## Cheshire and Warrington Local Enterprise Partnership Board

Terms of Reference

**1) Purpose of the Cheshire and Warrington Local Enterprise Partnership**

The Coalition Agreement gave a commitment to establish Local Enterprise Partnerships. In June 2010 government invited businesses and councils to come together to form Local Enterprise Partnerships whose geography properly reflects the natural economic areas of England. The government wishes to see partnerships which understand their economy and are directly accountable to local people and local businesses.

The White Paper, Local growth: realising every place’s potential, provides the only guidance currently available upon which Local Enterprise Partnerships and can establish their terms of reference and operational priorities. The White Paper states:

Local Enterprise Partnerships will provide the clear vision and strategic leadership to drive sustainable private sector led growth and job creation in Cheshire and Warrington. The government encourages Local Enterprise Partnerships to work in respect of transport, housing and planning as part of an integrated approach to growth and infrastructure delivery.

Government envisages that Local Enterprise Partnerships could take on a diverse range of roles, such as:

Working with government to set out the key investment priorities, including transport infrastructure and supporting or co-ordinating project delivery;

Co-ordinating proposals or bidding directly for the Regional Growth Fund;

Supporting high growth businesses, for example through involvement in bringing together and supporting consortia to run new growth hubs;

Making representation on the development of national planning policy and ensuring business is involved in the development and consideration of strategic planning applications;

Lead changes in the local regulation of businesses;

Strategic housing delivery, including pooling and aligning funding streams to support this;

Working with local employers, Jobcentre Plus and learning providers to help local workless people into jobs;

Co-ordinating approaches to leveraging funding from the private sector;

Exploring opportunities for developing the financial and non financial incentives on renewable energy projects and Green Deal; and

Becoming involved in delivery of other national priorities such as digital infrastructure.

To secure effective business engagement and ensure a strong focus on the needs of a local economy, it is vital that business and civic leaders work together. The government will normally expect to see business representatives form half the board, with a prominent business leader in the chair. Partnerships will want to work closely with universities, and further education colleges and other key economic stakeholders. This includes social and community enterprises, which play an important role in creating local economic growth through providing jobs and training, delivering services and helping create community wealth in some of the most deprived parts of the country.

The government does not intend to define the Local Enterprise Partnerships in legislation. Governance structures will need to be sufficiently robust and clear to ensure proper accountability for delivery. Partnerships will differ across the country in both forms and functions in order to best meet local circumstances and opportunities. A partnership may need legal personality or a specified accountable body in some circumstances, such as if it wished to own assets or contract to deliver certain functions. The constitution and legal status of each partnership will be a matter for the partners, informed by the activities that they wish to pursue.

2) Modus Operandi of the Cheshire and Warrington Local Enterprise Partnership Board

**Membership**

The C&W LEP board will comprise fourteen members, made up as follows:

Eight private sector representatives

One Higher Education representative

One Further Education representative

One voluntary and Community sector representative

Each local authority leader as an ex officio member

Alternates will not be permitted

Membership will always be limited to an absolute maximum of 20 with the option to co-opt 5 additional members with specialist knowledge on a one year basis.

**Chair**

The Chair will be elected annually by the board. The Chair must be a private sector representative.

A deputy chair will also be appointed by the board.

The chair and deputy chair will have a defined term limit of three years. In exceptional circumstances, the term can be extended for another three years if approved by the board.

**Board Meetings**All board meetings should be informal, open, honest and dynamic.

To be quorate, six members must be present , of which four must be from the private sector

Alternates will not be permitted

The papers will be sent electronically, at least seven working days before the meeting

Meetings are to be held monthly, on a Wednesday, starting at 1600 hours. Members will make their offices available. Members to arrange a tour of the host organisation from 15.30 hours on the day of the meeting.

There will be no meeting in August

* All board members will read the papers in advance of the meeting
* Minutes of the meeting will focus on actions rather than provide a record of all discussion points
* The board may invite appropriate organisations/individuals to give presentations on priority issues
* A legal adviser will not be present as a matter of course, but the board may arrange such representation if considered necessary
* At every meeting, the chair will confirm: all decisions taken; actions agreed; and media messages.

A matter needing board approval can be considered by exception by correspondence if the matter is time critical. A majority of the board will have to approve the matter and copies of emails confirming the position and any comments will be kept by the LEP. The matter will then need to be formally ratified at the next board meeting and minuted.

