

THAMES VALLEY BERKSHIRE LEP LTD – ASSURANCE FRAMEWORK 4.0

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1. INTRODUCTION

- 1.1 Thames Valley Berkshire LEP (the LEP) is a business-led, public-private partnership entrusted with public funds to drive economic growth in Thames Valley Berkshire (TVB). It has been tasked by government to focus on four key activities:

Strategy: implement a Strategic Economic Plan (SEP) to 2020/21 and develop a Local Industrial Strategy (to 2030) by early 2020.

Co-ordination: bring together partners from the private, public and third sectors to implement strategy.

Allocation of funds: identify and develop investment opportunities, prioritising the award of local growth funding, and monitor and evaluate the impacts of activities to improve productivity across the local economy.

Advocacy: collaborate with a wide-range of local partners to act as an informed and independent voice for TVB.

- 1.2 As a company limited by guarantee (No. 07885051) the LEP has a separate legal personality and can employ staff and enter into contracts. It operates according to Articles of Association (the Articles), which comply with the Companies Act 2006. These are at **Appendix 1**.
- 1.3 As a company that is publicly funded it behaves in accordance with this Assurance Framework, which details the arrangements that ensure public money is being managed effectively. The Seven Principles of Public Life (the Nolan Principles) underpin the Framework.
- 1.4 The Articles and the Assurance Framework therefore jointly determine the behaviour of the LEP, its people and its partners.
- 1.5 This revised Assurance Framework (the Framework) was adopted by the LEP and its nominated Accountable Body, the Royal Borough of Windsor & Maidenhead (RBWM), on **26 March 2019**.
- 1.6 An Assurance Framework for transport schemes was signed off by the Department for Transport (DfT) on 16 November 2017. It is at **Appendix 2** and kept under review as part of the formal relationship between the LEP and the Berkshire Local Transport Body (BLTB).
- 1.7 The LEP has a designated page on its website, which includes this Framework and all relevant policies and processes: <http://www.thamesvalleyberkshire.co.uk/governanceandtransparency>
- 1.8 The LEP's geography offers simplicity, practicability and accountability; there are no boundary overlaps with other LEP areas. It is coterminous with the county boundary of Berkshire, which is administered

through a single tier of six unitary authorities¹, all of whose boundaries sit within that of TVB. It also encompasses eight MP constituencies.

¹ West Berkshire, Reading, Wokingham, Bracknell Forest, Windsor & Maidenhead and Slough

2. STRATEGY AND HIGH-LEVEL OBJECTIVES

2.1 The SEP for TVB sets out the LEP’s strategic priorities for economic growth. The LEP also has responsibility for a European Structural & Investment Funds (ESIF) Strategy; this and the SEP are entirely complementary, with the former providing a key mechanism for the implementation of the latter.

2.2 The overarching priority of the SEP is “to secure better access to talented people and bright ideas, and to use both more effectively”, through six high-level objectives:

PEOPLE

1. Use better those who are already in the workforce
2. Inspire the next generation and build aspirations and ambition
3. Ensure that economic potential is not restricted by labour supply

IDEAS

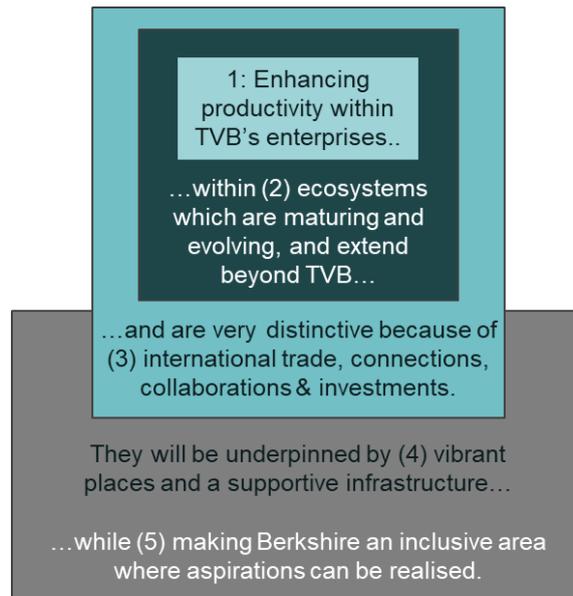
1. Ensure that knowledge is effectively commercialised and grown within Thames Valley Berkshire
2. Strengthen networks and invest in the ‘soft wiring’ to use ideas better
3. Make Thames Valley Berkshire’s towns genuine hubs in the ideas economy



2.3 The SEP and ESIF Strategy are informed through the collation and interpretation of economic intelligence from a wide variety of sources. The inclusion of a dedicated Research Manager (and full-time assistant) within the LEP team highlights the importance that is given to the mantra: “evidence-based interventions”:



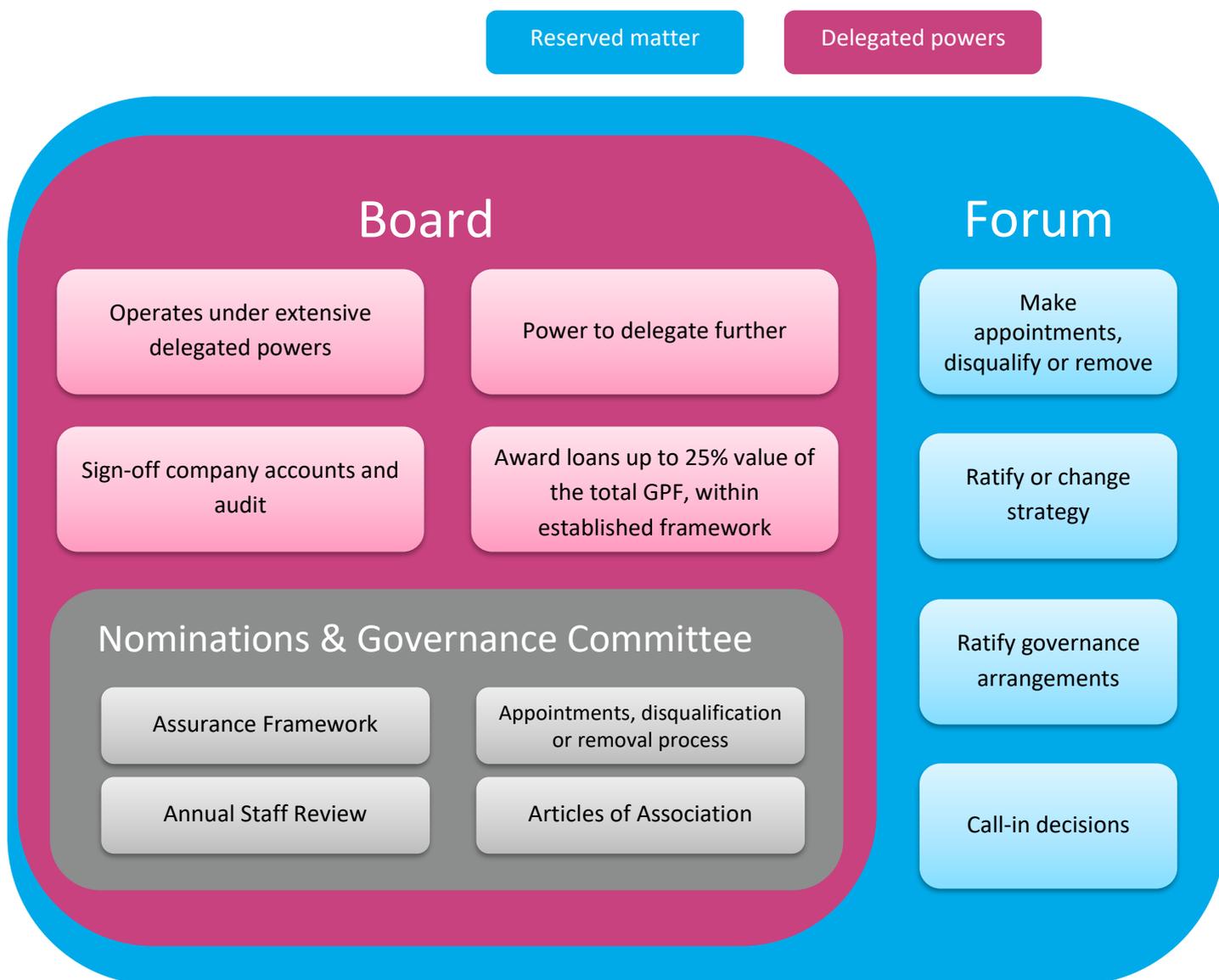
2.4 A framework for a Berkshire Local Industrial Strategy (BLIS) has been agreed, which sets out the five priorities that define the LEP’s high-level objectives from 2020:



2.5 The period 2019 to 2020 is one of transition – **from SEP to BLIS.**

3. CORPORATE STRUCTURE

- 3.1 The Articles provide that the LEP operates through a Forum and a Board. The Forum consists of 11 sector representatives, including those from the six unitary authorities in TVB. The Board consists of 10 Non-Executive Directors (NED) and a paid, full-time Chief Executive Officer (CEO).
- 3.2 This model is cited by the Institute of Directors as the best-known two-tier Board structure, having:
- A supervisory body that oversees the management of the company (the Forum)
 - A management body that manages the company (the Board)
- 3.3 Once a year, the Board and Forum come together as the Full Forum, the LEP’s Sovereign Body. From 2019/20 this will be the LEP’s Annual General Meeting (AGM).
- 3.4 The diagram below summarises those powers that are delegated by the Forum and those that it retains. This means that unless specifically reserved for the Forum, the Board exercises all the powers of the LEP and is its primary decision-making body.



