

## Item No. 4B

### GM LOCAL ENTERPRISE PARTNERSHIP BOARD

**Subject:** Greater Manchester Local Enterprise Partnership Membership Review

**Date:** 10 November 2015

**Report of:** Mike Blackburn, Chair of Greater Manchester Local Enterprise Partnership

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#### 1. INTRODUCTION

- 1.1 The GM LEP sits at the heart of Greater Manchester's governance arrangements, offering private sector insight, guidance and challenge to the development of GM's strategic agenda in partnership with the GMCA
- 1.2 The LEP's terms of reference require that the LEP's private sector membership is regularly reviewed to ensure its membership remains relevant to this agenda and is fit for purpose.
- 1.3 The current private sector members' terms of office expire on 31 March 2017 and it is therefore timely to review their membership of the Board
- 1.4 This report sets out the process for reviewing the private sector membership in line with a previous comprehensive review carried out in 2013 by Penna Consultants and recommends Penna be retained to carry out the current review on the basis of the attached brief.
- 1.5 **NB:** Public sector representatives are appointed annually and will not form part of this review.

#### 2. RECOMMENDATIONS

- 2.1 The GM LEP is requested to:
  - (i) Note the content of the report and agree the process for the Membership Review
  - (ii) Agree the appointment of Penna Consultants to facilitate the review under the direction of the Chair with full costs to be reported when available

#### 3. MEMBERSHIP REVIEW

- 3.1 The LEP Terms of Reference require that the LEP's private sector term of office is two years with members appointed using an open recruitment process.
- 3.2 It has been practice to review membership fully every four years with a light touch review every two years. The last comprehensive review in 2013 was

supported by Penna recruitment consultants who were appointed via a competitive tender.

- 3.3 The political and economic context has changed significantly since 2013, particularly in light of developments such as the refresh of the Greater Manchester Strategy and securing the Growth Deal; our Devolution Agreements; the Northern Powerhouse agenda; and the referendum to leave the EU.
- 3.4 The LEP has also taken a lead role in a number of key initiatives such as the GM Spatial Framework, the GM Investment Strategy, Transport 20140 and the Area Based Review of post-16 education.
- 3.5 Given this developing role, a comprehensive review will help to ensure the board is best equipped to address the range of current issues and opportunities that Greater Manchester faces.
- 3.6 The 2013 comprehensive review included a two-stage process which could form the template for a similar membership refresh. This included a review of the existing private sector membership and a parallel recruitment exercise to identify new members.
- 3.7 A brief has been drafted on this basis (attached at Annexe A) with a view to the review commencing in mid November.
- 3.8 Informal discussions have taken place with Penna and it is proposed that they are appointed to carry out the review on the basis of the brief, subject to LEP approval

#### **4. TIMESCALES AND NEXT STEPS**

- 4.1 The first stage of the review will consist of a review of the LEP's current private sector membership where those who wish to be re-appointed to the board are interviewed on the basis of the person specification (attached at Appendix A and B) and their wider skills and expertise.
- 4.2 Secondly, the consultants will advise on the best approach to attract new potential candidates and ensure the transparency and robustness of the review process in line with the Terms of Reference and current good practice.
- 4.3 The consultants will assess any new candidates against the person specification to identify a shortlist prior to interview based on these criteria along with their broader capacity and experience.
- 4.4 Interviews of existing board members and new shortlisted candidates will be carried out by the LEP chair and a public sector LEP member supported by the consultants.
- 4.5 Successful candidates will then be appointed to the board subject to formal confirmation from GMCA.
- 4.6 However, due to the many commitments of LEP Board members, it is possible that individual members may stand down from the board itself prior to the expiration of their current terms of office.

- 4.7 It will therefore useful for the membership review to provide a pool of suitable candidates who can fill any vacancies as they arise.
- 4.8 This also provides an early opportunity to explore how our structures contribute to effective LEP performance and how we could make better use of new and existing Board members' time, skills and commitment.
- 4.9 This includes ensuring that the range and level of representation remains appropriate and that LEP members have the necessary skills and capacity to contribute to the LEP's expanding role.
- 4.10 In addition it will be important to look at the composition of the board to ensure that a broad range of key economic sectors are represented and that the diversity of the board membership is reflective of the wider GM population.
- 4.11 It may also be useful to take into account the portfolio responsibilities of the Leaders of GMCA in overseeing delivery of the GMS to ensure a strategic fit with overall governance.
- 4.12 Indicative timescales suggest the review could commence in mid November following LEP Board approval with appointments confirmed in January 2017 in time for members begin their new term of office in April 2017 (or as before as appropriate).