**3) Roles and Responsibilities of Board Members**

* The C&W LEP Board consists of a range of Non-Executive Members and is supported by the LEP support team.
* The Board is responsible for the overall management of C&W LEP but acts on behalf of all Members, and must consider their interests in everything they do.
* Board Members must exercise a degree of skill and a degree of care as may reasonably be expected from a person holding such office.
* Board members will be expected to take lead responsibility in preparing and delivering an action plan for one of the agreed LEP priorities (or portfolios). This may involve assembling a team of suitably qualified and experienced individuals from partner organisations with support from the LEP support team. Progress reports will be prepared for consideration and evaluation by the Board.
* To oversee the appointment and induction of new board members.

**Members Charter**

**Overview**

This Charter seeks to govern the way in which Members of C&W LEP conduct themselves. The Charter outlines the principles and standards by which Members are required to abide.

* Members must act honestly, in good faith and in the best interests of C&W LEP and its partners as a whole.
* Members must uphold the highest ethical standards of integrity and probity.
* Members have a duty to use due care, skill and diligence in the fulfilment of the functions of their office, in exercising all of the powers attached to that office.
* Members must always use the powers attached to being a Member of C&W LEP for a proper purpose.
* Members owe their duty to the Partnership as Members, not for example, as members of other organisations for example private businesses or public organisations. Consequently, they must not put themselves in a position where their duties and interests are likely to conflict.
* Members should support the Partnership’s executive whilst monitoring their conduct.
* Members must recognise that their primary responsibility is to all the Members of the Partnership, but may, where appropriate, have regard to the interests of other stakeholders of C&W LEP when those interests do not conflict.
* Members must not make improper use of information acquired as a result of being a Member of C&W LEP.
* Members have an obligation to be independent in judgement and action, and to take all reasonable steps to be satisfied as to the soundness of all decisions taken by the Partnership board.
* Confidential information received by a Member in the course of the exercise of that Member’s duties as a Member remains the property of C&W LEP. It is improper to disclose it; allow it to be disclosed; unless the disclosure has been authorised by C&W LEP, or is required by law.
* Members shall not engage in conduct that is likely to bring discredit upon C&W LEP.
* Members have an obligation, at all times, to comply with the spirit, as well as the letter of the law as it relates to their conduct in their role as a Member of C&W LEP, and with the principles of this Charter.
* Members must ensure that minutes are taken at board meetings (through the LEP support team).

**Duties to Members**

* Members shall endeavour to ensure that C&W LEP is properly managed and constantly improved, so as to protect and enhance the reputation and brand of C&W LEP in the interests of the Members.
* A Member shall seek to ensure that all Members are treated fairly according to their rights as between each other.
* A Member who is appointed to the Board as a representative of a particular geographical area must recognise the sensitivity of his/her role in relation to other geographical areas. Where obligations to Members in a particular area preclude an independent position on an issue, the Member should disclose the position and consider whether to be absent or refrain from participating in the Board’s consideration of that issue. Before taking the decision to be absent however, a Member should consider whether that absence would deprive the Board of essential background or experience. The matter should be disclosed to and resolved by the rest of the Board.

**Due Diligence**

* Members should attend all Board Meetings but where attendance at Board Meetings is not possible, appropriate steps should be taken to obtain leave of absence.
* A Member must acquire knowledge about the business of C&W LEP, the statutory and regulatory requirements affecting Members in the discharge of their duties to C&W LEP, and be aware of the physical, political and social environment in which it operates.
* In order to be fully effective, a Member shall insist upon access to all relevant information concerning issues to be considered by the Board. This information should be made available in sufficient time to allow proper consideration of all relevant issues. In the extreme circumstances where information is not provided, Members should make an appropriate protest to the Chair about the failure on the part of C&W LEP and/or its management to provide the information and if necessary abstain from voting on the particular matter, on the basis that there has not been the time necessary to consider the matter properly. Any abstention, and the reasons for it, should be included in the minutes. It may also be appropriate to vote against the motion, or move for deferment until proper information is available.
* A Member should endeavour to ensure that systems are established within C&W LEP to provide the Board, on a regular and timely basis, with the necessary data to enable them to make a reasoned judgement on all issues, and so discharge their duties of care and diligence.