- 3.5 This enables the engagement of Berkshire's six unitary authorities in decision-making on growth priorities, as a representative of the Berkshire Leaders' Group and a representative of the Berkshire Chief Executives' Group are nominated to the Board as NEDs. The councillors who sit as sector representatives on the LEP Forum provide a further layer of local authority scrutiny. Their terms of office are stipulated at Article 4.3, i.e. their nominations are reviewed annually by their respective councils.
- 3.6 This governance model has been in place since the LEP was incorporated in December 2011. In 2016, responsibility for oversight of this Framework was delegated to a Nominations & Governance Committee. This includes a Private Sector NED (a legal professional), a Community Sector NED and the NED from the Berkshire Chief Executives' Group. Its terms of reference are at **Appendix 3**.

4. ROLES AND RESPONSIBILITIES

The Forum

- 4.1 In November 2016 the LEP agreed more time-efficient governance arrangements that provide clearer and more transparent checks and balances: the LEP Forum meets every two months to oversee, ratify, challenge or scrutinize Board decisions. De facto, it acts as a “supervisory body” (see 3.2).
- 4.2 It has the power to call-in decisions if at least four of its members agree to do so once the draft minutes of the monthly Board meetings are shared and published.
- 4.3 The Forum’s sector representatives are responsible for regularly feeding back information about the LEP to the constituencies and stakeholder organisations that either elected or appointed them. As such, the Forum plays a central role in ensuring the accountability of the LEP to its wider constituency. The Forum includes a representative from each of TVB’s six unitary authorities, who can vote on behalf of their authority when making decisions. The LEP’s Articles make this role explicit in defining the “*Local Authority Representatives*” precisely.
- 4.4 This has been a successful model in committing £168m (at March 2019) of public funds to help implement the SEP.

The Board

- 4.5 The Board’s role is to provide entrepreneurial leadership of the LEP within the realms of this Framework, and to assess and manage risk. It is the strategic body responsible for taking decisions on LEP business and programme activity. It meets every month except for August.
- 4.6 The powers delegated by the Forum are vested in the Board as a whole, though in practice, the Board delegates the authority for executive actions to the CEO. This does not, however, negate the Board’s ultimate responsibility for the LEP’s affairs, as the NEDs are required in law to apply skill and care in exercising their duty to the LEP company. The Board monitors what the CEO does and achieves, and reserves certain powers for itself (see 3.4). Its key tasks are summarised thus:
 - i. Develop strategy and structure
 - ii. Focus on the long-term future of the LEP
 - iii. Concentrate on short-term performance
- 4.7 The LEP’s Articles (No. 8) set the number of directors on the Board at “*no less than five and not more than twelve*”. The current membership of 11 directors includes eight from the private sector, over two thirds. This includes the NED nominated by the University of Reading, the NED nominated by the Berkshire FE College Principals’ Group and the LEP CEO².

² As defined by the National Accounts Sector Classification

4.8 Article 10.7 sets out the circumstances for co-option: *“In the event that any sector does not take up its full allocation of NEDs, the directors can from time to time appoint a director from another sector to fill such vacancy. Such appointment shall be for such term as the directors consider appropriate but shall not in any event exceed 12 months.”*

The Chair

4.9 The Chair is a Private Sector NED. S/he ensures that an environment of trust and mutual respect prevails, to encourage openness and constructive debate throughout the LEP. A role description is at **Appendix 4**.

4.10 Article 10.8 provides defined terms for the Chair: *“Such appointment shall...be for a fixed term of three years which can be extended for a further three-year term by notice in writing”*.

The Deputy Chair

4.11 Article 10.9 provides defined terms for the Deputy Chair: *“Every three years the Full Forum shall by simple majority either in a Full Forum Meeting or by written resolution in accordance with Article 7.10, appoint one of the Sector Representatives who is not a representative of the Private Sector to be the Deputy Chair. Such appointment shall rotate every three years between the Local Authorities, the Education Sector and the Community Sector”*.

The Chief Executive Officer (CEO)

4.12 Management is devolved to a CEO, the most senior full-time, paid employee in the LEP (company). S/he is responsible for the performance of the LEP, as dictated by the Board’s overall strategy and direction. The main function of the CEO is to direct and control the work and resources of the LEP so that it achieves its purpose, within the limits of his/her delegated authority.

4.13 The key responsibilities of the CEO are to:

- I. Maintain an ongoing dialogue with the LEP Chair and provide strategic advice and information to the Chair and Board
- II. Lead, recruit and retain well-motivated and trained staff
- III. Oversee the accounts of the company and ensure their approval by the Board
- IV. Prepare, implement and monitor an Annual Delivery Plan to ensure that the LEP achieves its objectives as cost-effectively and efficiently as possible; report progress through the publication of an annual Impact Report
- V. Establish and maintain effective formal and informal links with stakeholders and key decision-makers, to exchange information and views

- VI. Maintain a research function to ensure that the LEP makes evidence-based decisions and achieves *Value for Money* in its interventions
- VII. Prepare and monitor the implementation of the annual budget to ensure that budget targets are met and that fixed costs are minimised
- VIII. Develop and maintain an effective communications strategy to explain and promote the role of the LEP and advocate for Thames Valley Berkshire
- IX. Develop and direct the implementation of policies and procedures to ensure that the LEP complies with all statutory regulations and the National Assurance Framework
- X. Ensure that the standards of behaviour and appropriate processes are owned by the Board, staff and immediate partners.

The NEDs & Sector Representatives

4.14 The NEDs and sector representatives are drawn from the private sector, TVB’s six unitary authorities (at Leader or cabinet member level), the community sector, the higher education and the further education sectors. The local business organisations are founder members of the LEP; the Federation of Small Businesses, the Institute of Directors and the Thames Valley Chamber of Commerce each nominate a sector representative to the Forum. The CBI has opted to act as an observer.

4.15 The NEDs and sector representatives provide leadership of SEP/BLIS programmes. Further details are on the LEP’s website <http://www.thamesvalleyberkshire.co.uk/board-members> and summarised here:

SECTOR	BOARD NED	FORUM SECTOR REPRESENTATIVE
Private Sector Education Sector Community Sector	<ul style="list-style-type: none"> • Chair • Technology Lead • Life Sciences Lead • SME Lead • Business Environment Lead • Governance Lead • Infrastructure Lead • People Lead • HE Lead • FE Lead • Strategic Transport Lead • [Diversity Lead] 	<ul style="list-style-type: none"> • Social Inclusion/Enterprise Lead
Local Authorities	<ul style="list-style-type: none"> • Berkshire Leaders’ Group • Berkshire Chief Executives’ Group 	<ul style="list-style-type: none"> • Reading Borough Council • RBWM (Accountable Body) • Slough Borough Council • Bracknell Forest Council • West Berkshire Council • Wokingham Borough Council
Business Organisations		<ul style="list-style-type: none"> • Thames Valley Chamber of Commerce • Berkshire Institute of Directors • Federation of Small Businesses • Thames Valley CBI (Observer)

- 4.16 A role description for a LEP NED is at **Appendix 5**. They are recruited to a portfolio that is relevant to the BLIS and provide strategic direction on sectors, activities or specific projects.
- 4.17 The role of the sector representatives is limited to matters of strategy, oversight and scrutiny, leaving the Board to direct the business of the LEP and the CEO in charge of day-to-day management.
- 4.18 A role description for a sector representative is at **Appendix 6**.
- 4.19 NEDs and sector representatives are each appointed for a minimum of three years with the option of serving a further three-year term.