**Annexe A**  
**Review of the Private Sector Membership of the**  
**Greater Manchester Local Economic Partnership**

**1. INTRODUCTION**

- 1.1. This brief sets out the process for a review of the current private sector membership of Greater Manchester Local Economic Partnership (GMLEP). The brief outlines a two stage process for reviewing the private sector membership in line with the previous comprehensive review carried out in 2013 by Penna.
- 1.2. The private membership's term of office expires at the end of March 2017. The review therefore needs to be completed in time for new and reappointed members to take up their positions in April 2017.
- 1.3. However, it is possible that individual members may stand down from the Board prior to the expiration of their current terms of office. The review should therefore provide a pool of suitable candidates who can fill any vacancies as they arise prior to the approval of full Board membership in April 2017.

**2. BACKGROUND**

- 2.1 GM LEP sits at the heart of Greater Manchester's governance arrangements, ensuring that business leaders are empowered to set the strategic course, determine local economic priorities and drive growth and job creation within the city region. It works alongside and in partnership with the Greater Manchester Combined Authority (GMCA), offering leadership, insight, guidance and constructive challenge as we take forward our strategic ambitions.
- 2.2 Since the initial review of membership in 2013, the LEP has made considerable progress in shaping the strategic direction for the city region.
- 2.3 In 2013 the LEP and the GMCA refreshed and repositioned the jointly-owned Greater Manchester Strategy (GMS) around the twin themes of Growth and Reform. "Stronger Together" sets out an approach in which economic growth goes hand in hand with public service reform, seeking to create a platform for fiscal self-reliance in Greater Manchester, closing the gap between the tax that is generated through growth and the cost of delivering public services.
- 2.4 This is based on a new relationship with Government that enables local authorities to fulfil their place-shaping role to create high quality places that attract and retain more productive people and businesses and reform the way that public services are delivered to improve outcomes for our people.
- 2.5 The subsequent Growth and Reform Plan (submitted to government in April 2014) gives GM access to funding as well as freedoms and flexibilities to help deliver our strategic ambitions. It focuses on five key priorities:
  - Securing Greater Manchester and the North West's place as a major centre for Life Sciences
  - Enhancing further education facilities to create more apprenticeships and maximise skills investment

- Major investment in public transport and highways
  - Reforming public services so that they reduce duplication and are designed around the needs of residents
  - Providing effective business support services
- 2.6 On the basis of this plan, the LEP secured Growth Deal funding of over £530m of investment between 2015 and 2021 to support people learning new skills, help to create 5,000 jobs and generate up to £140 million in public and private investment.
- 2.7 The GMCA and the GM LEP's Growth and Reform agenda also provided a foundation for the powers and responsibilities which were negotiated through the series of groundbreaking GM Devolution Agreements, placing Greater Manchester at the forefront of the national debate on devolution.
- 2.8 These developments have led the LEP to take a leading role in a number of key initiatives such as:
- The **Greater Manchester Spatial Framework** to enable an informed, integrated approach to spatial planning across the city region,
  - **The Greater Manchester Investment Strategy**, which supports the implementation of the GM Strategy through investment to create and safeguard jobs
  - **Transport 2040**, a new long-term transport strategy for Greater Manchester that will deliver world class connections that will support long term sustainable economic growth and access to opportunities for all;
  - **The Area Based Review** of post-16 education across the to ensure that a skills offer is in place to meet our economic and educational needs
  - The **Northern Powerhouse** agenda developing integrated but self-sufficient Northern cities home to 10 million highly skilled and better connected people competing on the global stage
- 2.9 However, the context in which we are operating has changed significantly since the GMS was last refreshed, particularly in light of developments such as Brexit, and it is timely that the GMS is refreshed once again. The LEP will have a key role overseeing the revised strategy which will reassess the issues and opportunities that Greater Manchester needs to address.
- 2.10 Further information can be found at Item 19 at:  
<https://www.greatermanchester-ca.gov.uk/meetings/meeting/252/greater-manchester-combined-authority>

### 3. THE BRIEF

- 3.1. The LEP Terms of Reference require that the LEP's private sector term of office is two years with members appointed using an open recruitment process.
- 3.2. It has been practice to review membership fully every four years with a light touch review every two years to make sure its membership remains relevant to the agenda. Public sector representatives are appointed annually. **NB:** The Terms of Reference state that there should be four public sector representatives but the board currently only has three. Private sector membership is unaffected.

