

## Report to the Greater Birmingham & Solihull Supervisory Board

22<sup>nd</sup> February 2018

### LEP GOVERNANCE & TRANSPARENCY BEST PRACTICE GUIDANCE

#### Purpose of the report

To note the progress with implementing the LEP Governance & Transparency Best Practice Guidance.

#### Recommendations

The Supervisory Board is recommended to:

1. Note the publication of the LEP Governance & Transparency Best Practice Guidance (Appendix A);
2. Note that the Nominations & Governance Committee met on 13 February and note the Terms of Reference (Appendix B);
3. Agree to nominate one representative from the Metropolitan authorities and one from the District authorities to attend the Nominations & Governance Committee;
4. Note and discuss the challenges associated with the publication of papers for key meetings;
5. Note that the Nominations Committee agreed to adopt the Code of Conduct for Board Directors (Appendix C);
6. Note that the Nominations & Governance Committee agreed to adopt the Complaints and Confidential Complaints procedure (Appendix D); and
7. Note that the Nominations & Governance Committee agreed to adopt the Whistleblowing procedure (Appendix E).

#### Background

8. On 26 October 2017, Government published the Review of Local Enterprise Partnership governance and transparency, led by Mary Ney.
9. Following the publication of the Review, the Permanent Secretary confirmed that the guidance would be adopted in full and that consultation would be undertaken with LEPs on how the recommendations would be implemented. On 24 January 2018, Government issued the final Best Practice Guidance (“the Guidance”) to LEPs, attached as Appendix A.
10. At its meeting on 1 February 2018, the LEP Board agreed in principle to adopt the final Best Practice Guidance and delegated authority to the Nominations Committee to oversee the implementation.
11. On 13 February 2018, the Nominations & Governance Committee met to discuss and agree recommendations necessary to implement the Guidance.

## Key issues

12. The Terms of Reference for the Nominations & Governance Committee have been refreshed and are attached as Appendix B. The Supervisory Board is recommended to note the Terms of Reference and, in doing so, to nominate one Metropolitan elected representative and one District representative to sit on the Committee.
13. As set out in paragraphs 10 – 12 of the Guidance, **papers for full board meetings and any sub-committees which are responsible for decisions about public money must be published** five days in advance of the meetings, with minutes to follow five days after the meetings, except for those items deemed confidential under the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.
14. The Nominations & Governance Committee recognised that the Supervisory Board was constituted specifically to fulfil this role and is the ultimate decision-making authority in the LEP's structure. Representations are being made to Government accordingly.
15. Paragraphs 75 – 84 require that LEP Board Members (and LEP staff) must sign up to a **Code of Conduct** based on the Nolan Principles, which includes guidance on registering and declaring interests. A **Code of Conduct for Board Directors** is set out as Appendix C. Only minor amendments have been made to the example Code provided in the Guidance (such as changing "Board Members" to "Board Directors", and "LEP Chief Executive" to "LEP Director"). The Nominations & Governance Committee agreed to adopt the Code of Conduct for Board Directors, and the Supervisory Board is recommended to note this decision.
16. As the LEP Executive staff are largely employees of Birmingham City Council, discussions are ongoing with Government as to whether the City Council's Code of Conduct suffices for staff members.
17. Paragraphs 13 – 18 stipulate that the LEP "must put in place effective arrangements to enable third parties and the public to confidentially report concerns about LEP processes and decisions." The Executive has therefore used the guidance as the basis to draft a **Complaints and Confidential Complaints procedure** (Appendix D), which puts all the policies and procedures for making a complaint, confidential complaint or anonymous complaint in one document (along with a clear distinction between a complaint and whistleblowing). The Nominations & Governance Committee **agreed to adopt the Complaints and Confidential Complaints procedure**, and the Supervisory Board is recommended to note this decision.
18. Paragraphs 29 to 31 stipulate that LEPs "must publish their whistleblowing policy on an easily accessible part of their website and make Board Members, staff and contractors aware of the policy by 28 February 2018." The Executive has therefore used the guidance as the basis to draft a **Whistleblowing procedure** (Appendix E), making only minor amends (such as changing "Board Members" to "Board Directors", and "LEP Chief Executive" to "LEP Director"). The Nominations & Governance Committee **agreed to adopt the Whistleblowing procedure**, and the Supervisory Board is recommended to note this decision.

19. Once adopted, the Executive will publish the relevant documents in easily accessible and well-signposted areas on the website, and will consider highlighting them in the e-newsletter and with social media activity.

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