

# Kent and Medway Economic Partnership

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## ITEM 5

**Subject: Future governance of the South East Local Economic Partnership:  
The Irene Lucas Review**

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### Summary

Earlier this year, the South East LEP commissioned Irene Lucas to carry out a review of governance, with a view to strengthening the 'federated' model and providing more robust accountability mechanisms in preparation for the allocation of funding.

At the last LEP Board meeting, Irene presented the initial outcomes of her review. This paper summarises these; the presentation given to the LEP Board is attached at Annex 1.

The Board is asked to note the proposals emerging from the review and to provide initial feedback, so that this may be taken into account by the LEP Chairman and Board.

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### 1. Introduction

- 1.1. During the summer, the LEP commissioned Irene Lucas CBE, a former local authority chief executive and senior civil servant with extensive business experience, to carry out a review of governance. In particular, the terms of reference for the review recognised that as Local Growth Fund monies start to flow, there will be a need to establish stronger accountability mechanisms. It was also noted that the LEP's relatively weak existing governance arrangements are a barrier to securing future devolution and funding from Government.
- 1.2. Within the terms of reference for the review, Irene was asked to make the LEP's federated model work, which ensuring effective delivery of the schemes for which the LEP has secured funding.

### 2. Review recommendations

- 2.1. Irene Lucas presented her initial findings to the LEP Board in September. At the time of writing, a full report has not been published, although the presentation given to the Board is attached with these papers.
- 2.2. The initial findings make 12 recommendations, set out in Annex 1. The core recommendation is Recommendation 3, which proposes the establishment of an **Accountability Board**, based on a local authority Joint Committee model. The proposal states that this would provide for two local authority voting representatives from each federated area, in addition to HE, FE and business representation.

- 2.3. The review proposes that the Accountability Board should act as the main performance management structure for the LEP, taking responsibility for all scheme appraisals and approvals, managing variations to schemes and reporting to central Government.
- 2.4. In addition, Recommendation 10 proposes the appointment of a **Senior Programme and Project Management Officer** (and presumably an associated team) to act as the main scheme-level contact with Government and each federated area.
- 2.5. In broad terms, the review therefore proposes enhanced central resourcing and accountability, consistent with the Government's requirement for a single contract between Government and the LEP (via a single accountable body) for the Growth Deal.

### **3. Moving forward**

- 3.1. While the LEP Board discussed Irene's proposals, no decisions were made. However, it was agreed that the proposals would be taken to KMEP and its equivalents for discussion, before further proposals are developed to take to the LEP Board in December.

### **4. Recommendations**

- 4.1. KMEP Board is recommended to consider (at 'in-principle' level) the initial findings of the review. The Board may also wish to consider whether it would like any further work to be done on alternative proposals.
- 4.2. Depending on the outcomes of discussion at KMEP Board, the Board may wish officers to prepare a draft Kent and Medway response to the review, for approval by KMEP prior to submission to the LEP Chairman.

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