

For General Release

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| REPORT TO: | Cabinet 14 July 2014 |
| AGENDA ITEM: | 13 |
| SUBJECT: | Coast to Capital Joint Committee |
| LEAD OFFICER: | <i>Jo Negrini Executive Director Development and Environment</i> |
| CABINET MEMBER: | <i>Councillor Toni Letts, Cabinet Member for Economic Development</i> |
| WARDS: | All |
| CORPORATE PRIORITY/POLICY CONTEXT: The decision making process of the Joint Committee will impact the Council constitution as decisions will be made with 16 other Authorities. This activity links to the Corporate Plan through the request for funding to provide housing, jobs and growth. | |

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| FINANCIAL IMPACT The administrative costs of the Joint Committee are to be covered by the lead authority (West Sussex in the first year) and as such there will be limited cost implication for year one. However the Authority is expected to contribute by hosting the meeting on a rotating basis with the other 17 bodies. If the Coast to Capital Growth Deal is agreed, Croydon could receive funds to support key targets under its growth agenda. |
| KEY DECISION REFERENCE NO.: Not a key decision |

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| <p>The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below</p> <p>1. RECOMMENDATIONS</p> <p>1.1 To agree the establishment of the Coast to Capital Joint Committee, constituted in accordance with the Heads of Terms specified in Appendix 1.</p> <p>1.2 That Cabinet notes that establishment of the Coast to Capital Joint Committee is dependent on all the bodies to be represented on the Committee agreeing that it be established.</p> <p>1.3 Subject to all Coast to Capital Joint Committee members agreeing to the establishment of the Committee, that:</p> <p>a. The Chief Executive be granted delegated authority to take all measures necessary or incidental to (i) the implementation of recommendation (1.1) above, and (ii) the on-going management and administration of the Committee; and</p> |
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- b. Instructs the Monitoring Officer to amend the Council's Constitution to reflect in Part 2, Article 11, and Schedule 1 the establishment of the Coast to Capital Joint Committee.

2. EXECUTIVE SUMMARY

- 2.1 This report seeks formal approval from Cabinet for the establishment of the Coast to Capital Joint Committee (the Joint Committee) and its arrangements. The purpose of the new Joint Committee is to approve the Strategic Economic Plan and proposed Growth Deal for the Coast to Capital Local Enterprise Partnership (LEP) area as well as promote economic growth.
- 2.2 The Coast to Capital area encompasses Croydon, all of the county of West Sussex, Brighton & Hove, Lewes, and four eastern Surrey districts. There are two county councils, two unitary authorities, 12 district and borough authorities and the South Downs National Park Authority (the member authorities) within the area and partnership. It is one of the larger LEPs outside London, with just under 2 million residents and over 150,000 businesses and organisations.
- 2.3 The Joint Committee has statutory status under the Local Government Act 1972. It will consist of representatives from all 16 local authorities and the National Park. The LEP and other business interests and organisations are not eligible to serve on a Joint Committee.
- 2.4 Each local authority member is seeking equivalent approvals from their decision-making bodies, to enable the Joint Committee to be formally established in September 2014. It met in shadow form on 25th March 2014 and each authority agreed the Strategic Economic Plan which had to be submitted to Government by the end of March to define the financial settlement in support of the Coast to Capital area priorities.

3. DETAIL

- 3.1 The Government guidance for Growth Deals and the Local Growth Fund sets out demanding requirements for agreement of the Strategic Economic Plan (the Plan) by all partners and for governance structures for delivery of the subsequent investment and intervention plan. The guidance sets out expectations that the Plan would be backed by firm commitments from local authorities/partners and the private sector on their resources and levers for delivery including:
- ◆ Better use of local authority assets to unlock resources for growth
 - ◆ Align and pool local authority resource in support of the Strategic Economic Plan
 - ◆ Commitment to pro-growth reforms, for example a co-ordinated approach to the development of local plans by planning authorities in their relevant geography
 - ◆ Commitment to collective decision making involving all local authorities within a LEP. In Coast to Capital there are 16 local authorities and a National Park