- 3.3. This regular review ensures that the Board is still meeting its strategic remit and is fit for purpose going forward. The current private sector members' terms of office expire on 31 March 2017.
- 3.4. The last comprehensive review in 2013 was supported by Penna recruitment consultants who were appointed via a competitive tender. The review included a two-stage process which should form the template of a similar review. The process consisted of:
  - i. An informal review of its current private sector membership (see table below) where those who were willing and able were re-appointed to the board
  - ii. A public recruitment exercise to identify new members with a view to filling any gaps on the board.
- 3.5. Due to the many commitments of LEP Board members, it is possible that individual members may stand down from the board itself prior to the expiration of their current terms of office.
- 3.6. It is therefore timely to review the current membership of the Board to provide a pool of suitable candidates who can fill any vacancies as they arise leading to a staged series of appointments.
- 3.7. This gives an early opportunity to ensure that the range of representation remains appropriate and that LEP members have the necessary skills and expertise skills to contribute to the LEP's expanding role.
- 3.8. In addition it is important to look at the composition of the board in-the-round to ensure that a broad range of key economic sectors are represented e.g. currently arts, culture and SME representation could be strengthened.
- 3.9. It may also be useful to take into account the portfolio responsibilities of the Leaders of GMCA in overseeing delivery of the Greater Manchester Strategy to ensure a strategic fit with overall governance. This can be further explored with the LEP Chair and GMCA officers.
- 3.10. Similarly, it will be necessary to have regard to the diversity of the board membership and that it is reflective of the wider GM population.
- 3.11. LEP members represent the LEP on a variety of posts on strategic boards and agencies. This currently includes the GM Investment Board, the Skills and Employment Partnership, Manchester Airport Enterprise Zone and Manchester Growth Company amongst others.

<b>LEP PRIVATE SECTOR MEMBERS</b>			
<b>Member</b>	<b>Role</b>	<b>LEP Status</b>	<b>Sector/Key Areas of Knowledge</b>
Mike Blackburn (Chair)	Vice President of Strategy and Planning, BT	Second term in office (Both served as Chair)	Digital Communications
Scott Fletcher	Chair ANS Group	Second term in office.	Digital SME
Keith Johnston	Partner and Head of North West Market, Addleshaw Goddard	Second term in office.	Professional Services (legal)
Dame Nancy Rothwell	President and Vice Chancellor, University of Manchester	Second term in office	Science Higher Education
Wayne Jones	CEO, MAN Primeserv Diesel	First term in Office	Engineering / Advanced Manufacturing
Lou Cordwell	CEO, Magnetic North	First term in office	Marketing Digital SME
Juergen Maier	Managing Director, Siemens UK	First term in office	Science Advanced Manufacturing
David Birch	Director, McKinsey and Company	First term in office	Professional Services/ Manufacturing Consultancy
Richard Topliss	Regional Director of RBS and Chair of the Manchester Growth Company	First term in office	Financial Services
Michael Oglesby	Chair of Bruntwood Group	First term in office	Land and Property Regeneration
<b>OBSERVERS - CHAIRS OF STRATEGIC BOARDS</b>			
Vanda Murray	Portfolio of Non-Executive Directorships	Observer status (non-voting). Attends the LEP as the Strategic Chair for Business Growth, Trade and Investment	Marketing Management Consultancy Finance
Iwan Griffiths	NW Chair PWC in the North	Observer status (non-voting) Attends the LEP as the Strategic Chair for Marketing, Communications and Tourism	Financial Services Consultancy

