

## **North East Local Enterprise Partnership (North East LEP)**

### **Investment Board (IB) - Terms of Reference**

#### **Purpose:**

To function as a sub-Board of the North East LEP Board, to oversee all matters relating to the management, development and delivery of the funding programmes operated by the North East LEP, including (but not exclusive to); North East Growth Deal Local Growth Fund (LGF); North East Investment Fund (NEIF); and Enterprise Zone funding. The funding programmes currently (at August 2017) consist of £270m LGF grant funds (over the period 2015-2021), £55m NEIF loan funds, and Enterprise Zone loan funds (based on the level of site income). Future Government funding may add resources to this budget. These funding programmes are focused on supporting investment in transport, economic assets and growth, employment & skills and innovation facilities that help support the delivery of the North East Strategic Economic Plan objectives.

#### **Responsibilities:**

1. To ensure that the funding programmes are managed at all times in accordance with the North East LEP Assurance Framework.
2. To make recommendations on 'programme entry' of projects to the North East LEP Board.
3. To receive progress monitoring information on individual projects and the programme as a whole, including quarterly progress reports on key performance indicators.
4. To receive budget update reports, monitor budget performance and advise the North East LEP Board if action is required to meet financial targets and/or delivery objectives.
5. To consider requests for information from Central Government and agree responses as appropriate on behalf of the North East LEP Board.
6. To ensure that strategic programme and project management key risks and issues are reported to the North East LEP Board as appropriate.
7. On the recommendation of the Technical Officers Group or otherwise, to call in projects for scrutiny that may be under performing or are requesting a significant change in project scope, programme, performance targets or funding.
8. Following business case and due diligence considerations to:
  - a. discharge the functions of the LEP Board in approving funding and investments of a value not exceeding £5m, on behalf of the North East LEP Board. (NB: The North East LEP Board will determine initial programme entry).
  - b. make recommendations to the North East LEP Board on funding and investments over £5m refer decisions on funding and investments (regardless of value) to the North East LEP Board where there is not Investment Board consensus.
9. To discharge the functions of the LEP Board in approving or rejecting changes to commercial terms of loan funding agreements
10. To provide confirmation if funding profiles can be slipped where requested
11. To support the development of future bids to Government for funding and pass to LEP Board for approval (subject to timescale).

12. To co-ordinate strategic investment thinking to maximise funding opportunities available to the LEP

### **Representation:**

The IB comprises of the following representatives:

1. North East LEP Board member, private sector (Chair)
2. North East LEP Board members – 2 private sector and 2 public sector
3. Independent Specialist – investment
4. Independent Specialist – banking
5. Independent Specialist – developer/surveyor
6. North East LEP Executive team members as appropriate
7. Accountable Body Senior Officers as appropriate

### **Frequency of Meetings**

Meetings will be held on a bi-monthly basis, at least two weeks prior to the meetings of the North East LEP Board. Once a quarter, meetings will receive a full report on programme performance following the submission and analysis of project quarterly monitoring reports.

### **Quorate decisions**

A decision taken at a meeting of IB will be Quorate if a minimum of 2 private sector and 1 public sector members are present. Any member unable to attend can provide their observations in advance of the meeting to the Chair and LEP Executive Team.

### **Accountability:**

The IB reports to the North East LEP Board.

### **Chair:**

The Chair will be a private sector member of the North East LEP Board. The Vice-Chair will be appointed from the remaining voting members.

### **Responsibility of Chair**

With assistance from North East LEP Executive Team and the Accountable Body, the Chair will:

- Prepare agendas and manage meetings, which reflect the IB's agreed Terms of Reference.
- Recruit/co-opt IB members
- Present reports to the North East LEP Board.
- Ensure the agendas and minutes of each meeting are published on the LEP website in accordance with the Assurance Framework

### **Responsibility of Members**

To regularly attend meetings and adhere to the North East LEP Constitution. Any potential or actual conflict of interest should be communicated to the Chair at the outset of the meeting.