improvements to the LEP's decision making processes. Its remit will therefore be very similar to the Public Accounts Committee. The committee will be able and make recommendations for improvements to the decision-making process if appropriate.

The Agenda for the committee should be broadly set at the beginning of each year and will consist of long-term review of LEP programmes but will also allow enough flexibility and time for a review of other significant decisions as they arise in the year.

The terms of reference will be reviewed annually to ensure they align with government policy around accountability and transparency.

3. Objective of the Scrutiny Committee

The objective is to make positive recommendations for how future decisions of the LEP can be effectively implemented.

All the deliberations of the committee will be held in public and made public in order to help transparency with regard to how and why decisions have been made by the LEP board and committees.

4. Terms of Reference

The Scrutiny Committee is specifically charged with:

- Review the decision making of each of the sub-committees and Board of the LEP to ensure due process has been followed and there is a transparent audit trail.
- Review the progress of the programmes that the LEP manages including but not limited to: Local Growth Fund, Growing Place Fund, European Programme and the Growth Hub. The committee should identify and/or consider issues raised, promote best practice and make recommendations for improvement if appropriate.
- Review the implementation of the Strategic Economic Plan and identify opportunities for improvement.
- Review the output and outcome information of the programmes to ensure that the LEP activities are having a beneficial impact on the economy of the LEP area.

- To make recommendations for consideration to the Board and or committee with respect to the discharge of any functions.
- Review and advise the LEP board on matters of transparency, ensuring that the LEP is meeting the highest standards of transparency and, in particular, the required standards as set down by the Central Government.
- To commission and review mid-term and end of term evaluations of programmes and projects.
- To liaise with other LEPs over the development and dissemination of best practice.

5. Reporting

The committee will report to the LEP board and sub-committees with recommendations as appropriate.

6. Meetings

The committee will meet quarterly and the meetings will be open to the public. The minutes of the meeting and Agenda will be published on the LEP website.

7. Conflicts of interest

Conflicts of interest should be declared at the start of each meeting and will be dealt with in accordance with the LEP's Conflicts of Interest Policy.

8. Quorum

The meeting will require four members to be present to be quorate.