#### **4. INFORMAL REVIEW OF CURRENT PRIVATE SECTOR MEMBERS**

- 4.1 All current LEP members need to be asked whether they wish to be reappointed for a further two years. If they do, the reappointment process will involve an informal review process outlined below.
- 4.2 It is suggested that the review is conducted by the chair, a public sector LEP member and supported by Penna consultants.
- 4.3 The first stage of the review will comprise a meeting between the chair, a public sector LEP member and the consultants to provide background on the board and to understand the requirements of LEP board members going forward. Consultants will then have an informal meeting with each private sector board member.
- 4.4 The person specifications are attached (see Appendices A and B). The review process may suggest amendments to these specifications which may then be updated.
- 4.5 The review of individual members should begin by soliciting members' personal views and then focus upon the person specification (as above):
  - i. It is anticipated that the meeting will begin by asking personal views of members: what they have got out of their participation in the LEP over the last two years and what they would like to contribute to the LEP going forward;
  - ii. Members' capacity to work in a leadership role strategically across GM as well as in a regional and national context;
  - iii. Skills and expertise to contribute to the delivery of GM's priorities as described in the Greater Manchester Strategy and Growth and Reform Plan along with how the LEP could enhance their support.
  - iv. Additional skills / special interests that members bring to the table; and
  - v. Members' capacity to play a full part in LEP and other meetings.

#### **5. RECRUITMENT OF NEW MEMBERS**

- 5.1 At the same time as the member review takes place a transparent process to recruit new members needs to be planned.
- 5.2 The consultants will advise on the best approach to attract new potential candidates and ensure the transparency and robustness of the review process in line with the Terms of Reference and current good practice.
- 5.3 Suggestions as to suitable candidates may also be sought by current LEP/GMCA members and key partners.
- 5.4 The consultants will then assess candidates against the criteria contained in the person specification to identify a shortlist.
- 5.5 Shortlisted candidates will be interviewed by the LEP chair and a public sector LEP member, supported by the consultants.

## **Appendix A**

### **Greater Manchester Local Economic Partnership**

Person Specification for Chair

#### **LEP Chair**

##### **Role:**

- to provide leadership and strategic direction to the LEP and to build the LEP Board, harnessing the skills, expertise and experience of LEP members
- to chair LEP meetings
- to ensure that LEP activities support and add value to the city region's strategic economic priorities and that these reflect the current and future needs of the GM economy
- to attend all LEP meetings, LEP related events and other events as appropriate
- to act as the LEP's spokesperson in its dealings with the media
- to negotiate with and influence senior local and national political and business figures
- to ensure that the LEP complies with the Nolan Principles of standards in public life

##### **Person Specification**

- have a strong commitment to, and understanding of, the Manchester city region and in particular the drivers of and challenges faced by the Greater Manchester economy
- have substantial business skills and experience gained at a senior level and be a credible individual with the stature to lead and influence
- have substantial experience of chairing groups or boards of senior executives, of providing leadership and of inspiring and motivating colleagues and stakeholders
- be independently minded – providing detachment and clarity in the development of strategy and the identification of opportunities
- have the ability to set strategic direction and to quickly understand and analyse and distil complex issues into coherent and practical actions
- have strong interpersonal and communication skills, be articulate and passionate, have an ability to influence and network, to deal with media attention and to represent the LEP and its actions
- have experience of providing leadership in a partnership environment and have a strong commitment to collaborative and partnership working, including with the public sector
- have a genuine interest and understanding of the challenges facing the business community
- have a total commitment to equality of opportunity and diversity, including an understanding of the barriers and challenges faced by economically or socially excluded groups

## **Appendix B**

### **Greater Manchester Local Economic Partnership**

Person Specification for Member

#### **LEP Member**

##### **Role:**

- to actively contribute to the strategic direction and the purpose of the LEP
- to provide expertise and knowledge to enable the LEP to address the economic needs of Greater Manchester
- to be prepared to take the lead and provide strategic direction in areas in which they have particular skills, expertise and experience
- to attend all LEP meetings and other events as appropriate
- to comply with the Nolan Principles of standards in public life

##### **Person Specification**

Applicants must:

- have a strong commitment to, and understanding of, the Manchester city region and in particular the drivers of and challenges faced by the Greater Manchester economy
- have substantial business skills and experience gained at a senior level and have credibility with the wider business community
- have experience of serving on groups or boards of senior executives
- be independently minded – providing detachment and clarity in the development of strategy and the identification of opportunities
- have ability to quickly understand and analyse and distil complex issues and to contribute to discussions about strategy
- have strong interpersonal and communication skills, be articulate and passionate and have an ability to influence and network
- have experience of working in a partnership environment and have a strong commitment to collaborative and partnership working, including with the public sector
- have a genuine interest and understanding of the challenges facing the business community
- have a total commitment to equality of opportunity and diversity, including an understanding of the barriers and challenges faced by economically or socially excluded groups
- be someone who is willing to provide the time commitment to the LEP and who potentially sees the personal development opportunity provided by the appointment