



**SOUTHWEST COMPETITIVENESS & EMPLOYMENT PROGRAMME  
LOCAL MANAGEMENT COMMITTEE (LMC)  
EUROPEAN REGIONAL DEVELOPMENT FUND  
TERMS OF REFERENCE, MEMBERSHIP AND WORKING  
ARRANGEMENTS**

1. Introduction

- 1.1. This paper sets out the Terms of Reference for the ERDF Local Management Committee.

2. Role of the Local Management Committee

- 2.1. The LMC is established in accordance with Article 63 of Council Regulation (EC) No. 1083/2006 and undertakes a strategic role by performing the tasks and responsibilities laid down in Article 65 to satisfy itself of the quality and effectiveness of the implementation of the Convergence ERDF Programme. The LMC will carry out monitoring by reference to financial indicators and the indicators referred to in Article 37(1)(c) specified in the Operational Programme. The main function of the LMC is to be responsible for the formal monitoring of the Programme; it is not an executive body and therefore does not award grants.
- 2.2. It will discharge the following tasks and responsibilities:
  - 2.2.1. Consideration and approval of project selection criteria;
  - 2.2.2. Reviewing progress towards the achievement of programme targets and Priority Axes objectives through receiving and considering performance implementation data;
  - 2.2.3. Receiving and considering consistent, up-to-date management information for the programme, as required by the Managing Authority for each Programme;
  - 2.2.4. Consideration and approval of Annual and Final Reports;
  - 2.2.5. Consideration and approval of programme evaluations and resulting Operational Programme amendments;
  - 2.2.6. Strategic linkages with other Structural Funds, domestic programmes and wider UK economic policy.
- 2.3. The LMC is responsible for the strategic leadership of the ERDF South West Competitiveness programme.

3. The Joint LMC will:

- 3.1. Draw up and agree its own Terms of Reference and Code of Conduct, which will be publicised and made available on the programme website. This will include procedures to avoid conflicts of interest;
- 3.2. Develop, monitor and oversee the strategy for the South West Competitiveness and Employment ERDF Operational Programme, reviewing the quality and effectiveness of its implementation;
- 3.3. Periodically review progress made toward achieving the specific objectives of the programme;
- 3.4. The Department of Communities and Local Government (DCLG) is the Managing Authority for the ERDF Programme.

ERDF Responsibilities:

- 3.5. Ensure that financial and non-financial targets are met and redirect the work of the programme as and when required over its lifetime. Examine the results of implementation, particularly the achievement of the targets set for the programme priority axes and the evaluations referred to in Article 48 (3) of the Regulation 1083/2006;
- 3.6. Ensure that local priorities are actively considered and reflected in decision-making processes including approval of any necessary revisions to project selection criteria;
- 3.7. Consider and approve any proposals to amend the contents of the approved OP. Such changes will be in accordance with Article 33 of Regulation 1083/2006 for example to take account of is significant socio-economic changes, major changes in priorities to address implementing difficulties and /or in the light of evaluation;
- 3.8. Propose to the Managing Authority any revision or examination of the operational programme likely to make possible the attainment of the Fund's objectives referred to in Article 3 of Regulation 1083 / 2006 or to improve its management, including its financial management;
- 3.9. Receive regular updates regarding risk management of the OP implementation including risk register, advising the ERDF Secretariat on appropriate risk management and mitigation strategies and action;
- 3.10. Consider and approve criteria for selecting ERDF projects/operations Operational Programme and approve any revision of those criteria according to programme need;
- 3.11. Consider and approve the annual and final implementation reports referred to in Article 67 of Regulation 1083/2006;

- 3.12. Be informed of the annual control report, or of the part of the report referring to the Operational Programme, and of any relevant comments the Commission may make after examining that report or relating to that part of the report;
- 3.13. Establish such sub-committees, working groups or task and finish groups as appropriate to enable the LMC to fulfil its responsibilities and to support the efficient implementation of the OP;
- 3.14. Consider and agree a Communication Plan for the Programme;
- 3.15. Consider and agree a strategy for Technical Assistance;
- 3.16. Consider and Agree an Evaluation Plan for the programme, to cover evaluation activities to be carried out during the programme period;
- 3.17. Monitor impact of Programme activity in terms of cross-cutting themes of equality, environmental sustainability;
- 3.18. Endorse major projects before submission to the European Commission (defined as comprising a series of works, activities or services intended to accomplish an indivisible task of a precise economic or technical nature, having clearly identified goals and whose total costs exceed 50 million Euros);
- 3.19. Consider and develop strategic linkages with other Structural Funds, domestic programmes and wider UK economic policy.

