

	<h2>Policy and Resources Committee</h2> <h3>9 July 2015</h3>
<p style="text-align: right;">Title</p>	<p>West London Economic Prosperity Board</p>
<p style="text-align: right;">Report of</p>	<p>Andrew Travers, Chief Executive Officer</p>
<p style="text-align: right;">Wards</p>	<p>All</p>
<p style="text-align: right;">Status</p>	<p>Public</p>
<p style="text-align: right;">Enclosures</p>	<p>Appendix A: West London Alliance Vision for Growth Appendix B - West London Economic Prosperity Board Functions and Procedure Rules</p>
<p style="text-align: right;">Officer Contact Details</p>	<p>Cath Shaw, Commissioning Director – Growth and Development Tel: 020 8359 4716, Email: cath.shaw@barnet.gov.uk</p> <p>Luke Ward, Commissioning Lead - Entrepreneurial Barnet, Tel: 020 8359 2672, Email: luke.ward@barnet.gov.uk</p>

<h2>Summary</h2>
<p>This report provides an update on work being undertaken by the West London Alliance (WLA) to establish an Economic Prosperity Board to drive the sub-regional devolution, business growth, and employment agendas following agreement in principle of draft terms of reference by WLA leaders in March 2015.</p>
<p>The Policy and Resources Committee is asked to recommend that Council, on 28 July 2015, approve the Board’s functions and procedure rules, the Barnet Member of the Board and substitute member, and agree to amend the Council’s constitution accordingly.</p>

<h2>Recommendations</h2>
<p>1. That the Committee note the work being undertaken to develop an Economic Prosperity Board across west London</p>
<p>2. That the Committee recommend that a) Council, on 28 July 2015, approve the functions and procedure rules for the West London Economic Prosperity Board, b) Council to set up the section 102 Joint Committee and appoint the member and substitute member to sit on it c) Council amend the constitution to reflect the governance arrangements of the West London Economic Prosperity Board.</p>

3. That the Committee delegate responsibility to the Chief Executive Officer, in consultation with the Leader, to incorporate and clear any amendments to the functions and procedure rules made after 9 July but ahead of Full Council on 28 July.

1. WHY THIS REPORT IS NEEDED

- 1.1 The purpose of this report is to update Policy and Resources Committee on work being undertaken to establish an Economic Prosperity Board, which is currently being constituted, and to recommend that Council on 28 July approve the Board's functions and procedure rules. West London Alliance (WLA) Leaders agreed in principle a draft terms of reference for the Economic Prosperity Board in March 2015.
- 1.2 The intention is that the Board will drive and guide the delivery of the WLA's "Vision for Growth" agenda, which leaders signed up to and launched in November 2014. Being a member of the Economic Prosperity Board will put the Council in a strong position to take advantage of future opportunities relating to local government devolution of growth and skills activity, and will also strengthen any work we undertake through the WLA or individually to secure external funding or lobby government for greater autonomy.
- 1.3 The Economic Prosperity Board represents a natural progression from the current governance arrangements of the WLA as it engages more fully with the devolution and financial autonomy agendas, and will provide a platform on which to deliver specific projects and targeted areas of work, building on its existing record of success through projects such as Working People, Working Places.
- 1.4 The emphasis of the Board will be on delivering practical change and making decisions that make a real contribution to improving the prosperity of people and businesses in West London, rather than on becoming a "talking shop" for ideas.
- 1.5 The key areas the Economic Prosperity Board will focus on are the same as those set out in the WLA Vision for Growth strategy. These are around growing business, developing skills, maximising young people's potential, building new homes, creating and maintaining thriving town centres and investing in infrastructure.
- 1.6 The voting members of the Economic Prosperity Board will consist of one Elected Member from each council, usually the Council Leader. The functions and procedure rules note that the Chair of the Board will be appointed for 12 months, and will rotate amongst participating boroughs. There will also be non-voting representation from the West London business community, education sector, the GLA, and Job Centre plus.
- 1.7 Engagement with the Economic Prosperity Board would complement activity taking place in Barnet to create a genuinely pro-business environment, through the "Entrepreneurial Barnet" approach that was agreed by Assets,

Regeneration and Growth Committee on 15 December 2014 (see Background papers, section 6.1).

- 1.8 Entrepreneurial Barnet takes a cross-public sector approach to growth and focuses on encouraging investment, job creation, town centres, welfare reform, and supporting small and micro businesses to establish themselves and to expand. Membership of the WLA Economic Prosperity Board would allow the Entrepreneurial Barnet approach to influence the thinking and direction of the wider West London group of authorities, and create the potential to secure more funding and powers to deliver these aims.
- 1.9 This approach is designed to support joint applications for funding such as the European Social Fund (ESF). The GLA has agreed with ESF co-funders to recognise the WLA boroughs, collectively, as a functional economic area for the purposes of commissioning ESF programmes 2014 – 2020. Sub-regional approaches to securing and governing such funds are increasingly more likely than individual borough funding bids to be successful.
- 1.10 Should Policy and Resources Committee agree to support the creation of the West London Economic Prosperity Board work will be undertaken to ensure the council directly influences its agenda, and to ensure appropriate Barnet representation.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The Council has a strong incentive to engage with work focused on strengthening the local business economy and labour force. This is because it retains a portion of the additional business rates associated with new business growth, relieving pressure on council finances, and also because it creates new jobs resulting in lower unemployment and reduced demand for council services associated with worklessness e.g. homelessness or mental health services.
- 2.2 The drive for devolution of key functions related to economic prosperity from national level to London and its sub-regions requires more co-ordinated working between London Boroughs.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Not engaging with the Economic Prosperity Board would result in reduced influence over the wider West London and London-wide devolution and growth agendas, and would also result in the council having access to a reduced pool of resources to deliver growth and attract external funding and private sector investment. For example we would be significantly less likely to secure any of the substantial amount of European funding that is currently available to London.