- 3.2 Government is expecting LEPs to be able to deliver collective decisions. This means there is an imperative to develop arrangements for governance and to build on existing partnerships. Development of effective governance and decision-making processes across the economic area is a 'commitment' required by Government of all LEPS, seeking reassurance that there would be accountability for any public funding awarded under the Growth Deal and for delivery of agreed projects and investments.
- 3.3 The Coast to Capital LEP's success in accessing funds and new levers to influence public service provision to drive new growth and secure better outcomes for London in the future therefore depends on its ability to collaborate across the whole area and to draw in resources, assets and investments from across the public sector.
- 3.4 The new Coast to Capital Joint Committee will be a joint committee appointed by two or more local authorities in accordance with section 102(1)(b) of the Local Government Act 1972. In accordance with section 102(1)(c) of the 1972 Act, the Joint Committee may appoint one or more sub-committees.
- 3.5 Each of the local authority members will be represented at the Joint Committee by one person. Each local authority member will be represented by its elected Leader or a nominated deputy and in the case of South Downs National Park Authority, by its chairman.
- 3.6 Each person representing a member of the Joint Committee will be entitled to one vote at meetings. Voting will be by show of hands and voting outcomes reached at those meetings will be on a simple majority of votes cast.
- 3.7 It is proposed that the [annual meeting of the] Joint Committee will be chaired by a member [of the Joint Committee appointed] at the start of each meeting.
- 3.8 The Joint Committee will provide an annual report to partners local authority and the Coast to Capital LEP Board. The work of the Joint Committee will also be subject to review by an ad hoc joint local authority scrutiny panel, which will be set up and managed by the lead authority (West Sussex County Council).
- 3.9 It is proposed that the Joint Committee will have a very limited and tightly defined remit:
- ◆ To agree the Strategic Economic Plan and its revisions and amendments as proposed to the Joint Committee by the Board
 - ◆ To provide strategic advice to the Board from time to time on the economic development and growth priorities for the LEP Area.
 - ◆ To nominate on request from the Board representatives from the district and borough local authorities who are members of the Joint Committee to serve as Directors on the Board.
- 3.10 The Joint Committee will not be able to impose financial obligations on its members.
- 3.11 Any variations to the Heads of Terms will require the resolution of the Joint Committee in agreement with the Board. The Heads of Terms are considered

to be the Terms of Reference for the Joint Committee to reflect the agreed processes identified.

3.12 Amendments required to Constitution

To reflect to Recommendation 1.1 the Council's list of Joint Committees at Part 2 Article 11 Schedule 1 of the Constitution should be updated to include:

Coast to Capital Joint Committee

This body will agree the Strategic Economic Plan and its revisions and amendments as proposed to the Joint Committee by the Board. It will also provide strategic advice to the Board from time to time on the economic development and growth priorities for the LEP Area.

4. CONSULTATION

4.1 As part of the development of the Strategic Economic Plan, the following have been regularly consulted and/or engaged on matters including the establishment of new governance arrangements:

- ◆ All 16 county, unitary and district and borough local authorities
- ◆ The South Downs National Park
- ◆ Business representative organisations including the CBI, IOD, FSB, EEF, SECA, ICAEW, chambers, sector and trade bodies.
- ◆ Greater Brighton City Deal Officer Project Board, and High Level Project Board
- ◆ Coastal West Sussex Partnership
- ◆ Rural West Sussex Partnership
- ◆ Gatwick Diamond Initiative
- ◆ Brighton & Hove Economic Partnership
- ◆ Brighton & Hove City Employment & Skills Group
- ◆ Further and higher education institutions
- ◆ Third sector organisations
- ◆ National service providers including the Homes and Communities Agency,

The above boards, partnerships and groups include representatives from the business, public and community and voluntary sectors.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

5.1 West Sussex County Council will be the lead authority for the Joint Committee and will therefore provide the necessary financial, legal, scrutiny, administrative and business management support. They have committed to meeting all the costs of the Joint Committee for the first year.

5.2 The principal purpose of the Joint Committee is to approve the Strategic Economic Plan which includes a bid to secure significant funding to address infrastructure, business, skills and other growth issues.

1 Revenue and Capital consequences of report recommendations

2 The effect of the decision

There will be no material financial requirement from Croydon.

3 Risks

West Sussex ceases to fund the resource costs of the Joint Committee. This risk is mitigated by the need to return to the Joint Committee and voting parties to agree any further impact.

