



## Report of the Director Environment & Neighbourhoods

### Corporate Governance and Audit Committee

Date: 14 December 2010

Subject: Leeds City Region

#### Electoral Wards Affected:



Ward Members consulted  
(referred to in report)

#### Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

### 1.0 Purpose of this Report

1.1 This report provides an overview as to how Leeds City Council inputs and affects the Employment and Skills and Housing and Regeneration agendas within the context of the Leeds City Region.

### 2.0 Background Information

2.1 At its meeting held on the 12<sup>th</sup> May 2010 Governance and Audit Committee requested further details be provided on how Leeds input into and affect the housing and regeneration and employment and skills agendas within the Leeds City Region governance arrangements

### 3.0 Main Issues

#### 3.1 Housing & Regeneration Agenda

3.2 The LCR / HCA Board is the vehicle of devolution of regeneration and housing investment from central government to localities; it holds responsibility for determining and managing HCA investments, delegated by the national HCA Board. In relationship terms, the LCR HCA Board is a committee of the national HCA Board.

3.3 Leeds is represented on the LCR/ HCA Board by Cllr Wakefield, Leader. The Board takes responsibility and ownership for the LCR Housing and Regeneration Investment Plan

3.4 The primary purpose of the Leeds City Region Homes and Communities Agency

(HCA) Board is:

- to work collaboratively with the HCA and other relevant bodies;
- to oversee HCA investment across the City Region
- to oversee delivery of key strategic projects in the City Region; and
- to provide a mechanism for the voluntary alignment of other related public sector resources.

3.5 The terms of reference are attached at Appendix A and the investment agreement and investment plan are both available via the Leeds City Region website ([www.leedscityregion.gov.uk](http://www.leedscityregion.gov.uk)).

Appendix B: shows the LCR Housing & Regeneration Arrangements

3.6 The Housing Panel which comprises Members of all eleven local authorities in the city region partnership and the HCA provides advice to the City Region Leaders Board on housing and regeneration matters. Consideration could be given to extending the membership of the Panel to non-local authority bodies, to enable a broader perspective to the consideration of issues and advice.

3.7 Leeds is represented on the Housing Panel by Cllr Lewis Deputy Leader and Executive Member for Development & Regeneration.

3.8 Under the Board arrangements, the Housing Panel has a role in offering a view to the Board on housing and regeneration investment decisions, particularly from a local authority perspective. To ensure this broader Local Authority input, Housing Panel meetings are arranged prior to the LCR HCA Board meetings in order that the Panel can help brief the city region partnership's members on the Board.

3.9 An executive officer group has been established comprising senior representatives from the City Region Secretariat, partner Local Authorities, HCA, Yorkshire Forward, CLG and other relevant organizations, with a primary responsibility to inform and advise the Joint Board on City Region investment matters.

#### **4.0 Leeds City Region Employment and Skills Board (ESB)**

4.1 Leeds City Region ESB was established with responsibility for developing an adult skills and employment strategy for the City Region. The ESB is now recruited to in line with Government recommendations and has representation from private sector employers; place leaders/public sector employers and commissioners.

4.2 The terms of reference and governance for the ESB are attached at Appendix C. Further information on the work of the Board can be found on the Leeds City Region website ([www.leedscityregion.gov.uk](http://www.leedscityregion.gov.uk))

4.3 Under the previous government, it was intended that the ESB would realise its influence on skills was through statutory 'Section 4' powers, which would have enabled the ESB to set strategy which the Skills Funding Agency would take account of in planning adult skills provision for the city region, alongside regional and national priorities.

4.4 The process for achieving Section 4 powers was to have been an assessment by UK Commission for Employment & Skills (UKCES) on behalf of government, to test the Board's readiness for such powers. The assessment scheduled for 19 May was

postponed following the general election and the formation of the Coalition Government. Since then Business, Innovation and Skills Ministers have developed their policies on skills and further education and in late June, the Minister for Skills, John Hayes, wrote to the Chair confirming his decision not to proceed with the assessment for Section 4 Powers. The new government's approach is one of delegating freedom to providers to respond to demand from individuals and employers at the local level and this has changed the context in which ESBs will operate.