4. POST DECISION IMPLEMENTATION

- 4.1 If agreed by Council on 28 July work will be undertaken to engage with the development and establishment of the Economic Prosperity Board, with a view to it becoming operational in the Autumn of 2015.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 Supporting economic prosperity and growth, including creating employment opportunities for both young people and the working age population is a priority in the 2015-2020 Corporate Plan, and collaborating with the WLA to maximise opportunities to secure funding and build on economies of scale will directly contribute to their successful delivery.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.3 There are no immediate financial implications arising directly from this report. Establishing and participating in the West London EPB does not require an immediate funding contribution from participating authorities, neither does it require transfer of budgets from participating local authorities to the Committee.

- 5.4 However, as one of its functions, the West London EPB will have the power to bid for third party funding in relation to the local government areas of the participating boroughs in order to advance progress towards delivering the WLA Vision for Growth and enhancing economic prosperity in West London, and make decisions about the allocation of these resources.

- 5.5 As the governance model proposed is one of binding decisions by majority voting it follows that proper safeguards will need to be introduced to protect possible minority interests, as would be the case with any joint arrangements that the council entered into. Otherwise, it would theoretically be possible for the joint committee to bind Barnet (or any other single council) into onerous arrangements. With goodwill, of course, such circumstances should not arise, but it is always appropriate to introduce proper safeguards at the start of any such arrangement, including exit provisions.

- 5.6 The West London EPB will also have decision-making powers to determine how any outcomes from decisions relating to devolution, which relate specifically to the economic prosperity agenda, impact on the local authority members of the West London EPB. Some of these outcomes may include financial implications – for example transfer of funding from central to local government to perform specific functions relating to the economic prosperity agenda.

- 5.7 Again, the underpinning legal agreement will need to provide suitable protections for minority interests as part of this, to prevent any borough being bound by majority vote into an onerous arrangements. Such protections are not difficult to write into the legal agreement

5.8 The Joint Committee will develop detailed procedures for dealing with financial matters.

5.9 Organisational and clerking support for the Joint Committee, and accommodation for meetings, will be provided by the Participating Borough whose representative is Chair unless otherwise agreed by the Joint Committee. The costs of this will be reimbursed by contributions from the other Participating Boroughs as approved by the Joint Committee.

5.10 **Legal and Constitutional References**

The economic Prosperity Board will be a joint committee set up under section 102 of the Local Government Act 1972. This section allows two or more authorities to form a joint committee. The committee will make decision by a simple majority vote. The chair of the committee will have a casting vote. The boroughs involved are expected to be Barnet, Harrow, Hounslow, Ealing and Brent (the draft functions and procedure rules provide for Hillingdon and Hammersmith and Fulham to potentially join later). The boroughs making up the committee will be bound by the decisions made even if they voted against them. The committee will be able to make decisions on anything that falls within the functions and procedure rules. It is proposed that any liabilities associated with the committee will be allocated amongst the members.

5.3.2 The council's Constitution - Appendix A to Responsibilities for Function, states that Policy and Resources Committee is to be "*the principal means by which advice on strategic policy and plans is given and co-ordinated and to recommend to Full Council, as necessary, on strategic issues.*" Furthermore, it states that Policy and Resources will "*be responsible for the overall strategic direction of the Council including strategic partnerships.*"

5.11 **Risk Management**

5.11.1 We will need to influence membership of the board to ensure it works for Barnet – in particular ensuring that SME voices are heard; that it is action focused rather than a 'talking shop'; and that the Board doesn't become bogged down in airports policy.

5.12 **Equalities and Diversity**

5.12.1 The Economic Prosperity Board will have authority to make decisions around any areas that fall within their terms of reference. Any policy decisions made will undergo an equalities impact assessment as required by the Equality Act (2010).

5.12.2 The 2010 Equality Act outlines the provisions of the Public Sector Equalities Duty which requires Public Bodies **to have due regard** to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
- advance equality of opportunity between people from different groups
- foster good relations between people from different groups

5.13 **Consultation and Engagement**

5.13.1 This paper relates to governance and decision making arrangements relating to an established strategy (the West London Vision for Growth) and so no public consultation is planned at this stage.

6. BACKGROUND PAPERS

- 6.1 Link to the “Entrepreneurial Barnet” approach agreed by Assets, Regeneration and Growth Committee on 15 December 2014:
<https://barnet.moderngov.co.uk/documents/s19842/Entrepreneurial%20Barnet%20Report%20-%20Publish.pdf>

REPORT CLEARANCE CHECKLIST

(Removed prior to publication and retained by Governance Service)

Report authors should engage with their Governance Champion early in the report writing process and record the date below. If the decision/report has been reviewed at an internal board please record the date and name of the meeting (e.g. SCB). Otherwise enter N/A. All reports must be cleared by the appropriate Director/AD, Legal, Finance and Governance as a minimum. **Legal, Finance and Governance require a minimum of 5 working days to provide report clearance. Clearance cannot be guaranteed for reports submitted outside of this time.**

AUTHOR TO COMPLETE TABLE BELOW:

Who	Clearance Date	Name
Governance Champion		
Chairman of P&R		Councillor Cornelius
Director / AD / Lead Commissioner	30/6/15	Cath Shaw
Enabling Board / Delivery Board		
Commissioning and Policy		
Equalities & Diversity		
HR Business Partner		
Strategic Procurement		
HB Public Law	30/6/15	Jessica Farmer
Finance	29/6/15	Ruth Hodson

Governance	30/6/15	Faith Mwende
-------------------	----------------	---------------------