

Report on Scrutiny of the Swindon and Wiltshire Local Enterprise Partnership

Purpose of report

1. To report on the progress made in respect of establishing a joint scrutiny exercise that has been arranged between Swindon Borough Council and Wiltshire Council regarding the Local Enterprise Partnership (LEP) for Swindon and Wiltshire (SWLEP).

Background

2. The LEP is a partnership between relevant local authorities and businesses from the local area to prioritise investments and facilitate economic development, based on a clear strategic vision to deliver on the priorities of the locality. It is designed to bring together business and civil leaders to set the strategy and take decisions for their area.
3. The key principle behind the LEPs is to drive improvements to the economy through private sector growth, with a balance of business opportunities across the country and between industries, whilst being clearly and directly accountable to local people and businesses.
4. The 'Local Growth' white paper set out the roles of the LEPs which focused on the need to act on what is required and is right for their own locality namely:
 - Working with government to set key investment priorities
 - Co-ordinate proposals or bidding for the Regional Growth Fund
 - Support businesses in growth
 - Aid in development of national planning policy and ensuring business is involved, particularly with the development and consideration of strategic planning applications

- Lead change in local business regulation
 - Pooling and aligning funding streams to support strategic housing delivery
5. The main resource at their disposal is the allocation of a proportion of the £730 million Growing Places Fund, created by the Department for Communities and Local Government, and the Department for Transport, which is to be used to support local infrastructure and unlock wider economic growth. LEPs may also bid for an allocation of the Regional Growth Fund, a flexible and competitive fund of £3.2 billion. The LEPs may act as a gateway for other Government initiatives such as Foreign Direct Investment.
 6. The key documents that the LEP must provide are the Strategic Economic Plan (SEP) to outline their strategies for allocating the funds at their disposal until 2026, due to be published 31st March 2014; and the European Structural Investment Fund Strategy (ESIF) which was published 31 January 2014, to outline what they intend to do with their allocation of the ESIF. A Joint Executive Committee, between the Local Councils, is required to negotiate and monitor the delivery of the SEP within our area, progress on this is being made between the two Councils.
 7. It is clear that the Government expects the governance arrangements to be sufficiently robust to ensure meaningful accountability but there are no details as to how this should be achieved. In light of this, preliminary discussions were held between senior officers of both Councils regarding the potential introduction of a 'light-touch' involvement of both Overview and Scrutiny Functions in relation to the SWLEP. This approach is to be based on building a relationship with the SWLEP as a body, to ensure it is working effectively for the benefit of the geographic area and communities that it serves. In a follow up meeting, this was explored between the relevant officers from both Councils and a representative from the SWLEP. It should be noted that the SWLEP is proactively engaging with Scrutiny at this stage and welcomes its input.

Objectives

8. To support the LEP in its transition from the strategic phase into the delivery phase and in developing its operating and governance arrangements. To promote awareness of the LEP and its work and nurture a good working relationship through a light touch approach to scrutiny activities concerning the LEP.
9. Primary focus should be on the achievements that the Board is seeking to accomplish, with a view to fulfilling the 'critical friend' role and aid in development.

It will also need to work closely with the new Joint Executive Committee, when established, in respect of the Strategic Economic Plan.

Arrangements/ Structure

10. Following the initial officer meeting, a number of options emerged in terms of how Overview and Scrutiny could be involved in the overall governance arrangements for the LEP.

11. The options for structuring the exercise are proposed as follows:

1. The relevant Scrutiny Committee of each Authority to scrutinise the Council's Board member representative and by implication, hold the LEP to account;
2. Arrange a formal Joint Committee, under the existing Overview and Scrutiny Provisions to be agreed by both Councils; OR
3. Establish an informal Joint Task Group with a fixed membership with equal numbers from both Councils which is accountable to the relevant Overview and Scrutiny parent committee.

Conclusion

12. These discussions are at a very early stage, as is the development of the overall governance arrangements for LEPs. All local authorities are facing similar issues in the absence of any clear direction or guidance from central Government. However, this does present our two Councils with an opportunity to develop local arrangements that can influence and add real value to this important area of joint working and accountability. With the current lack of clarity and much still to be done in terms of development, the officer meeting concluded that option 3 would be the favoured approach as a first step.

13. If supported, the suggestion was that 4 elected members from each Council would seem an appropriate number to enable close co-operation and effective discussion and direction. A pilot approach would allow issues and approaches to be explored in a 'round-table' setting and most importantly allow for an informal, flexible forum without the constraining and constitutional bureaucracy that would be imposed by a Joint Committee at this stage.

14. The Task Group will increase the elected members' awareness of the work of the LEP and its achievements. It will develop into acting as a supportive 'sounding-

board' to the Joint Executive Committee in looking at the implementation and delivery of the SEP.

15. It is envisaged that an initial meeting between the nominated non-executive members of the Task Group would take place in mid-April, ahead of the local election in Swindon. A series of early meetings may be needed to develop a clear understanding of how the LEP is currently structured before setting some tangible outcomes to achieve the 'light touch' scrutiny intended.

16. It will be important to demonstrate to the LEP the positive, joined up nature of the discussions and constructive contribution that can be made to the overall governance of the Partnership.

Recommendations

17. That option 3 is taken up as a pilot exercise for an initial 12 month period with the opportunity to review the arrangements and formalise it as necessary, subject to the agreement of both Councils.

18. If supported, to nominate 4 non-executive elected members from each Council to serve on the pilot joint scrutiny task group with a view to holding a first meeting in mid-April.

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