The Staff (“the Independent Secretariat”)

- 4.20 The LEP employs a dedicated staff team of 10 FTE (at 26 March 2019), recruited through an open process since July 2012. The staff team manages projects and programmes, and provides impartial advice and support to the NEDs, sector representatives, partners and stakeholders. It occupies a dedicated, autonomous office in a business park within the LEP area: <http://www.thamesvalleyberkshire.co.uk/contact-us>
- 4.21 Funds are earmarked for the external training of staff every year. It is the responsibility of the LEP CEO and Accountable Body (AB) Section 151 Officer to ensure that staff are trained in the compliant spend of funds and understand the governance and control arrangements set out in this Framework.

The Programme Groups

- 4.22 The LEP makes use of programme and scrutiny groups consisting of NEDs and sector representatives as well as other co-opted, selected or nominated individuals; all giving up their time voluntarily. An overview of these groups, including membership and headline terms of reference, is at **Appendix 7**.
- 4.23 The programme group for **infrastructure** is the BLTB. This consists of six elected members (usually the lead member for transport or related portfolio), and six private sector representatives recruited and appointed by the LEP. Their role is to represent the views of users of TVB’s transport infrastructure, both on behalf of the movement of goods and supplies, and the movement of staff and customers.
- 4.24 The BLTB oversees the work of independent assessors that scrutinise transport schemes in accordance with the DfT-approved Assurance Framework. The work of the BLTB is itself informed by the Berkshire Strategic Transport Forum (BSTF).
- 4.25 The BLTB and the BSTF have the same membership, which deploys either as a Joint Committee (JC) (the BLTB) that is open to the public or as the transport policy arm of the LEP (the BSTF). It straddles the strategic, technical and operational (the BSTF has an officer group that includes the six Berkshire transport authority officers, DfT, Highways England, Network Rail, and transport operators) and thus makes a significant contribution to the formation and implementation of the SEP (and its inherent Growth Deal/s). **Where there is a conflict or tension in policy, priority shall always be given – by the LEP – to the strategic, pan-Berkshire or “sub-regional” impact rather than the local.**
- 4.26 The BLTB/BSTF meets every four months and is managed by the LEP in conjunction with Slough Borough Council (SBC), the BLTB Accountable Body. This ensures an appropriate flow of information

between BLTB/BSTF and the LEP, which is strengthened further as the Joint Chair of the BSTF is a Private Sector NED on the Board.

- 4.27 Non-transport infrastructure projects are allocated to programme groups on a case-by-case basis.
- 4.28 The programme group for **people** is the Skills, Education & Employment Group, which is chaired by a NED. It will evolve into a Skills Advisory Panel (SAP) in autumn 2019. The remit and responsibilities of the SAP are at **Appendix 8**.
- 4.29 The programme group for **business environment** is the Business Environment Group, which is chaired by a NED. Its terms of reference are at **Appendix 9**.
- 4.30 The LEP's Funding Escalator – a bespoke, non-traditional fund for high-growth SMEs, worth £11.3m of Growing Places Funds – is managed by an FCA-regulated Fund Manager (<http://www.thefsegroupp.com>), which is overseen by a Scrutiny Group. This is chaired by a Private Sector Representative who has completed two full terms as a LEP NED and is a finance professional. Its terms of reference are at **Appendix 10**.

The Accountable Body and Section 151 Officer

- 4.31 The roles and responsibilities of the (single) AB and Section 151 Officer are set out at Section 7.

Other Decision-Making Bodies:

(TVB City Deal) Elevate Berkshire JC

- 4.32 The Elevate Berkshire JC consists of the six local authority representatives from the LEP Forum and two non-voting co-optees: a NED and the CEO. It oversees all strategic and financial decisions regarding the Elevate Programme, part of the TVB City Deal. Although it operates out with the aegis of the LEP Forum, the JC's membership and its meeting arrangements (at least twice a year immediately after LEP Forum meetings) mean that it operates in a complementary manner. Reading Borough Council acts as the AB for the Elevate Berkshire JC.
- 4.33 Its constitution is at **Appendix 11**.

Superfast Berkshire Project Board

- 4.34 The Superfast Berkshire Project Board is a JC established by the six unitary authorities and the LEP, to oversee the delivery of improved broadband infrastructure across Berkshire, which is the subject of publicly-funded support. It is the de facto programme group for digital infrastructure and its terms of reference are at **Appendix 12**.
- 4.35 It is intended that the current Project Board will metamorphose from a task and finish group to lead on the wider-ranging digital infrastructure provision in TVB as a Digital Infrastructure Group (DIG). The DIG is to be established by the LEP and its terms of reference will be determined by a Digital Blueprint yet to be commissioned.

TVB ESIF Sub-Committee

4.36 As part of the EU Operational Programme, an autonomous TVB ESIF Sub Committee was established in 2014, based initially on the membership of the LEP Forum. Its terms of reference, set by government, are at **Appendix 13**.

5. DECISION-MAKING

Processes

- 5.1 The corporate structure of the LEP and the roles and responsibilities set out above enable a clear process for decision-making - by the correct person or group. In approving this Framework, the Board commits to making decisions on merit, having taken account of all relevant evidence available at the time of the decision.
- 5.2 This information is provided in line with the public commitment made on the LEP website, i.e. to publish Forum, Board and Programme Group papers within the following timelines:
- i. Agendas and papers - 5 clear working days before the meeting takes place
 - ii. Draft minutes - within 10 clear working days of the meeting taking place
 - iii. Final minutes - within 10 clear working days of being approved.
- 5.3 Government officials attend decision-making meetings, as follows:
- Cities & Local Growth Unit Area Lead - Board and Forum
 - DfT Area Lead – BLTB
 - DIT Head of Region – Business Environment Group
 - DWP Senior Partnership & Employer Manager - Skills, Education & Employment Strategy Group
 - BDUK Director – Superfast Berkshire Project Board
- 5.4 The arrangements for this and for recording LEP decisions are the responsibility of the CEO. S/he will ensure that the papers include, where relevant/appropriate, the following:
- i. any application made for funding
 - ii. any appraisal of the application
 - iii. a view by a legal expert
 - iv. a recommendation as to whether to fund the proposal
 - v. a recommendation on any conditions that should be attached to a decision.
- 5.5 The quorum for decision-making is set out in the Articles (7, 9, 12 and 13) and the procedures for written resolutions - in the absence of calling a meeting - are set out in Articles 7.10 and 7.11 and expanded on at 12.
- 5.6 The matters reserved for the LEP Forum are limited to:
- i. Making appointments
 - ii. Ratifying governance arrangements
 - iii. Ratifying or changing strategy

iv. Calling-in decisions

- 5.7 The remaining decisions are made by the Board (unless they are management decisions, in which case they are devolved to the CEO) and will be informed by staff, the Nominations & Governance Committee and/or a programme group, through the following process:
- i. staff (provide impartial, evidence-based advice to inform decision throughout the process) →
 - ii. committee/programme group (recommends decision) →
 - iii. Board (makes decision) →
 - iv. Forum (scrutinises, seeks amendments and/or ratifies decision if a reserved matter).
- 5.8 In the case of decisions on the investment of public funds, there are other steps in the process. The main funding streams are summarised at **Appendix 14**, the most significant being Local Growth Funds (LGF). The initial, key decisions on the investment of LGF are made during the growth deal process with government, i.e. the LEP commits to spend LGF on projects set out in the SEP implementation plan. This power is reserved for the Forum but otherwise follows the process at 5.4.
- 5.9 In the case of transport infrastructure, the BLTB has been designated as the competent body to prioritise, invest in and oversee transport capital schemes on behalf of the LEP. DfT retains responsibility for the approval process of schemes in excess of £20m LGF. The BLTB Assurance Framework at **Appendix 2** sets out the process after LGF is secured, in its 'How We Work' appendix. The LEP will accept any BLTB recommendation or refer them back but will not substitute its own recommendations. All papers relating to BLTB meetings are published on the SBC website at <http://www.slough.gov.uk/moderngov/mgCommitteeDetails.aspx?ID=601>
- 5.10 The decision-making processes for other LGF-investments and funding streams, except ESIF, are set out below.

