



To: Leader and Executive Councillor for Strategy and  
Climate Change: Councillor Sian Reid  
Report by: Antoinette Jackson, Chief Executive  
Relevant scrutiny Strategy & Resources 19 March 2012  
committee: Scrutiny Committee  
Wards affected: All Wards

## **GREATER CAMBRIDGE GREATER PETERBOROUGH LOCAL ENTERPRISE PARTNERSHIP: INCORPORATION AS A COMPANY LIMITED BY GUARANTEE**

### **Not a Key Decision**

#### **1. Executive summary**

To consider the City Council becoming a corporate member of the Greater Cambridge-Greater Peterborough Enterprise Partnership (LEP) as part of its incorporation as a company limited by guarantee

#### **2. Recommendations**

The Executive Councillor is recommended:

To agree the principle of the City Council becoming a corporate member of the LEP and to ask the Chief Executive to finalise the arrangements with the LEP Board.

#### **3. Background**

- 3.1 In Summer 2010, the Coalition Government invited proposals for locally-driven, business-led LEPs as the key body to drive economic growth at the sub-national level. A LEP has been created locally based on the overlapping travel to work areas for the cities of Cambridge and Peterborough. The LEP Board was formed in March 2011 and Councillor Sian Reid is a local authority Board Member of the LEP.
- 3.2 The LEP Board has now agreed that it makes sense to incorporate the LEP, so that it has legal status and can more readily take actions in a number of areas (including, for example, entering into contracts).

3.3 As part of this proposal the 13 Local Authorities making up the LEP area will become corporate members of the LEP. Corporate membership of the LEP formally acknowledges the role of the local authorities in relation to the LEP, but does not bring additional financial commitments for the Council or other councils party to the LEP. Key decision making on issues within its remit remains with the Board of the LEP. The character of membership of the GCGPEP is akin to, but significantly different from, that of shareholders in a 'for profit' company. In particular, the LEP members have no entitlement to dividends or a share of the LEP 'profits'. The members have certain limited rights under company law, for example, the right to attend the AGM (if one is held), and the right to vote on any changes to the LEP's constitution.

3.4 The Board of the LEP is made up as follows:

- five Public Sector Members (elected members chosen by the 13 local authorities).
- seven Private Sector Members
- one Education Sector Member; and
- one Third Sector Member.

The Board has a private sector Chair and a private sector majority, in line with Government's policy aims for LEPs.

3.5 The leader of the Council is currently a Board member of the LEP because she was elected to this position by the other authorities but this is a personal appointment (the City Council does not have a place on the board as a right) and after her term of office ends there is no guarantee that she would be elected for a second term. In this context it is important that the city council is also represented with the LEP structures through corporate membership.

## 5. Implications

### (a) Financial Implications

There are no additional financial implications from this proposal. The City council currently contributed £8,000 per annum to the LEP.

### (b) Staffing Implications (if not covered in Consultations Section)

There are no additional staffing implications from this proposal

(c) **Equal Opportunities Implications**

There are no additional equalities implications from this proposal therefore an Equalities Impact assessment has not been conducted.

(d) **Environmental Implications**

There are no additional environmental implications from this proposal.

(e) **Consultation**

The proposals have been discussed by the LEP Board and local authorities in the LEP area have been consulted. Each is considering the issue through their own formal decision making processes.

The Head of Legal Services is reviewing the proposed memorandum and articles of the company to ensure they are suitable.

(f) **Community Safety**

## 6. Background papers

These background papers were used in the preparation of this report: Draft Articles and Memorandum for the company.

## 7. Appendices

None

## 8. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

Author's Name: Antoinette Jackson  
Author's Phone Number: 01223 457001  
Author's Email: [Antoinette.Jackson@cambridge.gov.uk](mailto:Antoinette.Jackson@cambridge.gov.uk)