4.5 The Minister has indicated a desire to see ESB skills and employment ambitions progressed through the new policy structures of Local Enterprise Partnerships (LEPs). Leeds City Region Leaders agreed over the summer to put forward a proposal, building upon its existing partnership arrangements with additional private sector representation, including the Employment & Skills Board. A submission was made to Government on 6 September which included the ESB's priorities

4.6 The ESB's vision is for effective employer and public investment in skills that will drive growth, innovation and enterprise in the Leeds City Region. The Employment and Skills Strategy, Intelligence Driving Growth, developed by the ESB has 5 strategic aims:-

- Improve skills and boost employment in selected key sectors;
- Increase employer and individual skills investment across the City Region;
- Enable those out of work to compete in the labour market by ensuring that they have the necessary skills;
- Promote better information for learners, employers, colleges, universities and training providers to make more informed decisions; and
- Create an aspirational and innovative enterprise culture.

Work has commenced on developing the business plan to deliver the above strategy and consultation is ongoing with stakeholders.

4.7 The ESB recognises the important role that local authorities have to play in providing local leadership and shaping, supporting and delivering elements of the strategy and business plan and will want to ensure synergy between the City region and local approaches. However, established as an employer led board, there are only 5 local authority representatives. These are the elected member portfolio holders for Bradford, Calderdale and North Yorkshire and the Chief Executive Officers for Barnsley and Wakefield.

4.8 Officer input to the work of the ESB is provided through the ESB Officer Group which has representation from all 11 local authorities along with the LCR Employer Coalition, the Skills Funding Agency and Jobcentre Plus.

4.9 The current arrangements for Skills in the Council are complicated by divisions in responsibilities across 5 directorates. To overcome this, the Director of Environment and Neighbourhoods has been designated as the Corporate Leadership Team lead on Skills. The Director will progress work to develop more coherent arrangements to ensure that the needs of Leeds are appropriately identified and provision is more effectively planned and delivered at the local level and that there is effective engagement with the ESB.

## **5.0 Implications for Council Policy & Governance**

5.1 To ensure members are effectively informed, consulted and provide an opportunity for members to influence and contribute to the Employment and Skills and Housing and Regeneration agendas within the context of the Leeds City Region, it is proposed that a report quarterly or twice yearly is delivered to Members

## **6.0 Legal and Resource Implications**

6.1 There are no significant legal or resources implications arising from this report.

## **7.0 Conclusions**

7.1 The report sets out the governance arrangements for ensuring effective input into the housing and regeneration and employment and skills agendas. To ensure members are effectively engaged it is proposed to strengthen the proposals through the Scrutiny Board.

## **8.0 Recommendations**

8.1 The Corporate Governance and Audit Committee is requested to:

- Note the report and progress
- Comment on the approach taken to ensure Leeds effectively influences the LCR agendas

### **Attached:**

Appendix A: LCR HCA Board Terms of Reference  
Appendix B: LCR Housing & Regeneration Arrangements  
Appendix C: LCR Employment and Skills Arrangements  
Appendix D: Employment and Skills Board Terms of Reference

### **Background Papers**

Corporate Governance and Audit Committee 12<sup>th</sup> November 2009 Leeds City Region – Governance Arrangements Report  
Corporate Governance and Audit Committee 12<sup>th</sup> May 2010 Leeds City Region – Emerging Governance Structures Report  
Governance arrangements for HCA / Leeds City Region Joint Housing and Regeneration Board  
ESB Terms of Reference }  
Minutes of ESB on 11 June and 17 September } All available on the Leeds City Region website <http://www.leedscityregion.gov.uk>  
LCR Employment and Skills Strategy }

## Appendix A: LCR HCA Board Terms of Reference

### LEEDS CITY REGION HCA BOARD – Terms of Reference

#### 1 Constitution and Membership

- 1.1 The Leeds City Region HCA Housing & Regeneration Board [herein after referred to as the Leeds City Region HCA Board] shall be established by the HCA, in liaison with the Leeds City Region Leaders Board, and shall comprise the following members:

Chair – A local authority Leader from Leeds City Region

Vice Chair – a Board Member of the HCA

HCA – the Regional Director or his nominee

LCR Local Authorities – 3 Members nominated by the Leeds City Region Leaders Board