LGF investment in skills capital projects and other non-transport projects

- 5.11 The decision-making process is:
- i. staff (provide impartial, evidence-based advice to inform decision throughout the process, including Due Diligence) →
 - ii. programme group (shortlists for independent assessment (IA)) →
 - iii. programme group (recommends decision based on outcome of IA) →
 - iv. Board (makes decision) →
 - v. Forum (scrutinises/calls-in decision).
- 5.12 A Skills Capital Prospectus is made available on the LEP website when appropriate, at <http://www.thamesvalleyberkshire.co.uk/skills-and-employment>

Retained Business Rates

5.13 The six unitary authorities in TVB combined to act as a government pilot for the local retention of business rates (BRRP) growth in 2018/19 (100% retention) and 2019/20 (75% retention). The decision-making process for the investment of BRRP funds was agreed by the Berkshire Leaders, Chief Executives, the LEP and the BLTB in March 2018; it follows that of the BLTB and is summarised at **Appendix 15**.

Growing Places Funds

5.14 The decision-making process for the investment of Growing Places Funds (GPF) is set out at **Appendix 16**. The Forum reserves the power to award loans of 25% or above the value of the total GPF, i.e. £3,762,045 or more.

Growth Hub Funding

5.15 The decision-making process is:

- i. staff (provide impartial, evidence-based advice to inform decision throughout the process)
- ii. programme group (recommends decision based on BEIS Growth Hub Principles of Funding)
- iii. Board (makes decision)
- iv. Forum (scrutinises/calls-in decision).

Careers & Enterprise Company Funding

5.16 The decision-making process is:

- i. staff (provide impartial, evidence-based advice to inform decision throughout the process) →
- ii. programme group (recommends decision based on Skills Priority Statement) →
- iii. Board (makes decision) →
- iv. Forum (scrutinises/calls-in decision).

Transparent decision-making

5.17 The LEP is entrusted with significant public funds and responsibilities to achieve its objectives. It is therefore committed to sharing and publishing information and will endeavour to apply standards of transparency over decisions it makes on public funding, consistent with this role but within the confines of commercial confidentiality.

5.18 The LEP has a procurement policy:

- i. to be clear about what we want to purchase;
- ii. to buy at a fair and competitive price;
- iii. to buy transparently;
- iv. where there is a choice, with all else being equal, to buy from local suppliers;
- v. to use quick, effective and efficient procurement processes.

5.19 Where circumstances dictate a deviation from the processes set out above, it is the responsibility of the CEO to ensure that decisions on investments above £50,000 are made by the Board. Any such decision will be deemed invalid unless the Board has given prior approval for variation in the decision-making process.

Local Engagement

5.20 The very essence of being a successful LEP is to be found in the manner that relationships are developed and fostered between the many stakeholder organisations that have a role to play in economic growth. The LEP cannot function without committing significant time and energy to stakeholder engagement. This comes in many forms, but the more structured approach is to be found in events such as the annual Skills Summit and the annual meeting of the Berkshire Enterprise Advisor Network.

5.21 Its programme groups comprise of NEDs and sector representatives as well as other co-opted, selected or nominated individuals from all sectors; this ensures local engagement to inform the decision-making process.

5.22 The LEP CEO liaises regularly with the eight constituency MPs in TVB and provides written updates to them when appropriate.

5.23 The relationship with TVB's six unitary authorities has matured to such an extent that liaison now extends to formal engagement via the:

- The Berkshire Leaders' Group
- The West of Berkshire Strategic Planning Group
- The Berkshire Members Strategic Planning Group
- The Superfast Berkshire Project Board
- The Joint Committees for transport (BLTB) and the City Deal (Elevate Berkshire), which are open to the public
- The TVB ESIF Sub-Committee
- The Smart City Cluster Steering Group
- The Berkshire Chief Executives' Group
- The Berkshire Economic Development Officers' Group

5.24 The LEP publishes an Annual Delivery Plan that reports against government key performance indicators (KPI) and tracks progress against key milestones and targets in implementing the SEP (and in future the BLIS).

5.25 It also publishes an annual Impact Report to provide a comprehensive update on progress against the Annual Delivery Plan, thus ensuring there is feedback to the public about strategy development and progress on delivery.

5.26 It has also developed a suite of e-books, which are regularly updated to show progress against investment decisions, <http://www.thamesvalleyberkshire.co.uk/investing-in-growth>.

- 5.27 The LEP holds an AGM, which is open to the public.
- 5.28 The LEP's website is content driven. It is regularly upgraded and enhanced, to ensure that it does not become too dense and thus unwieldy for those wishing to access information.
- 5.29 The LEP has a Communications Strategy, which includes local engagement through public relations, marketing and social media. It works closely with the Government Communication Service's (GCS) Local Campaigns Team and with Cabinet Office Communications to disseminate national-to-local storytelling, using the principles developed by the GCS to evidence effective local engagement, i.e.:
- inputs (what we put in, our planning and content creation)
 - outputs (what is produced, such as audience reach)
 - outtakes (stakeholder experiences)
 - outcomes (stakeholder behaviour, impact of communication, achievements).

6. SCRUTINY

- 6.1 The membership of the Forum is at 4.15. Through the inclusion of a senior councillor from each of TVB's six unitary authorities, it functions as a joint 'Local Authority Scrutiny Committee', which meets every two months to scrutinise and examine LEP decisions and processes. The inclusion of the four main business organisations and a community sector representative means that scrutiny is by the public, community *and* private sector.
- 6.2 The Forum has the power to call-in decisions if at least four members of the Forum agree to do so once the draft minutes of the monthly Board meetings are shared and published. See **Appendix 17**.
- 6.3 A standing item of business for the Forum is to consider a 'programme and activity update'. This is not an exhaustive list of LEP activities but highlights the key outputs and decisions made by the Board through its delegated powers, thus enabling the Forum to fulfil its scrutiny function.
- 6.4 A private sector representative is retained in a scrutiny role to oversee the LEP's SME Funding Escalator by chairing a small Scrutiny Group comprising the Section 151 Officer, Enterprise Manager and staff from the FCA-regulated fund manager (<http://www.thefsegroup.com/>).

7. ACCOUNTABLE BODY AND S.151 OFFICER

- 7.1 The RBWM is the Accountable Body (AB) in the case of all public funds allocated to the LEP. Its role is to oversee the ongoing proper administration of the LEP's financial affairs.
- 7.2 The AB nominates its Section 151 Officer (S.151 Officer) to work with the LEP. It has a scheme of delegation but recognises that the S.151 Officer is accountable for ensuring the LEP meets the five Chartered Institute of Public Finance & Accountancy (CIPFA) principles of good and proportionate financial governance. In this regard, the S.151 Officer:
- i. occupies a quasi-corporate position in the LEP and in assuring its compliance with this Framework;
 - ii. is formally mandated by the LEP to fulfil this role;
 - iii. is committed to embedding good governance in LEP decision making;
 - iv. plays an active role in ensuring the effective and regular review of LEP governance; and
 - v. being a CIPFA-qualified accountant and Head of Finance at the AB, has the necessary skills and appropriate resources to fulfil this role.
- 7.3 These five principles shape the arrangements with and relationships between the AB, S.151 Officer and the LEP, as set out below:

Compliance with this Framework

- 7.4 To ensure that the S.151 Officer understands where public funds are being invested and for what purpose, there is a close working relationship between the S.151 Officer and the LEP Programmes Manager. This includes regular communication on the transfers of money, future events, claims, transfers and audits.
- 7.5 The Board is responsible for addressing any concerns about the LEP's financial administration and acting on any recommendations of the S.151 Officer. In the case of a dispute, the matter will be escalated to the Berkshire Leaders' Group via the Chief Executives' Group and ultimately to the Cities & Local Growth Unit (CLGU).
- 7.6 By 28 February each year, the S.151 Officer writes to the Ministry of Housing, Communities & Local Government (MHCLG) Accounting Officer (at localgrowthassurance@communities.gov.uk) to confirm s/he is content with the financial affairs and administration of the LEP and that this Framework is compliant with the minimum standards outlined in the National Assurance Framework (2019).
- 7.7 Each year the S.151 Officer will provide a report – the Assurance Statement – on his/her work for the LEP over the last twelve months and any opinion on any issues of governance and transparency. This will be considered at the LEP's Annual Performance Review meeting.
- 7.8 As stated at 4.21, it is the responsibility of the CEO and S.151 Officer to ensure that LEP staff are trained in the compliant spend of funds and understand the control arrangements set out in this Framework.

