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**Report to**  
Scrutiny Co-ordination Committee

20<sup>th</sup> February 2012

**Report of**  
Councillor John Mutton

**Title**  
**Report Back on the Work Of Outside Bodies - Coventry & Warwickshire Local Enterprise Partnership Ltd**

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## **1 Purpose of the Report**

- 1.1 This report sets out details of the work of Coventry & Warwickshire Local Enterprise Partnership (C&W LEP) during the last twelve month period. This includes the C&W LEP becoming an incorporated company; details of its membership; and how it operates in practice.

## **2 Recommendations**

- 2.1 You are recommended to:
- (a) Note the partnership's transition to an incorporated company limited by guarantee – now operating as The Coventry & Warwickshire Local Enterprise Partnership Ltd
  - (b) Note the work of the Partnership and its benefits to the city
  - (c) Note the Director`s for the City Council

## **3 Information on Work of Outside Body**

- 3.1 The Coventry & Warwickshire Local Enterprise Partnership (C&W LEP) was developed in response to the current government's reforms to sub-national economic development. These reforms, as outlined in the Local Growth White Paper, October 2010, included the abolishment of Regional Development Agencies, and the shifting of power to local communities and businesses. As part of these reforms, the government gave support to the development of Local Enterprise Partnerships - joint local authority-business led bodies brought forward by local authorities to promote local economic development. The C&W LEP was one of the first 24 successful LEPs that were approved in the Local Growth White Paper.
- 3.2 The C&W LEP was established for the Coventry & Warwickshire sub-region due to the strong economic linkages evidenced across this geographical area. The sub-region also has a long and extensive history of successful partnership working in economic development. The inaugural meeting of the C&W LEP Board was held on 17<sup>th</sup> January 2011.
- 3.3 As of September 2012 the C&W LEP was incorporated to replace the unincorporated C&W LEP. The C&W LEP now operates as a separate legal person, and can, for example, enter

into contracts in its own name, and incur its own liabilities and assets. The company is a Company limited by guarantee.

3.4 The Members of the Company at the time of set up included the following individuals from the Private Sector –

- Sir Peter Rigby
- Martyn Hollingsworth
- George Gillespie
- Amrik Bhabra
- Michael Woodhead

3.4.1 The Members of the Company included the following organisations from the Public Sector –

- Coventry City Council
- Warwickshire County Council
- The LEP District Leaders Board
- University of Warwick
- Coventry University

3.5 The C&W LEP Ltd has a Board of Directors that at any time shall not be less than twelve or greater than sixteen in number. The Board of Directors consists of eight A Directors (drawn from the private sector) and eight B Directors (drawn from the Public Sector).

3.5.1 The current A Directors include three of the five individuals from the private sector that are named as members above - one of which is appointed by the Coventry & Warwickshire Chamber of Commerce and the Federation of Small Businesses. Since September 2012 four new members to the board have now been appointed. They are:

- Karl Eddy - Partner, Grant Thornton
- Richard Hutchins – WMG Academy
- Paul Kehoe: CEO, Birmingham Airport
- Bruce Undy, Federation of Small Businesses
- A fourth vacancy is currently being appointed with the recent resignation of Michael Woodhead.

3.5.2 The current B Directors consist of one B Director from each of the city's universities; two B Directors from Warwickshire County Council; two B Directors from Coventry City Council, and two B Directors from the LEP District Leaders Board (See Appendix 1 for Board, Executive and CWLEP Business Group Composition)

3.6 The appointed chair of the C&W LEP is Sir Peter Rigby, and the vice chair is Cllr John Mutton. Cllr Lynnette Kelly is a director of the board.

3.7 The objects of the Company are:

"to promote business growth, economic development, inward investment, skills and training development, employment creation and wealth creation across the Area, for the benefit of all who live, work, and study in the Area, and all who visit the Area, including, without limitation, promoting the Strategic Business Sectors."

3.8 The purpose of the C&W LEP remains unchanged. It is a business led company that aims to:

- Drive economic growth
- Help remove barriers to economic growth
- Help create high value jobs
- Co-ordinate local Government co-operation and support

The C&W LEP Five Year Strategy (2011-2016) remains current. Following the recent Heseltine Review and follow up guidance( subject to match) from DBIS and CLG, LEPs will be required to produce a multi-year Strategic Growth Plan with £250k provided annually by government to facilitate it's productions. This strategic plan will be a key determining factor in deciding where the single pot funding that will be devolved from Government will be allocated (from April 2015)

- 3.9 Conflicts of Loyalty are dealt with through Article 18 of the Articles of Association of the Coventry & Warwickshire Local Enterprise Ltd *Article 18 states that any Director who has a situation in which he or she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with the interests of the Company will not, in accordance with the provision of section 180(4)(b) of the Companies Acts, be in breach of his or her general duties to the Company provided that such a Conflict of Loyalty is disclosed to the other Directors and does not involve any direct or indirect benefit of any nature to the Director or any connected person.*
- 3.10 Any conflicts of interest are dealt with through Article 19 within the Articles of Association of the Coventry & Warwickshire Local Enterprise Ltd. *Article 19 states that if a proposed decision of the Directors would involve any direct or indirect benefit to a transaction or arrangement with the Company in which a Director or any connected person is interested, that Director shall declare the nature and extent of his or her interest in compliance with Sections 177 and 182 of the Companies Acts and that Director shall not participate or vote in the decision making process or for quorum purposes. If a question arises as to whether a Director has a conflict of interest for the purposes of this Article 19, the question shall be decided by a majority of the other Directors.*
- 3.11 There are eight established C&W LEP Business Groups, and these have recently been revamped and energised. The Business Groups are Inward Investment; International Trade & Business Tourism; Advanced Manufacturing; Skills and Employability; Planning; Low Carbon; Small & Medium Businesses; Access to Finance; and Transport. Board Members are now accountable for the eight Business Groups, with three SMART priorities and aligned to the Strategy. Appendix 1 shows the membership of the groups and Cllr Kelly is the board lead accountable for the Planning group.
- 3.12 The C&W LEP has made good progress over the past 12 months. Achievements include:
- Securing £24.4m of Regional Growth Fund Round 3 funding
  - Consolidating the RGF3 funding to create a £36.2m funding pot to deploy across Access to Finance; Support for Business; and Infrastructure and Major Projects. This is administered by a cross sector subgroup, reporting to the Board.
  - The appointment of a new Chairman from September 2012
  - The legal incorporation of the C&W LEP as a Company Limited by Guarantee. This has also led to stronger governance and transparent processes.
  - Martin Yardley confirmed as the Chief Executive from Sept 2012 and the executive has been reconstructed
  - New CWLEP premises in Warwick Town Centre
- 3.13 Future work of the LEP over the coming months includes a clear focus on key schemes and innovation assets significant to the economy such as Gateway; NUCKLE; M40(12); Stoneleigh; Friargate City Centre South and MIRA.
- 3.14 The next big challenge is the Coventry & Warwickshire City Deal. Coventry & Warwickshire sub-region is one of 20 places that have been invited to compete and on January 15<sup>th</sup> the CWLEP submitted an Expression of Interest to Government. We are expected to learn if we have been successful in the week beginning February 11<sup>th</sup> 2013. The process will then involve the following two stages.