RDA – one senior representative of Yorkshire Forward

- 1.2 The City Region Lead local authority Chief Executive for Housing and Regeneration and the associated City Region Secretariat lead officer shall attend, but not be members of, the Leeds City Region HCA Board.
- 1.3 Nominated representatives of CLG and the Government Office may attend as observers.
- 1.4 The HCA Board may, on the advice of the Chair and Vice Chair of the Leeds City Region HCA Board, appoint independent members, in an advisory capacity.
- 1.5 Appointment of non-HCA members to the Leeds City Region HCA Board is subject to the approval of the Secretary of State.
- 1.6 HCA Board Standing Order 13 (Standing Orders to Apply to Committees) shall apply to the Leeds City Region HCA Board, with the exception of arrangements for voting and quorum, which are set out in these terms of reference. A summary of all applicable Standing Orders is available separately for persons appointed.

#### 2 Functions and Responsibilities

- 2.1 The Leeds City Region HCA Board will oversee the delivery of agreed city region strategic projects and programmes, determined through the City Region HCA Single Conversation and set out in the Housing and Regeneration Investment Plan and other associated strategies, having regard to relevant national policies and directives. It will oversee and direct the distribution of HCA investments across the city region, within the scheme of delegation set by the HCA Board.
- 2.2 The Leeds City Region HCA Board shall have the same delegated authority to approve proposals for housing and regeneration schemes in Leeds City Region as are given to the Investment Committee for proposals for the rest of England, except that,
- (a) nationwide programmes shall be considered by the Investment Committee but the Leeds City Region HCA Board will be consulted on, and may consider and make recommendations on the implications for the City Region of national policies and investment proposals, as appropriate.

- (b) where there are cross-boundary proposals these may be considered by both the Investment Committee and the Leeds City Region HCA Board in parallel, and in liaison with appropriate sub-regional bodies, and subsequently will be considered by the HCA Board if appropriate.

2.3 In particular, the Leeds City Region HCA Board shall:

- (a) provide advice to the HCA Board and City Region Leaders Board on levels of housing and regeneration investment needed to deliver strategic priorities in the city region;
- (b) prepare, monitor and review the City Region Housing Investment Plan, providing advice to the City Region Leaders Board and the HCA Board on city region housing and regeneration policy and investment priorities;
- (c) provide an input into the preparation, monitoring and review of the City Region Housing and Regeneration Strategy and Investment Framework;
- (d) oversee the distribution of HCA investments across the city region;
- (e) prepare the City Region Investment Plan setting out the city region's programme for housing and regeneration, and oversee its delivery based on regular monitoring information and analysis;
- (f) consider and approve, or refuse, project and programme proposals for housing and regeneration in the city region, within the scope of delegation set by the HCA Board for the time being, subject to consideration of any advice from officials arising from full appraisal of proposals within the city region Partnership/HCA;
- (g) consider and, on approval, recommend to the HCA Board, programme and project proposals for housing and regeneration in the city region, where these are above the limits of delegation set by the HCA Board for the time being;
- (h) oversee the delivery of the HCA's programmes in Leeds City Region based on regular monitoring information;
- (i) provide a mechanism for voluntary alignment and co-ordination of the activities of public sector investors in housing and regeneration in the City Region;
- (j) liaise with relevant national, regional and local bodies and city region Panels / Boards as necessary
- (k) develop and agree appropriate delivery models for housing supply, improvement of existing stock and regeneration to meet housing requirements in the City Region.

### **3 Quorum**

3.1 No business shall be transacted at a meeting of the Leeds City Region HCA Board unless at least four members are present including at least one Member of the HCA.

### **4 Voting**

4.1 The Leeds City Region HCA Board shall operate on a consensus model, wherever possible without voting.

- 4.2 Where consensus is not achieved, a matter shall be carried by a majority of votes of the members present at the meeting, subject to 4.4 below.
- 4.3 In the case of an equality of votes, the Chair shall have a second or casting vote, subject to 4.4 below.
- 4.4 In exceptional circumstances, on any decision taken by the Leeds City Region HCA Board relating to HCA investments, the HCA representatives, or, in the absence of either, their nominee shall have the right to refer the decision to the HCA Board for determination. Where such a referral occurs the matter shall not be decided until it is determined by the HCA Board.
- 4.5 Where the Board seeks to recommend a course of action or decision on the voluntary alignment of other related public sector investments, decisions on such alignments would remain the responsibility of the respective funding body.