S.151 Officer mandate

- 7.9 The S.151 Officer is entitled to attend any meeting of the LEP Forum, Board or programme group, to ensure the proper administration of financial affairs in the LEP.
- 7.10 As a minimum, s/he attends meetings of the Board on a quarterly basis, the Nominations & Governance Committee as appropriate and all meetings of the Funding Escalator Scrutiny Group and BLTB.
- 7.11 The LEP recognises that treasury management and borrowing is the role of the AB.

Commitment to good governance in LEP decision-making

- 7.12 The S.151 Officer ensures that the LEP has correct and established financial processes to enable decisions before and during the decision-making process. On receipt of the papers for any LEP meeting, s/he has the right to add an opinion on financial implications and risk. The Board's course of action in response must be recorded in the appropriate minutes.
- 7.13 S/he recommends improvements to the Board, who are responsible for acting on them; progress in remedial action remains a standing agenda item until the matter has been signed-off jointly by the Board and S.151 Officer. Where this is not the case, the matter will be referred to the Berkshire Leaders' Group via the Chief Executives' Group and then to the CLGU and MHCLG if necessary.
- 7.14 The S.151 Officer ensures that this Framework is being adhered to.
- 7.15 The LEP sets out any budget risks in its Annual Delivery Plan and shares its risk register with the S.151 Officer throughout the year.
- 7.16 The S.151 Officer can comment on the adequacy of the Annual Delivery Plan and is content with the scrutiny arrangements set out at Section 6.
- 7.17 If there is any conflict of interest (or perceived conflict) in the role of the S.151 Officer, then impartial advice on a course of action will be taken by the LEP CEO.

Regular review of governance

- 7.18 The AB holds the devolved funding and accounts for it such that it is separately identifiable from its own funds. It ensures that an official record of LEP proceedings is maintained and that all LEP funding documents are accessible. It will provide financial statements/annual accounts to the LEP as requested/necessary, publishing them on the RBWM website. This is linked to the LEP website.
- 7.19 In addition to the arrangements for the general safekeeping of the devolved funds, the LEP and S.151 Officer will agree and keep under review a risk-based audit plan agreed for the year, based on the information provided in the Annual Delivery Plan.
- 7.20 The S.151 Officer ensures that an internal (to the AB) audit of LEP funds is conducted annually. The outcome is published on the AB website and a link to this is on the LEP website. Reports generated will be shared with the Board and CLGU. This will be funded through the LEP's annual management fee to the AB (agreed in December 2014).

Skills and resources

- 7.21 The AB and LEP co-operate to provide the appropriate support for the S.151 Officer throughout the year.
- 7.22 The AB makes payments to delivery bodies in accordance with an agreed trigger process and according to timescales agreed locally between the LEP Programmes Manager and AB S.151 Officer, thus ensuring that investment decisions by the LEP are implemented in a timely fashion. In the case of LGF for transport this will usually be by the end of Q4 and on the receipt of a satisfactory Certificate of Work Completed and invoice in accordance with a Capital Grant Letter.
- 7.23 For non-transport projects this is according to a Schedule of Payment agreed in advance and specified in the Capital Grant Letter, and on receipt of a satisfactory Certificate of Work Completed and invoice. For the Business Growth Hub (BGH), this is according to the Grant Offer Letter issued by the Department for Business, Energy & Industrial Strategy (BEIS).
- 7.24 In the circumstances when the AB is the delivery body, sign-off will be sought from the Berkshire Chief Executives' Group NED.
- 7.25 The Capital Grant Letters to delivery partners (an example template is at **Appendix 18**), or Services Agreement in the case of the BGH, set out the LEP and AB agreed timescales and operating practices to support the effective implementation of decisions, including:
- monitoring arrangements;
 - information required from delivery partners;
 - arrangements for protection of public funds including those in the event of non-delivery or mismanagement.
- 7.26 The Capital Grant Letters and Services Agreements also set out the compliance responsibilities for the latest Her Majesty's Government (HMG) branding guidelines. These are available on the LEP website and are a standing item of business at the bi-monthly meetings of the BSTF (Officers' Group).
- 7.27 For revenue payments the same process is followed.

8. AWARDING AND MANAGEMENT OF PUBLIC FUNDS

- 8.1 The LEP is responsible for identifying and developing investment opportunities to prioritise the award of local growth funding (and other public funds such as the UK Shared Prosperity Fund); and monitoring and evaluating the impacts of its activities to improve productivity across the local economy.
- 8.2 A high-level process is followed for all investment opportunities, refined as appropriate for each programme: a successful project will pass through formal gateways (underlined) at the stages listed below, and achieve a different status (underlined) along the journey:
- Call for bids/prospectus released with evaluation criteria specified
 - Initial LEP review of bids and creation of draft ranked long list
 - Formal review of bids by programme group: Programme Entry Status
 - Full business case developed by project delivery partner and independently assessed
 - Formal review of independent assessment by programme group: Financial approval
 - Capital Grant Letter or GPF contract issued: outlines full costs, project milestones, outputs and monitoring and evaluation expectations
 - Where relevant, site permissions are obtained. Work starts. Status becomes: On site / Live
 - Complete – Physical or total completion.

This is summarised in diagrammatic form at **Appendix 19**.

- 8.3 Unless an application is rejected, any projects that do not progress to the next gateway will remain in the pipeline of investment opportunities (the pipeline) for future consideration.

Calls for bids and developing a pipeline of projects

- 8.4 Staff leads are responsible for developing and maintaining a high-quality pipeline of projects. This ensures that the LEP can bring forward new projects should it become apparent that any project is at risk and funding needs to be reallocated or new funding becomes available.
- 8.5 Where new funding has been identified, a process will be agreed with the programme group and the Board to either refer to the current pipeline or to release a new prospectus. Any prospectus will include details of the selection criteria and process and will be advertised on the LEP website (and for transport projects on SBC's BLTB web page). Applicants will be invited to develop an initial expression of interest or bid against the criteria specified.
- 8.6 A long list of schemes will be generated from the expressions of interest and subjected to a simple, internal assessment. This is the responsibility of the CEO but led by the relevant staff lead with support from the Programmes Manager. The methodology for prioritisation will be as follows:
- i. *Strategic impact* – a clearly evidenced rationale for the intervention and how it contributes to the SEP (or BLIS), with defined inputs, activities, outputs and anticipated outcomes: “evidence-based interventions”

- ii. *Value for money* – a judgement to ensure the benefits exceed the costs of intervention and that activities, e.g. the Business Growth Hub, ensure a connection to national expertise
- iii. *Deliverability* - and risks have been appropriately considered.

8.7 The long list will be presented to the programme group for approval. Projects that meet the criteria, including affordability, will then be invited to develop a full business case (FBC). The delivery partner will bear the cost of developing this. This will normally lead to Programme Entry status and funding will be allocated to that project; funding approval is considered at the next stage.

Evaluation of FBC and ensuring value for money

8.8 The arrangements set out in this section of the Framework are designed to ensure a clear separation between delivery partners and decision makers, so that the LEP can remain impartial on the merits of (potentially competing) business cases.

8.9 Independent assessors will be used to review the FBC and ensure value for money (VfM), on behalf of the LEP. After two separate, competitive procurement processes, the LEP has appointed [Hatch Regeneris](#) to provide the independent assessment service for its skills (December 2016) and transport projects (March 2018).

8.10 When developing a FBC, applicants are required to outline a clear rationale for intervention and submit the following:

- *Options Appraisal Report* – demonstrating the range of solutions that have been considered and how the preferred options were selected;
- *Full Business Case* – covering the five ‘cases’ (Strategic, Economic, Financial, Commercial, Management).

8.11 The due diligence carried out by the independent assessor includes a rigorous review and analysis of the evidence provided, whilst considering the strategic priorities of the LEP. In all cases, the assessment will be based on HM Treasury Green Book and includes a review of whether the FBC addresses the five ‘cases’ mentioned above. The independent assessment reports include either a Benefit Cost Ratio or Net Present Social Value measurement to summarise VfM.