4 Options

If the Joint Committee is not authorised the borough may not benefit from any of the Growth Deal settlement.

5 Future savings/efficiencies

Any cost implication will amount to the hosting of a rotating meeting between the 17 partners.

Approved by: *Dianne Ellender*, Department Head of Finance

6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

6.1 The Council Solicitor comments that the setting up of this Joint Committee is an Executive Function to be done in accordance with section 102 of the Local Government Act 1972 and the Council's Constitution.

6.2 Pursuant to Article 15.02 (b) of the Constitution the Director of Democratic and Legal Services is authorised, after consultation with the Leader to make any necessary amendments to the Constitution consequent on such a decision of Cabinet.

Approved by: Gabriel MacGregor, Head of Corporate Law, on behalf of the Council Solicitor & Director of Democratic & Legal Services

7. HUMAN RESOURCES IMPACT

7.1 It is not anticipated that there will be any human resource impact.

Approved by: Adrian Prescod on behalf of the Director of Human Resources

8. EQUALITIES IMPACT

8.1 The Strategic Economic Plan forms part of the wider economic strategy, which aims to tackle barriers to employment and create employment opportunities for all.

9. ENVIRONMENTAL IMPACT

9.1 The aim of the Strategic Economic Plan is to drive sustainable growth and will prioritise sustainable economic growth in innovative low carbon, high-tech and creative businesses.

10. CRIME AND DISORDER REDUCTION IMPACT

10.1 There is no anticipated impact on this matter. Through the general activity of the LEPs to drive growth crime and disorder reduction may be achieved incidentally.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

11.1 The Coast to Capital Joint Committee will allow the local authorities in the LEP area to support the LEP Board in developing an effective Strategic Economic Plan, provide an effective mechanism for the local authorities to speak with one voice and approve the Plan, and provide reassurance to Government that effective decision making and accountability structures are in place.

12. OPTIONS CONSIDERED AND REJECTED

12.1 In developing the proposals recommended in this report, a review of the governance arrangements considered by other LEP areas was undertaken. Principally, these were found to follow either a joint committee or a combined authority model, the latter of which tended to include an integrated transport authority for the area. A combined authority is appropriate where there is a clear and simple geography, where a city region is co-terminus with the Local Enterprise Partnership and Local Transport Board boundaries, for example, Greater Manchester. This is not the case for the Coast to Capital and it is therefore recommended that a Joint Committee model be adopted.

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BACKGROUND PAPERS – None

APPENDIX 1 – Heads of Terms

APPENDIX 1

Heads of Terms

Coast to Capital Strategic Joint Committee

1. Establishment, Purpose and Form

- 1.1. The Coast to Capital Strategic Joint Committee (“the Joint Committee”) shall be established from the Commencement Date
- 1.2. The over-arching purpose of the Joint Committee is to promote and support sustainable economic development and growth across the area served by the Coast to Capital Local Enterprise Partnership (“the LEP”). To achieve this, the Joint Committee will agree the Strategic Economic Plan as developed by the Board of the LEP (“the Board”) and also may advise the Board from time to time on the economic development and growth priorities of the area.
- 1.3. The Joint Committee shall be a joint committee appointed by two or more local authorities represented on the Joint Committee in accordance with section 102(1)(b) of the Local Government Act 1972.
- 1.4. The Joint Committee may appoint one or more sub-committees.
- 1.5. The lead authority for the Joint Committee shall be West Sussex County Council as the Accountable Body for the Local Growth Fund, whose functions in that capacity shall include financial, administrative and legal support (see paragraph 11)

2. Interpretation

2.1 In these Heads of Terms –

- (i) ‘Commencement Date’ means such date as is approved by the local authorities represented on the Joint Committee.
- (ii) ‘the LEP Area’ means the area encompassing the administrative boundaries of Brighton & Hove City Council, West Sussex County Council, London Borough of Croydon, Lewes District Council, and part of Surrey County Council - Epsom and Ewell District Council, Tandridge District Council, Mole Valley District Council and Reigate and Banstead District Council.
- (iii) ‘economic development and growth’ shall bear its natural meaning but with particular emphasis on:
 - employment and skills
 - business support, internationalisation and innovation
 - enterprise
 - infrastructure and transport
 - housing
 - investment and development
 - utilisation of property assets
 - strategic planning

- (iv) “Strategic Economic Plan” means the plan created by the LEP for the LEP Area setting out the economic development and growth priorities as the basis for negotiation with government.