## **5 Other issues**

- 5.1 The secretariat will be provided jointly by the city region secretariat and HCA.
- 5.2 The Board shall meet quarterly. Additional meetings may be called as necessary in accordance with Standing Order 5.1.

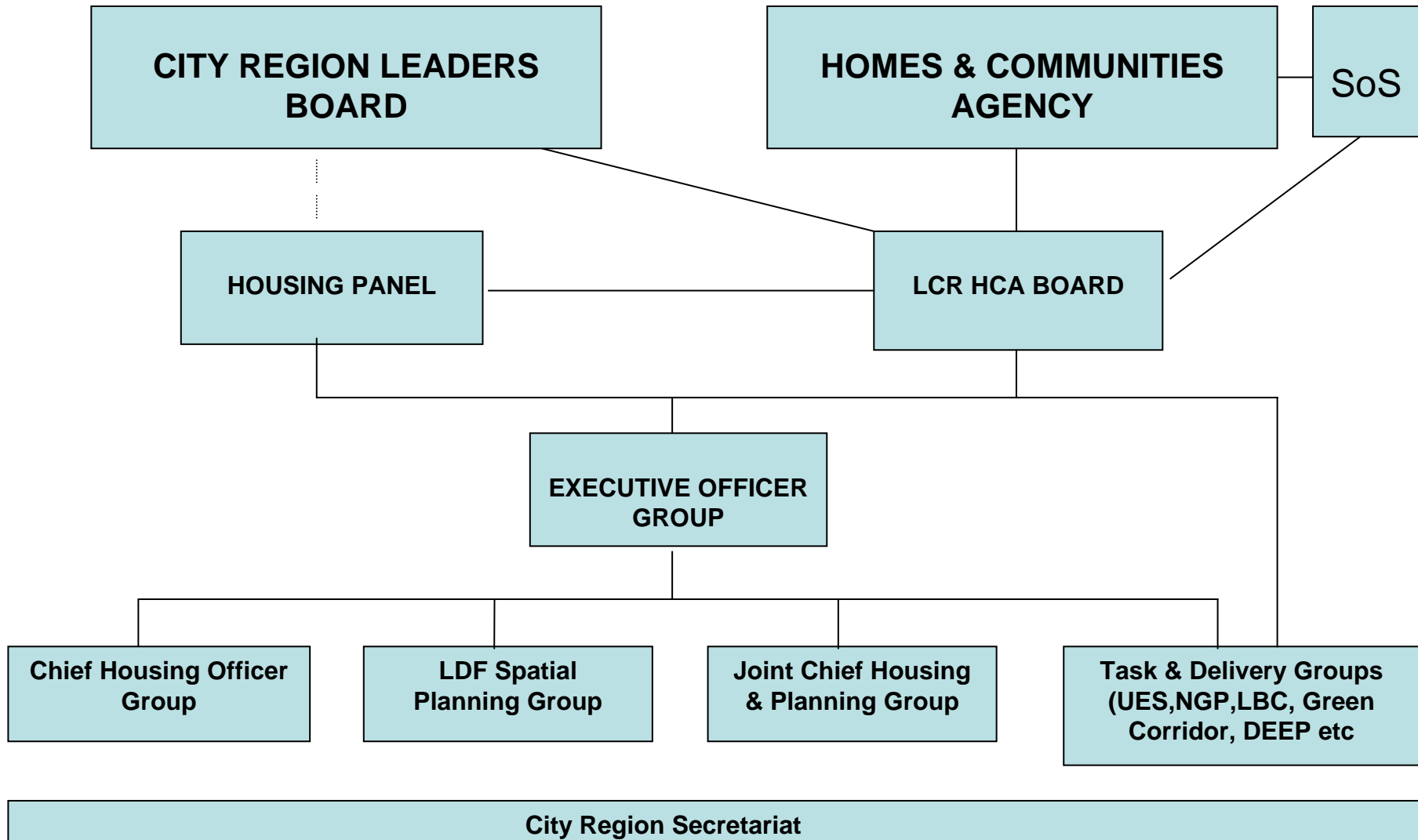
## **6 Amendment**

- 6.1 Any of the above terms of reference may be altered and amended from time to time by express resolution of the HCA Board, in liaison with the City Region Leaders Board, of which notice shall have been given in the meeting notice at which they are proposed. Any such proposal shall be subject to consultation with the Leeds City Region HCA Board.