8.12 In the case of transport projects, the BLTB will oversee this process in accordance with its Assurance Framework. Applicants will also be required to submit an Appraisal Specification Report – setting out how the applicant intends to conduct its appraisal, including any modelling or analytical tools, and key input parameters and assumptions, in line with DfT WebTAG requirements. A ‘proportionate appraisal’ will be carried out for schemes with a value under £5m.

8.13 In 2014 the LEP adopted a methodology for the assessment and prioritisation of skills capital projects based on the advice of the Skills Funding Agency (SFA). This was revised in May 2016 on conclusion of the Thames Valley Post-16 Training & Education Area Review and withdrawal of the independent assessment service of the SFA. However, the LEP continues to base its processes on SFA good practice, advice and guidance, where appropriate and tailored to local circumstances.

- 8.14 Where a scheme can demonstrate **high** VfM, i.e. 2 or over, a report to this effect will be prepared for the programme group, recommending approval. Where the scheme is being promoted by the AB, this report must be signed off by the Berkshire Chief Executives' Group NED.
- 8.15 Approved schemes will be subject to further due diligence, where appropriate, and formal agreement about the provision of robust, timely, full and verified information via a regular monitoring report consistent with the LEP's Monitoring & Evaluation Plan.

Management of programmes against funding streams

- 8.16 Once a FBC has been assessed independently and the Board (or BLTB) has approved funding, a Capital Grant Letter will be issued. The project then has Financial Approval status.
- 8.17 The Programmes Manager is responsible for overseeing the LEP's project management framework, ensuring a consistent approach within programmes where possible. Delivery partners are responsible for submitting at least quarterly reports to the Programmes Manager, which will be reviewed with the relevant LEP staff lead. Reports provide an overview of activity, including an update on outputs, spend, milestones and an assessment of current risks.
- 8.18 Once work has commenced, the status changes to On Site. For LGF-funded projects this is the trigger for inclusion in the monthly Board report and the quarterly LGF dashboard. These include an update on progress, outputs and spend, and an overall RAG-rating for the project. In addition, updates are provided for any project with Programme Entry status, which is at risk.
- 8.19 Programme groups receive at least quarterly reports for all projects with Financial Approval status and, where practical, the Staff Lead and Programmes Manager conduct site visits for LEP-funded projects.

Monitoring delivery of outputs

- 8.20 Once a project is On Site or Live, the delivery partner, supported by the Staff Lead and Programmes Manager, is responsible for the ongoing assurance of the project. This includes tracking financial outturn and expenditure and monitoring the outputs against those in the original FBC.
- 8.21 Additional monitoring data is collected on transport projects that receive more than £5m of LGF.
- 8.22 The Research and Programmes Managers work to aggregate project level data to monitor progress towards top-level targets set out in the SEP (e.g. jobs created, houses built, etc). These are published in the Annual Delivery Plan and Impact Report. For consistency, outputs are defined according to the LGF Data Reporting Guidance.

Other local growth-funded services

- 8.23 The LEP receives core funding from BEIS for the Berkshire Business Growth Hub (BGH). This is invested in a contract with an external provider, in line with the BEIS 'principles of funding' set out in the BEIS Grant Offer letter (see 7.23). Quarterly reports and financial claims to BEIS are submitted via the AB.
- 8.24 The BGH is part-funded with ESIF (in this instance European Regional Development Funds (ERDF)) and therefore also complies with a grant funding agreement issued by MHCLG, the ERDF Managing

Authority. All BGH activities are required to comply with the detailed ESIF guidance provided by MHCLG and claims and reports on project outputs are therefore submitted to MHCLG on a quarterly basis, to ensure compliance. The BGH is also subject to spot checks and project audits by MHCLG, on all aspects of activity.

- 8.25 BEIS funds are used (2018/19 and 2019/20) to fund additional support to scale-up businesses through the ScaleUp Berkshire Programme, delivered by the BGH. This is managed separately from ERDF and distinct KPIs have been established for the Programme. The LEP therefore has two separate Services Agreement with the BGH operator: i. for the delivery of ERDF-funded core Growth Hub services and ii. for the delivery of the ScaleUp Berkshire Programme.
- 8.26 The LEP receives core funding from the Careers & Enterprise Company (Department for Education) for an Enterprise Advisor Network in TVB. This is managed in accordance with the Combined Grant Offer Pack 2018-2020. Quarterly reports and financial claims are submitted via the AB.

Evaluation of specific projects and programmes

- 8.27 The LEP's Monitoring and Evaluation (M&E) Plan (March 2015) is at **Appendix 20**. It sets out a framework for monitoring and evaluating the impact of Growth Deal projects. It is intended to generate evidence to assess progress towards delivering the SEP at both the programme and project level. The development of the Plan was informed by HMG guidance and toolkits produced by the *What Works Centre for Local Economic Growth*.
- 8.28 At programme level, the plan sets out high-level logic chains and a series of research questions.
- 8.29 At project level, evaluation objectives relate back to the business case and build on the assumptions outlined in the business case.
- 8.30 Whilst all projects are monitored, the LEP has insufficient resource to evaluate in depth every project in which it has invested. It follows therefore that evaluation must be prioritised; the criteria for this are set out on page 13 of the M&E Plan. Using these criteria, a small number of projects have been selected for more rigorous evaluation using independent evaluators. This includes the BGH, which is monitored and evaluated annually in line with BEIS guidelines.
- 8.31 For each project chosen for independent evaluation, the M&E Plan sets out: an intervention logic (with objectives, inputs, outputs, outcomes, and impacts); a suite of monitoring metrics required for evaluation; appropriate evaluation methodologies; a first-cut assessment of costs; and outline dissemination plans. The projects selected for independent evaluation are subject to change, e.g. if a project does not come to fruition, another is chosen for independent evaluation instead.
- 8.32 Since the M&E Plan was published, further work has been undertaken to develop plans for evaluating non-Growth Deal projects, for example, a common approach to evaluating skills projects funded through the European Social Fund has been developed to enable the LEP to identify cross-cutting issues. Further details can be found in **Appendix 21**.

9. RISK

- 9.1 The Programmes Manager is responsible for all programme management and the oversight of compliance activities. S/he acts as a central focus for staff on live projects and services, and prepares monthly reports and quarterly LGF dashboards. These are scrutinised by the NEDs and the S.151 Officer so that risk is managed appropriately.
- 9.2 The process for managing risks is through the RAG-rating of projects and services, in line with government LGF guidance. This includes an assessment of delivery, finances and reputation, which are each scored separately to create the overall RAG-rating for the project. The ratings are reviewed at least quarterly by a programme group:
- Draft RAG-rating proposed by delivery partners →
 - Draft RAG-rating is reviewed by Programmes Manager and agreed with Staff Lead →
 - RAG-rating is presented to the programme group and/or Board as appropriate.
- 9.3 The RAG-rating of LGF projects, which are On Site, are included in the quarterly LGF dashboard submitted to the government by the Board and Section 151 Officer.
- 9.4 The Capital Grant Letter outlines the process to be followed if a project becomes delayed or if it becomes apparent that a project cannot be delivered within the funding requirements (“consequences of Delay or Failure”).
- 9.5 If a project has had the Consequence of Failure clause invoked, the status will change to Withdrawn.
- 9.6 Funding allocated to any Withdrawn project will be reallocated to a new project. The pipeline will be reviewed and if appropriate, funding re-allocated to the next project(s) in the pipeline, once due diligence checks have been made to ensure that the project is still viable. If the pipeline does not hold any suitable projects, a new prospectus will be released.
- 9.7 As set out at 8.26, the LEP receives core funding from the Careers & Enterprise Company for an Enterprise Advisor Network (EAN) in TVB. The EAN is managed by the LEP’s Careers & Enterprise Co-ordinators (EC) and comprises volunteer Enterprise Advisors (EA).
- 9.8 ECs and EAs work in schools and colleges; they therefore undergo Disclosure and Barring Service (DBS) checks before operating as part of the EAN. These ‘*Enhanced DBS with Children Barred List*’ checks are conducted on behalf of the LEP by the Careers & Enterprise Company’s chosen supplier, Experian.

10. PUBLICATION OF FINANCIAL INFORMATION

10.1 As stated at 5.24 and 5.25, the LEP publishes an Annual Delivery Plan and an annual Impact Report. These include:

- i. The total amount of funds within the LEP's direction or control at the start and end of the financial year;
- ii. The total amounts committed by the LEP to external organisations through grants and risk finance (loans and equity);
- iii. The total amounts committed to suppliers to purchase goods, works or services; and
- iv. The total amounts incurred in running the LEP (for example salary costs, lease payments and expenses).

