

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member – Policy and Resources
Date:	25 October 2012
Title:	Enterprise M3 Local Enterprise Partnership (LEP) – Hampshire County Council acting as Accountable Body for Core LEP Funding and Growing Enterprise Fund
Reference:	4334
Report From:	Director of Economy, Transport and Environment

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1. Executive Summary

- 1.1. The purpose of this paper is to seek approval for, and to finalise the governance arrangements in relation to, Hampshire County Council fulfilling the function of Accountable Body of the Enterprise M3 Local Enterprise Partnership (LEP) - in relation to both Core LEP Funding and the Growing Places Fund (now called the Growing Enterprise Fund).
- 1.2. This report follows on from the Governance Arrangements for the Enterprise M3 Growing Places Fund report (reference 3909) that was agreed by the Executive Member for Policy and Resources on 13 June 2012.
- 1.3. That report approved work to be undertaken to finalise the Governance Agreements in order for Hampshire County Council to carry out its role as the Accountable Body (in relation to the Growing Places Fund) efficiently and effectively.

2. Contextual information

- 2.1. At the Executive Member – Policy and Resources Decision Day meeting on 13 June 2012 the following decisions were agreed:
 - That approval be given for Hampshire County Council to act as the Accountable Body for the Enterprise M3 Local Enterprise Partnership in relation to the Growing Places Fund.
 - That approval be given for negotiations to finalise the governance arrangements and agreement with Enterprise M3 Local Enterprise

Partnership in relation to the Growing Places Fund, on the basis of the arrangements set out in Section 3 of that report.

2.2. Since then work has been ongoing to finalise the detailed and necessary arrangements in order for the County Council to execute its Accountable Body role (in relation to Growing Enterprise Fund) . This has encompassed input from the County Council's Finance and Legal Services.

2.3 A letter from the Enterprise M3 Director, dated 29 August 2012, requested that the following roles be undertaken by Hampshire County Council as the Accountable Body (in relation to Growing Enterprise Fund):

- Hampshire County Council to enter into legal agreements with the grant recipient and draft contract documentation, with input from Enterprise M3;
- Hampshire County Council to contract with any organisations who are providing advice to Enterprise M3 in order to support the activity of the Growing Enterprise Fund. Enterprise M3 recognises the need for such work to be funded from the revenue element of the Growing Enterprise Fund and any such work will need to comply with Hampshire County Council's legal, financial and procurement processes; and
- Hampshire County Council to provide advice on State Aid issues and signpost when further advice and input may be required.

2.4 In addition, the Government has recently announced the introduction of Core Funding for the Local Enterprise Partnerships, to support private sector led Boards and to ensure delivery of core objectives, and consisting of:

- £125,000 core funding for the remainder of the current financial year (2012/13); and
- £250,000 per annum core funding (on a match funded basis) for 2013/14 and 2014/15.

2.5 Hampshire County Council has now been approached by the Enterprise M3 LEP to request that the County Council acts as the Accountable Body for the core funding, and thereby becomes the recipient of the Core Funding via the Department for Communities and Local Government. Basingstoke & Deane Borough Council have provided some Accountable Body functions for the Enterprise M3 LEP, but it is likely that the LEP would wish to move to a single Accountable Body as soon as possible.

3. Finance

3.1. Other than Officer time, there are no financial implications.

4. Recommendations

- 4.1. That approval be given for Hampshire County Council to act as the Accountable Body for the Enterprise M3 Local Enterprise Partnership in relation to both Core LEP Funding and the Growing Enterprise Fund, subject to Hampshire County Council's legal, financial and procurement procedures.
- 4.2. That approval be given for Hampshire County Council to draft appropriate contract documentation (subject to the approval of the Enterprise M3 Local Enterprise Partnership) and enter into legal agreements with the individual grant recipients, as instructed by the Enterprise M3 Local Enterprise Partnership, in relation to the Growing Enterprise Fund.
- 4.3. That, in relation to the Growing Enterprise Fund, and subject to the Enterprise M3 Local Enterprise Partnership providing instructions on the terms and conditions of the legal contracts, the Executive Member for Policy and Resources delegates authority to the Director of Economy, Transport and Environment to finalise and agree the details of the legal contracts with the individual grant recipients.
- 4.4. That the Executive Member for Policy and Resources delegates authority to the Director of Economy, Transport and Environment to authorise payments to grant recipients in relation to the Growing Enterprise Fund, subject to satisfactory monitoring compliance undertaken by Enterprise M3.
- 4.5. That approval be given for Hampshire County Council to enter into contracts with any organisations who are providing advice to Enterprise M3 in order to support the activity of LEP funding streams.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	no
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	yes
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	yes
Corporate Improvement plan link number (if appropriate):	
OR	
This proposal does not link to the Corporate Strategy but, nevertheless, requires a decision because: Enterprise M3 Local Enterprise Partnership is not a legal entity and therefore, as Hampshire County Council is the Accountable Body for the Growing Enterprise Fund, it must have robust governance arrangements in place to minimise any potential risks and liabilities.	

Other Significant Links

Links to previous Member decisions:		
<u>Title</u> Governance Arrangements for the Enterprise M3 Growing Places Fund	<u>Reference</u> 3909	<u>Date</u> 13 th June 2012
Direct links to specific legislation or Government Directives		
<u>Title</u>	<u>Date</u>	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1 The proposals in this report have been developed with due regard to the requirements of the Equality Act 2010, including the Public Sector Equality Duty and the Council's equality objectives. An assessment of the impacts in this service area can be found at <http://documents.hants.gov.uk/equality-impact-assessments/ete/3-3-regeneration.doc>

It is considered that the issues covered by this report will not have impacts requiring further specific actions by the Council above those already established in its existing policies and working procedures.

2. Impact on Crime and Disorder:

- 2.1. The measures proposed are designed will safeguard public funds.

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

No impact.

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

It is considered that the issues covered in this report will not have impacts requiring further specific actions by the Council above those already established in its existing policies and working procedures.