# LEEDS CITY REGION

Appendix B

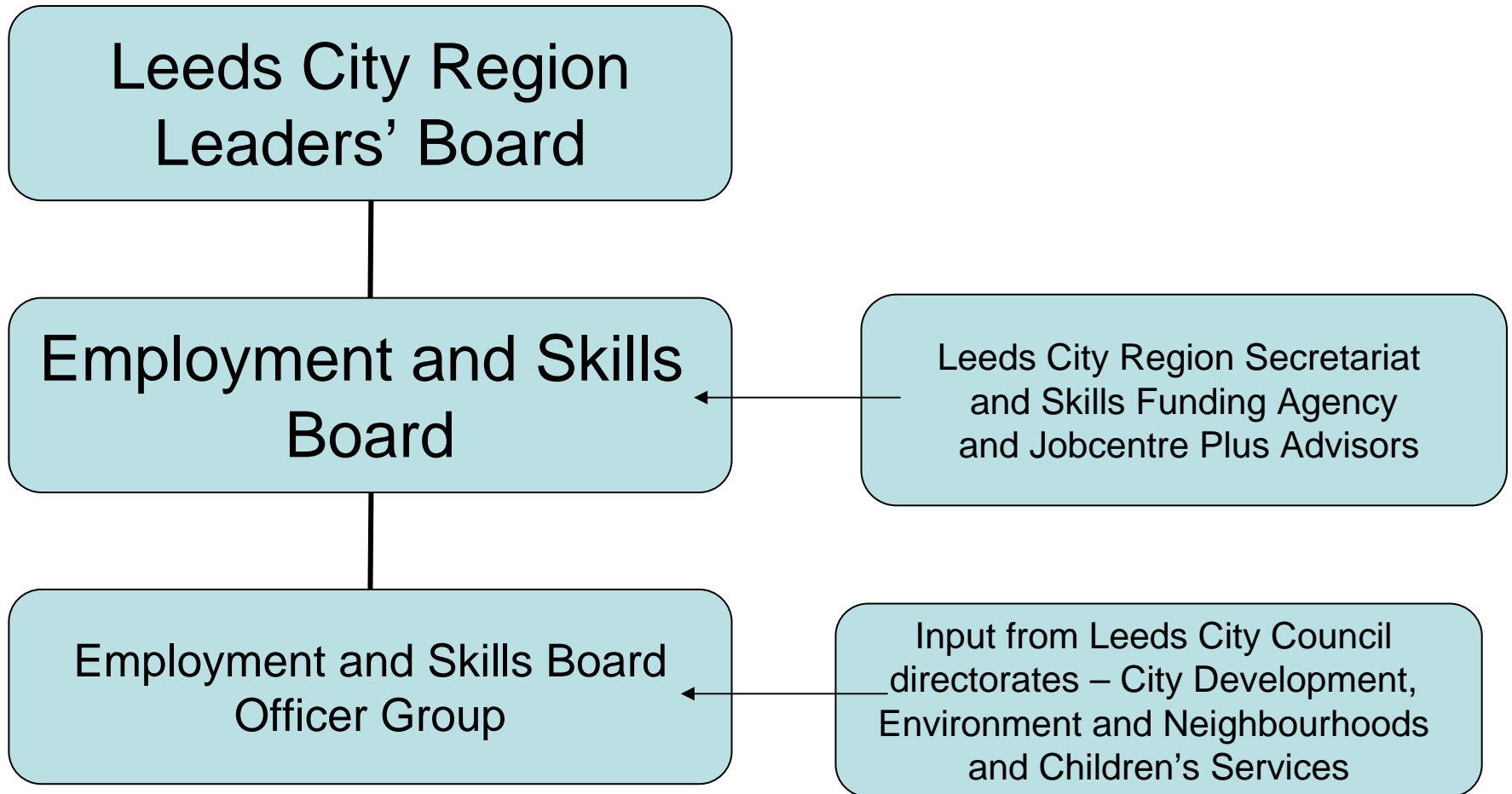
## HOUSING & REGENERATION ARRANGEMENTS





# LEEDS CITY REGION Appendix C

## EMPLOYMENT AND SKILLS



## Appendix D

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### Leeds City Region Employment and Skills Board Terms of Reference

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#### Statement of purpose

To bring together employers of key sectors, along with Local Authorities and commissioners of employment and skills provision, to give collective local leadership to setting the strategic priorities for public sector investment in adult skills and employability programmes that drive the economic growth of the City Region and raises the demand for skills.