10.2 The LEP files its accounts annually with Companies House. These are published on the LEP's website and a link to the Companies House website provided. The accounts are included in the annual Impact Report, which is promoted through social media channels and available on the LEP website.

11. RECORD KEEPING

- 11.1 The arrangements for recording LEP decisions are the responsibility of the CEO. S/he ensures that decisions made take account of relevant information, legal requirements and are in line with this Framework and any relevant funding conditions.
- 11.2 S/he is supported by the Programmes Manager and Office Manager, who keep a record to demonstrate the LEP meets all its legal obligations and compliance requirements.
- 11.3 All documentation is filed in the LEP's secure cloud storage service or in the LEP offices and maintained for six years to align with the LEP's data arrangements; and for auditing purposes.
- 11.4 The LEP makes a public commitment on its website to publish Forum, Board and Programme Group papers within the following timelines:
- i. Draft minutes - within 10 clear working days of the meeting taking place
 - ii. Final minutes - within 10 clear working days of being approved.
- 11.5 Minutes are exemplary in their clarity; they record fact and decision with some context. They do not record discussion.
- 11.6 To enable the government to monitor the LEP's compliance with the National Assurance Framework, the LEP commits to answer promptly, any questions that arise during monitoring.

12. RECRUITMENT, APPOINTMENT, INDUCTION & SUCCESSION PLANNING

Recruitment

- 12.1 The LEP is committed to a fair, legal and ethical recruitment process, which gives due regard to the active promotion of diversity and inclusion in the workplace.
- 12.2 Its private sector and community sector NEDs and sector representatives are selected through an open, transparent and non-discriminatory recruitment process, which assesses each candidate on merit.
- 12.3 Vacancies are advertised widely to ensure the strongest possible field of candidates and that there is fair and open competition. As a minimum this means through the LEP website and its social media channels. Vacancies are also promoted through a range of other channels (including LinkedIn Recruiter) using a targeted approach to identify potential candidates, where they are located and how best to reach them. An active pool is also maintained through the cultivation of long-term relationships with prospective candidates.
- 12.4 The remaining NEDs and sector representatives are nominated by their respective sectors and the arrangements for this are set out in the LEP's Articles.
- 12.5 All those recruited are selected because of their experience, competencies and skill set.
- 12.6 In the case of the LEP Chair, the process to consult the business community before appointment is overseen by the Nominations & Governance Committee and led by the LEP's HR Advisor. This includes the Thames Valley Confederation of British Industry (CBI), Thames Valley Chamber of Commerce, Institute of Directors (IoD) Berkshire and Thames Valley Federation of Small Businesses (FSB); all of whom are founder members of the LEP and members of the LEP Forum. This is augmented to include key business networks in Thames Valley Berkshire, e.g. Biz Utd, Thames Valley Property Forum, Thames Valley First, etc. The final advertisement and process is shared with the CLGU to add to the Centre for Public Appointments' website.

Appointment process

- 12.7 As stated at 3.4 and 5.6, the appointment of NEDs, sector representatives (and the CEO) is reserved for the Forum. This will usually follow a recommendation from an interview panel, which will have been considered by the Nominations & Governance Committee or LEP Board.
- 12.8 In the case of the BSTF (see 4.26), its private sector Joint Chair is elected by the BSTF and, subject to ratification by the Forum, appointed to the Board as the Strategic Transport Lead NED.

Induction

- 12.9 The CEO conducts a formal induction briefing for all new NEDs, sector representatives (and staff). This is augmented with a briefing by the Office Manager & Data Controller, and by the appropriate staff lead when necessary.
- 12.10 The process of induction includes a shadow (familiarisation) period for a minimum of:

- x1 meeting for NEDs
- x1 meeting for sector representatives
- x1 meeting for BLTB private sector members
- x1 Board and x1 Forum meetings for the LEP Chair Designate

All dependent on experience and availability.

Succession planning

12.11 The succession of NEDs and sector representatives is driven by the clear terms of office that the LEP's Articles provide. This creates churn, which drives continuous improvement: every new appointment demands more succinct induction briefing; every briefing prompts new questions and deepens the LEP's corporate memory; every new member of the 'LEP family' brings a fresh perspective.

12.12 The responsibility for succession planning is set out in the terms of reference for the Nominations and Governance Committee:

- i. review the structure, size and composition (including the skills, knowledge, experience, aptitude and diversity) of the Board as required and in conjunction with any work on the effectiveness of the Board, led by the LEP Chair;
- ii. give full consideration to succession planning for members of the Board and Forum in the course of its work, taking into account the challenges and opportunities facing the company, and the skills and expertise needed on the Board and Forum in the future;
- iii. be responsible for identifying and nominating for the approval of the Forum, candidates to fill vacancies on the Board and Forum as and when they arise;
- iv. provide any direction necessary on the process of making appointments to the Board and Forum, specifically regarding the balance of skills, knowledge, experience and diversity; the approach to advertising or searching for candidates from a wide range of backgrounds;

12.13 In addition, the Committee is responsible for making recommendations to the Board concerning succession plans for the key roles of Chair and Deputy Chair.

Remuneration & Expenses

12.14 NEDs and sector representatives are all volunteers and receive no remuneration.

12.15 The LEP does not pay expenses to NEDs or sector representatives for attendance at routine, scheduled meetings; expenses will only be paid in exceptional circumstances where agreed in advance with the Chair or, in the case of the Chair, with the Nominations and Governance Committee.

12.16 In the case of the **Community Sector** and in the interest of equality and/or diversity, the LEP will, on a case-by-case basis, consider reimbursement for individuals whose organisations are unable to fund expenses, or those without an organisation. To ensure there is no inadvertent discrimination, the policy must be made clear in the recruitment advertisement so that candidates can present a case for

reimbursement of travel expenses at this stage, i.e. ahead of any appointment. This will not have any bearing on the decision to appoint or not.

12.17 The determination of individual cases is delegated to the Nominations & Governance Committee.

12.18 The policy is here: <http://www.thamesvalleyberkshire.co.uk/expenses-policy.htm>

13. CODE OF CONDUCT POLICY AND HOW CONFLICTS ARE MANAGED

- 13.1 All NEDs, sector representatives and co-optees sign a **Code of Conduct** before commencing their post. These reflect the Seven (Nolan) Principles of Public Life and are published on the LEP's website. In the case of LEP staff it is a condition of employment that they sign and adhere to the Code. The Code is at **Appendix 22**.
- 13.2 The LEP recognises that on occasion there may be conflicts of interest. The arrangements for this are set out in the Articles (Article 13) and a Register of Individual Interests maintained centrally, published on the LEP's website and updated every six months. This follows the template proforma provided in the National Assurance Framework.
- 13.3 Individual topics are identified at the beginning of all decision-making meetings and addressed accordingly, through the following standing agenda item:
- "All director/sector representatives must declare, and take relevant action, if they believe they have a pecuniary or other interest on a matter to be considered at the meeting in accordance with the Code of Conduct of the LEP. The Chair will invite any director/sector representative, representing a local authority seeking financial approval for a scheme to declare that interest."*
- 13.4 The conflicts policy is at **Appendix 23**. It includes a summary of the steps to be taken in registering and declaring interests.

14. DIVERSITY

- 14.1 To sustain at least an equal representation of men and women on the Board, the LEP works with those sectors that make nominations, i.e. the local authority, education and business organisation sectors, so that they are cognisant of the gender balance needed.
- 14.2 The LEP makes a visible commitment to diversity through its Equality & Diversity Statement at **Appendix 24**.
- 14.3 It adopts industry best practice to sustain gender diversity and improve the representation of those with protected characteristics. As a private company that is publicly funded and acts in the public interest, the LEP complies with the Equality Act 2010 - Public Sector and with the Public Services (Social Value Act) 2012.
- 14.4 This involves the use of an equality monitoring form to establish a baseline and clarity on who wants to declare their characteristics, publicly. A copy of this is at **Appendix 25**.
- 14.5 The LEP Diversity Champion is appointed on merit, i.e. the best candidate for the role is drawn from the NEDs, rather than being tied to a specific portfolio.
- 14.6 The role of the Diversity Champion is to set an example and demonstrate that the Board is committed to promoting equality; to challenge and promote the equality and diversity agenda in the LEP; to act as a voice at Board meetings for the equality and diversity agenda; and to participate in any equality and diversity initiatives as appropriate.
- 14.7 All NEDs and sector representatives are aware of the equality duty in setting strategic direction, reviewing performance and ensuring good governance of the LEP.