**Conflicts of Interest**

* A Member must not take improper advantage of his/her position as a Member to gain, directly or indirectly a personal advantage or an advantage for any associated person. (“Associated Person” in this context includes spouse (including a de facto spouse), parent, child, sibling or any Partnership, partnership or trust or other entity owned or controlled by the Member or which employs the Member or in which he/she has any other personal interest.)
* A Member should seek to avoid conflicts of interest wherever possible. Full disclosure of any conflict, or potential conflict, must be made to the Board. In considering these issues, account should be taken of the significance of the potential conflict for C&W LEP and the possible consequences if it is not handled properly. Where a conflict does arise, a discussion and/or voting on the matter, whether to be absent for discussion of the matter, whether to arrange that the relevant Board papers are not sent, or in an extreme case whether to resign from the Board.
* Where a Member chooses to be absent from the meeting, consideration should be given as to whether expertise that would be contributed by the Member is otherwise available. In the case of continuing material conflict of interest, a Member should give careful consideration to resigning from the Board.
* The Chair must always be alert to the potential for conflict of interest.

**Use of Information**

* A Member must not make improper use of information acquired by virtue of the Member’s position. This prohibition applies irrespective of whether the Member will gain directly or indirectly a personal advantage or an advantage for any associated person (as defined above), or might cause detriment to C&W LEP.
* Matters such as trade secrets, processes, methods, advertising and promotional programmes, sales and statistics affecting financial results, and matters pertaining to brand and reputation and issues relating to individual Members are particularly sensitive and must not be disclosed.
* Where a Member takes a serious step of resignation on a point of principle, he/she should consider whether the reasons for resignation should be disclosed to Members. In deciding whether or not to make public the reasons for resigning and composing a resignation statement, a Member should have regard to the following:-
* the duty not to disclose confidential information so as to damage C&W LEP in any way

the duty to act bona fide in the interests of C&W LEP and its Members.

**Access to Documentation**

* C&W LEP support team will retain at its principle place of business all papers, documents and other information relating to the affairs of C&W LEP (whether in hard copy or electronic form) to which the Members are legally entitled to have access as a Member of C&W LEP. C&W LEP Executive will retain all such documents for a period of six years.
* C&W LEP support team will promptly allow the Member to inspect and take copies of any papers, documents and other information relating to C&W LEP’s affairs. After the Member ceases to be a Member, the following rules shall apply in relation to the Member’s right of access:
* The right of access continues for six years after the date on which the Member ceases to be a Member of C&W LEP, but only in relation to papers, documents or other information to which the Member was entitled to have access while a Member of C&W LEP.
* The right of access is limited to information that the Member reasonably believes may be relevant to a circumstance, claim or proceeding against the Member in the capacity of Member of C&W LEP.
* C&W LEP support team will provide access without charge to, and copies of any papers, documents or other information reasonably required by the Member.

**4) Role of the Chair of the Cheshire and Warrington Local Enterprise Partnership**

The primary role of the Chair is to secure good governance by ensuring that the board is alert to its obligations. This means ensuring that the board is effective and it gives the leadership required.

He/she will ensure that there is a balanced structure for the board and that it spends sufficient time on each of its key tasks to secure the partnerships success.

The Chair’s roles include:

* Liaising with the members and major stakeholders
* Upholding the highest standards of integrity and probity
* Control the board agenda ensuring the partnership is adhering to its strategic objectives
* Setting the style and tone of board discussions to promote effective decision-making and constructive debate
* By the driver of corporate division, planning the process of change within the partnership including succession planning in board appointments
* Promoting effective relationships and open communication both inside and outside the boardroom
* Ensure effective implementation of the board decisions
* Establish a close relationship of trust with the LEP support team
* Succession planning for the replacement Chair ensuring that there is appropriate training and sufficient overlap and handover to the new Chair.

**5) Early Termination of Board Membership**

Occasionally, a situation arises when it is appropriate to remove a board member from the board. In some cases, a conflict of interest or unethical behaviour may be grounds to remove an individual from the board. In other cases, the behaviour of a board member may become so obstructive that the board is prevented from functioning effectively.

If a board member consistently disrupts meetings, prevents the board from working well or brings it into disrepute, removal may be appropriate.

The following strategies will be used to remove a board member:

**• Personal Intervention**

One-to-one intervention by the board Chair. If a board member fails to behave in accordance with these Terms of Reference, the Chair will meet informally with the board member in question to address the issue(s), including suggesting resignation.

**• Impeachment**

The Board, at its discretion, may remove any member by a two-thirds vote of all members of the Board.

**6) Review**

These terms of reference will be reviewed annually or as and when it is felt appropriate by a majority of the board.