The Employment and Skills Board will seek to act as the designated body to set strategy for skills in Leeds City Region as per Section 24 (A) of the Learning and Skills Act 2000, with the addition of devolved commissioning responsibilities as set out in “Raising Expectations and Increasing Support: Reforming Welfare for the Future” (White Paper, Department for Work and Pensions, 2008). It will seek to influence and ensure coherence with 14-19 strategies and policies.

#### Remit and responsibilities

The Employment and Skills Board will:

- Promote a shared understanding of skills and employment demand in the City Region economy, now and in the future, the related challenges and opportunities, and share this with partners as appropriate.
- Formulate, publish and programme manage an overarching Strategy for employment and adult skills in the City Region, which is co-produced by employers, adds value to local work and skills plans and Employment and Skills Boards and is aligned with the proposed Regional Skills Strategy and Integrated Regional Strategy.
- Set priorities for employment and skills provision which respond to existing and future needs of the Leeds City Region economy and City Region work streams.
- Inform the development of priorities for other work streams of the City Region, including Transport, Innovation and Housing.
- Provide challenge and transparency to the commissioning of skills and employability programmes in the City Region.
- Seek to influence and ensure coherence with 14-19 strategies and policies for the future workforce needs of the City Region.
- Review the Employment and Skills Strategy and publish an Annual Report setting out distance travelled and the future challenges and opportunities for the Board.
- ensure the widest possible consultation with employers across the City Region and promote best practice in recruitment, retention and staff development.
- Make recommendations to the City Region Leaders Board, the Regional Minister, the appropriate Secretaries of State, Yorkshire Forward the Regional Development Agency, the Skills Funding Agency, Jobcentre Plus and other relevant bodies and organisations on issues related to its responsibilities.

#### Key Outcomes

- Improved employment, skills, progression and productivity outcomes for the City Region.

#### Key Outputs

- Long range (5 year) Employment and Skills Strategy

- An Annual Report setting out progress on implementation

### **Performance framework**

The ESB will consider appropriate measures for Performance Management, with any proposed framework having due regard to: Multi Area Agreement indicators; Local Area Agreement indicators and Regional targets (such as RES/Regional Skills Strategy).

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## **Leeds City Region Employment and Skills Board Operating Principles**

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### **Membership**

Membership of the ESB shall have tripartite representation covering:

- 6-9 private sector employers to ensure coverage of the key economic sectors driving growth in the City Region and 1 non-LA public sector employer representative,
- 5 Local Authority Representatives – as representatives of ‘place’ and as key City Region employers;
- Non-voting commissioning partners, to consist of 1 representative each from the Skills Funding Agency, Jobcentre Plus, Yorkshire Forward.

The ESB retains the right to co-opt other non-voting partners (such as Young People’s Learning Agency) to the Board when the agenda is relevant.

Membership will be of senior level (Chief Executive, Leader or Senior Management level) with executive decision making responsibility and the ability to represent their geographic area and/or sector.

Membership of the Board will be for three years, reviewed annually.

All members of the ESB will be expected to adhere to the codes of conduct identified by the seven principles of standards in public life established by the Nolan Committee.

<http://www.archive.official-documents.co.uk/document/parlament/nolan/seven.htm>

### **Chair/Deputy Chair**

The Employment and Skills Board will be chaired by a publicly recruited employer. Details of this process will be publicised via the city region website. The Chair of the ESB will be appointed for a period of up to three years, subject to formal review after two years.

The nomination to Chair will require endorsement from the City Region Leaders Board.

The Deputy Chair will be selected by the ESB through a nomination and voting process.

### **Changes to Structure**

The ESB may identify the need to develop relevant task and finish groups to pursue specific issues. These task groups will report directly to the ESB and be chaired by an identified member of the ESB.

The Board must agree all changes to its structure, although the Chair is delegated to make temporary changes if deemed necessary.

All membership changes must meet with the criteria set out in the 'Membership' section.