15. HANDLING OF DATA

- 15.1 The LEP has in place appropriate data protection arrangements in line with the General Data Protection Regulations (GDPR) and the Data Protection Act (DPA) 2018. These are checked annually by the Data Controller.
- 15.2 The LEP Office Manager is the Data Controller and is responsible for ensuring that internal processes are compliant with this legislation. The LEP is registered with the Information Commissioner's Office website; registration number: ZA022220.
- 15.3 The LEP's Privacy Policy is published on its website and Privacy Notices are provided to all applicants to the LEP (**Appendix 26**); NEDs and sector representatives (**Appendix 27**); employees and former employees (**Appendix 28**).
- 15.4 The LEP will place as much information as possible in the public domain. However, due to the nature of its work there may be some papers that are not suitable for publication. In this instance the LEP will use The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 and Schedule 12A of the Local Government Act 1972 as a guide to determine whether documents should be exempt or classified.
- 15.5 NEDs, sector representatives and staff shall not disclose or quote in public the contents of any agenda, report or other document which is marked "Confidential" or "Not for Publication" unless the document has already been made available to the public or the press by the Communications Manager.
- 15.6 In the case of the Elevate JC, BLTB and TVB ESIF Sub Committee, the arrangements for the handling of data and confidential reporting arrangements are the responsibility of the respective Accountable Bodies or the ESIF Managing Authority. Responses to Freedom of Information and Environmental Information Requests, compliance with the data transparency legislation, and other similar codes of practice, are dealt with similarly but via the LEP as 'first resource'.

16. COMPLAINTS & WHISTLEBLOWING

- 16.1 The LEP's complaints policy is published on the website and at **Appendix 29**.
- 16.2 The LEP's whistleblowing policy is published on the website and at **Appendix 30**.
- 16.3 The LEP's policy on Confidential Reporting of Complaints is published on the website and at **Appendix 31**.

17. CO-OPERATION WITH THE LEP NETWORK, STAKEHOLDERS AND OTHER LEPs

17.1 The essence of being a successful partnership is to be found in the way the LEP develops and fosters relationships and understanding between the many stakeholder organisations; the LEP cannot function without committing significant time and energy to stakeholder engagement.

The LEP Network

17.2 The LEP is committed to working within The LEP Network and the group of 'Southern LEPs'. This is a network of LEPs that come together as a strategic alliance in order to make the strongest possible case on issues of common importance to the regional economy and to achieve consistency across boundaries.

17.3 Its membership and geography are under review (March 2019).

Other LEPs

17.4 The economies and labour markets in and adjacent to TVB determine the interventions the LEP should lead, according to their impact versus agility, i.e. what is the optimum intervention scale, LEP or cross-LEP, and will a strategic partnership achieve more leverage and thus impact.

17.5 It's also the case that several national issues dominate the local economy, yet their cause and effect are complex and often intangible in a local context. The LEP co-operates outside of TVB boundaries to forge relationships (sector and geographical) that will have a chance of making an impact rather than trying to deal with (all) such issues locally.

17.6 **Appendix 32** demonstrates the numerous interventions that have already (March 2019) been adopted at a scale beyond TVB, i.e. through co-operation with other LEPs.

Local Authority Partners

17.7 In line with the history of co-operation and joint working between the six unitary authorities in TVB, they support the work of the LEP with professional advice on transport, infrastructure, skills, business support and social inclusion. This advice is delivered through distinct channels:

- i. The identification and promotion of individual schemes for inclusion in the SEP and Growth Deals
- ii. The commitment to giving and receiving independent scrutiny on a mutual basis with colleagues in neighbouring LEP and unitary areas
- iii. Advice and support to councillors who act as representatives on the LEP, in particular through the virtual TVB Liaison Group whose main role is to act as an information conduit between the LEP and the six unitary authorities. The aim of the Liaison Group is to facilitate the timely and accurate dissemination of information *from and to* the LEP, in particular that relevant to the groups of Berkshire Chief Executives, Leaders, Economic Development Officers, Planners and Treasurers

- iv. The Berkshire Economic Development Officers (BEDOG), which plays a role in the implementation of the SEP and provides a conduit for communication to and from local stakeholders, complementing the role of the Liaison Group.

17.8 This contribution is in the form of officer time, as is commensurate with the resources available to each of the councils.

17.9 Each unitary authority makes a £10k contribution per annum to the “strategic economic development service” provided by the LEP.

17.10 The LEP co-operates well with the six unitary authorities, in particular through the:

- Berkshire Leaders’ Group
- BLIS Task & Finish Group
- West of Berkshire Strategic Planning Group
- Berkshire Members Strategic Planning Group
- Joint Committees for transport, the City Deal (Elevate) programme and digital infrastructure
- European Structural & Investment Funds Strategy
- Smart City Cluster Steering Group
- Joint purchasing of economic development tools

Other Stakeholders

17.11 TVB is an integral part of the sub national transport body, Transport for the South East, through the BLTB and the LEP is fully engaged in the Heathrow Strategic Planning Group.

17.12 It has established the Thames Valley Major Works Co-ordination Group, the first of its kind in the country. The essence of the Group is to *scope out how we can work together to mitigate or at least manage the disruption generated by the huge investment into the road and rail network across Thames Valley Berkshire in the coming years.*

17.13 The Group is chaired by a LEP private sector representative and managed by the LEP’s Head of Infrastructure. Its meetings are hosted by the DfT and all participants have signed the Major Works Co-ordination Group MOU.

17.14 The LEP participates in the Greater South East Energy Hub, in three Science & Innovation Audits, the Great West Way and manages the Western Rail Link to Heathrow Stakeholder Steering Group.

17.15 It has multiple relationships with TVB businesses, and the four main business organisations are founding members of the LEP. The Business Environment Programme Group has the ability to facilitate an annual business forum, to inform the forward plans of the Group and update a wider cohort of business partners on progress and the transition from SEP to BLIS.

18. GLOSSARY

AB - Accountable Body	FSB - Federation of Small Businesses
ADP - Annual Delivery Plan	FTE - Full-Time Equivalent
AF - Assurance Framework	GCS - Government Communication Service
AGM - Annual General Meeting	GDPR - General Data Protection Regulations
BEDOG - Berkshire Economic Development Officers Group	GPF - Growing Places Funds
BEIS - Department for Business, Energy & Industrial Strategy	HMG - Her Majesty's Government
BEDOG - Berkshire Economic Development Officers Group	HSPG - Heathrow Strategic Planning Group
BDUK – Building Digital UK	IA - Independent Assessment
BGH - Business Growth Hub	IoD - Institute of Directors
BLIS - Berkshire Local Industrial Strategy	JC - Joint Committee
BLTB - Berkshire Local Transport Body	KPI - Key Performance Indicators
BRRP - Business Rates Retention Pilot	LEP - Local Enterprise Partnership
BSTF - Berkshire Strategic Transport Forum	LGF - Local Growth Funds
CBI - Confederation of British Industry	MHCLG - Ministry of Housing, Communities & Local Government
CEC - Careers & Enterprise Company	MOU - Memorandum of Understanding
CEO - Chief Executive Officer	NAF - National Assurance Framework
CIPFA - Chartered Institute of Public Finance & Accountancy	NED - Non-Executive Director
CLGU - Cities & Local Growth Unit	RBWM - Royal Borough of Windsor & Maidenhead
DBS - Disclosure and Barring Service	SAP - Skills Advisory Panel
DfT - Department for Transport	SBC - Slough Borough Council
DIG - Digital Infrastructure Group	SEP - Strategic Economic Plan
DIT - Department for International Trade	SSG - Stakeholder Steering Group
DPA - Data Protection Act	S.151 Officer - Section 151 Officer
DWP - Department for Work & Pensions	TVB - Thames Valley Berkshire
EA - Enterprise Advisor	UA - Unitary Authority
EAN - Enterprise Advisor Network	VfM - Value for Money
EC - Careers & Enterprise Co-ordinator	WRLtH - Western Rail Link to Heathrow
ERDF - European Regional Development Funds	
ESIF - European Structural & Investment Funds	
FBC - Full Business Case	
FCA - Financial Conduct Authority	