3. Functions

3.1 The functions of the Joint Committee are specified in paragraph 3.2 below, and may be exercised only in respect of the LEP Area.

3.2 The functions referred to in paragraph 3.1 are as follows:

- (i) To agree the Strategic Economic Plan and its revisions and amendments as proposed to the Joint Committee by the Board.
- (ii) To provide strategic advice to the Board from time to time on the economic development and growth priorities for the LEP Area.
- (iii) To nominate on request from the Board representatives from the district and borough local authorities who are members of the Joint Committee to serve as Directors on the Board.

4. Reporting and Accountability

- 4.1. The Joint Committee shall submit an annual report to each of the bodies represented on the Joint Committee.

5. Membership

5.1 The following bodies shall be members of the Joint Committee:

5.1.1 County/Unitary Authorities

Brighton & Hove City Council
London Borough of Croydon
Surrey County Council
West Sussex County Council

5.1.2 District and Borough Authorities

Adur District Council
Worthing Borough Council
Lewes District Council
Mid-Sussex District Council
Horsham District Council
Crawley District Council
Arun District Council
Chichester District Council
Epsom and Ewell District Council
Tandridge District Council
Mole Valley District Council
Reigate and Banstead District Council

5.1.3 National Park Authority

South Downs National Park Authority

- 5.2 Each of the bodies listed in paragraph 5.1 shall be represented at the Joint Committee by one person.
- 5.3 Each local authority member shall be represented at the Joint Committee by an elected Member nominated annually or a nominated substitute (see paragraph 8).
- 5.4 The South Downs National Park Authority shall be represented at the Joint Committee by its Chairman

6. Chair of the Joint Committee

- 6.1. The Chair of the Joint Committee shall be elected from among its members on an annual basis.

7. Voting

- 7.1. Decisions will be made on a simple majority of votes cast by members represented at a meeting.
- 7.2. Where voting at a meeting results in an equal number of votes cast in favour and against, the Chair of the Joint Committee shall have a casting vote.

8. Substitution

- 8.1. Where a representative of a member of the Joint Committee is unable to attend a Joint Committee meeting, a substitute representative of that member (if approved by it) may attend, speak and vote, in their place for that meeting.
- 8.2. A substitute member must be appointed from a list of approved substitutes submitted by the respective member to the Joint Committee at the start of each municipal year.

9. Quorum

- 9.1. Subject to paragraph 9.2, no business shall be transacted at any meeting of the Joint Committee unless at least eleven of the whole number of voting members are present.
- 9.2. In no case shall any business of the Joint Committee be transacted unless at least two voting representatives from the County/Unitary Authorities as set out in paragraph 5.1.1 are present.

10. Time and Venue of Meetings

- 10.1. The Joint Committee will meet annually.
- 10.2. The Chair of the Joint Committee may call a special meeting of the Joint Committee at any time, subject to providing members with minimum notice of ten working days.

11. Administrative and legal support

- 11.1. Administrative and legal support to the Joint Committee shall be provided by the lead authority, such legal support to include Monitoring Officer and Proper Officer functions in relation to the Joint Committee meetings.
- 11.2. Other members of the Joint Committee shall contribute to the costs incurred by the lead authority in connection with the activities described in 11.1. The contributions will be agreed on an annual basis.

12. Observer status

- 12.1. The LEP shall have the right to attend meetings of the Joint Committee as an observer and to provide information and advice as requested by the Joint Committee, but will not have any role in voting or decision making.

13. Review and Variation of Heads of Terms

- 13.1 The Joint Committee shall keep these Heads of Terms under review to ensure that the Joint Committee's purpose is given full effect.
- 13.2 These Heads of Terms may be varied only by complete agreement of all the members of the Joint Committee and in consultation with the Board.

14. Procedure at meetings

- 14.1. The standing orders of the lead authority will apply to meetings of the Joint Committee.

15. Withdrawal

- 15.1 Any member of the Joint Committee may give six months notice in writing of intention to withdraw from membership of the Joint Committee and involvement in the Strategic Economic Plan.