### **Resignations**

Any member that resigns their seat on the Board will be replaced by an equivalent (i.e. an employer who resigns would be replaced by an employer) through an appropriate process.

Individuals who no longer meet the basic eligibility requirements of their position will be expected to resign from the Board.

### **Meetings**

The Board will formally convene four times a year. Special meetings may be called with the agreement of the Chair. Where possible, members should be given a minimum of seven days notice.

Meetings will have an emphasis on open and constructive debate. Members are encouraged to contribute their views and will be given a reasonable opportunity to be heard. All comments should relate to issues and not to individuals.

Meetings will be closed to the press and public (to allow full and open debate between partners), however the Chair may invite observers to attend if appropriate.

The Chair conducts all meetings, or if they are absent the Deputy Chair does this. If neither the Chair nor Deputy Chair is present then the members will agree a Chair for that meeting.

Papers will be circulated to members not less than five working days before the publicised date of the meeting. Minutes will be uploaded to the Leeds City Region website no less than one month after the publicised date of the meeting.

Standing agenda items for meetings will include a declaration of interest for members. Any member declaring an interest in an agenda item will be expected to leave the meeting for the duration of that item.

Any declaration of interest will be recorded in the minutes of the meeting.

### **Attendance**

Members are encouraged to attend each meeting. A schedule of meetings will be issued yearly.

If a member is unable to attend a meeting they are encouraged to send a named alternative or to submit their views to be tabled. Provision will be made to appoint named alternates with appropriate executive decision making authority.

If a member has a continued reason for absence for 2 or more meetings then (with the prior agreement of the Chair) a designated 'interim replacement' can be appointed.

If a member does not attend for three meetings in a row then the Chair can review the situation. This could result in the Chair inviting the nominating body to consider whether its representative should be changed.

Ad-hoc substitutions will not normally be accepted at the Board. The Chair may permit it, in the interests of inclusivity, should a matter of major strategic importance to the Board be on the agenda.

## **Voting and Quorum**

Collegiate decision making will be encouraged as the norm. Where a specific issue requires a vote, the Chair shall not be entitled to a second or casting vote and any tied resolution will therefore, be deemed to be defeated. The resolution however, may be deferred for further discussion at another meeting.

Voting is conducted by a show of hands by eligible members - and a simple majority carries the vote. Any member who has declared an interest in an item will not be eligible to vote.

There is no right of veto by any partner and once a decision is made then all members shall be bound by it.

The quorum for meetings should be at least comprised of 50% of the public sector and 50% of private sector members (or their named alternates).

If a meeting is not 'quorate' then members may continue to discuss items but cannot take decisions (unless there is an urgent matter which can then be covered by the urgent decisions arrangement outlined below).

Members of the Employment and Skills Board who declare an interest and/or leave a meeting shall not form part of the quorum.

## **Urgent decisions**

If an urgent decision is required which cannot wait until the next meeting then a written resolution will be circulated to all board members or a special meeting may be convened.

If neither of the above are practical then the Chair may take a decision – in discussion and agreement with the Deputy Chair and at least one other board member. The decision must be reported at the next scheduled meeting.

## **Local accountability lines**

The ESB will be the designated holder of devolved "Section 4" powers, a service level agreement with Jobcentre Plus and be responsible for developing and delivering an employment and skills strategy for the city region.

The Leaders Board will endorse the Employment and Skills Strategy.

The ESB will be responsible for developing and maintaining strong links to local and regional scrutiny arrangements to ensure transparency, alignment and value added.

## **Board review**

Membership of the Board will be for up to three years, with a 'light touch' review conducted annually by the chair, at least two other members of the Board and the secretariat. Board members may choose to remain on the board or step down at this stage.

This will also be used to review the structure and functions of the Board to ensure that it remains fit for purpose.

## **Support and secretariat arrangements**

Arrangements will be established within the LCR secretariat to support the Employment and Skills Board and the overall City Region Employment and Skills agenda and to ensure linkages to City Region governance arrangements, for example: Leaders Board; Chief Executives; Business Leadership Group; and the Thematic Panels.

A support group of city region officers will provide policy support to the Board and promote links with local and regional arrangements.

Any task and finish groups established to progress individual technical work streams (such as performance management or funding) or support the strategic focus of the ESB, will be supported by the Secretariat.