#### Strategic Linkages

- 3.20. The Local Management Committee will encourage linkages between the:
  - ERDF Competitiveness Programme;
  - ERDF Convergence Programme;
  - South West Regional European Social Fund Framework;
  - Convergence ESF Framework;
  - European Agricultural Fund for Rural Development;
  - European Fisheries Fund;
  - European Territorial Co-operation Objective;
  - ensuring complementarity between these Programmes

#### 4. Membership

- 4.1. The membership of the SW Competitiveness LMC will be drawn up in accordance with the partnership principle established by Article 11 of EC Regulation 1083/2006 and advice from CLG as the Managing Authority for all English ERDF Programmes. The LMC will be:

- 4.1.1. *Efficient and effective* –constituted at a level and size that promotes efficient and effective working. Members may be mandated to represent a wider spread of interests.
- 4.1.2. *Locally determined* - membership appropriately reflecting the required thematic balance of the SW Competitiveness Operational Programme.
- 4.1.3. *Strategic* – Representatives will be senior-level decision-makers with a wide-ranging perspective, will be respected by and consult with the constituents they represent
- 4.1.4. *Representative and compliant* - the LMC will comply with EC regulation regarding membership (Article 11 refers)
- 4.2. The LMC will be representative of:
  - Competent regional, local, urban and other public authorities;
  - Economic and social partners;
  - Any other appropriate body representing civil society, environmental partners, non-governmental organisations, and bodies responsible for promoting equality of opportunity between women and men.
- 4.3. LMC members will represent the sector for which they act as delegates rather than their individual organisations. Members will be required to ensure that appropriate consultation takes place within the sector they represent in advance of and following LMC meetings to ensure that all appropriate partners have the opportunity to contribute to and are informed of the work of the LMC and progress of the programme.
- 4.4. The Competitiveness Operational Programme has a target of 50% female membership for the LMC and its sub-committees. Partners are asked to assist in meeting this target.
- 4.5. The LMC will retain the ability to review its membership over the life of the programme taking into account changes to programme area infrastructure and any revisions to the strategic focus of the OP, as well as LMC members' attendance and commitment.
- 4.6. In line with key principles identified by Partners the LMC membership numbers will be determined on the basis of achieving:
  - Streamlined decision making / delivery
  - Greater efficiency / reduced bureaucracy
  - Strategically focussed LMC.

- 4.7. The Membership of the LMC as shown below will be published on the SW Competitiveness pages within the ERDF section on DCLG's website.

Sector	Organisation
<b>Members</b>	
Chair	Managing Authority, DCLG
Deputy Chair	Representative chosen by LEPs in area
Local Authority	1 representative from each SIF area: Bristol City Council Torbay Borough Council Plymouth City Council
Private Sector	Dorset LEP Gfirst LEP (Glos) Heart of South West LEP Swindon & Wilts LEP West of England LEP SW Chambers of Commerce
TUC	South West TUC
Voluntary	South West Forum
HE	Universities South West
Skills	Employment and Skills Partnership
Environment /sustainability	Environment Agency
ERDF Local Director – Managing Authority	DCLG South West Programme Delivery Team
BIS	BIS Local representative given focus of OP on innovation, enterprise and business growth. Facilitating alignment with RGF and TSB activity
<b>Advisers</b>	
EU Commission	DG Regio (ERDF Desk Officer)
<b>In attendance</b>	
ERDF Secretariat	Dept Communities & Local Government

## 5. LMC Sub-Groups

- 5.1 The LMC may at any time set up such sub-committees and / or standing or ad hoc working groups or other groups as it thinks appropriate and may suitable delegate tasks to that group. The SW Competitiveness LMC will delegate commissioning of project activity, detailed project appraisal and implementation of LMC decisions to a sub-group, which will be chaired by the local DCLG Programme Delivery Team. The LMC Deputy Chair will have specific responsibility for providing alignment between LMC strategic thinking and the operational tasks of the sub-group. The Membership of such sub-committees and or groups shall be agreed by the LMC, reflecting

the partnership principle set out in Article 11. The terms of reference and rules of regional sub-committees and groups shall be approved by the LMC.

## 6. Working Arrangements

6.1 The LMC will operate in accordance with the following protocols:

- DCLG will Chair the LMC at Director level
- Deputy Chair(s) will be identified and appointed in accordance with locally determined arrangements and will chair agree locally specific agenda items.
- The ERDF Secretariat will support the effective working of the LMC, engaging the Chair and Deputy Chair(s) in the preparation of agendas and papers;
- The LMC agenda will normally be circulated 2 weeks in advance of meetings. In exceptional circumstances additional items may be added to the agenda after the initial agenda distribution;
- The LMC papers will normally be electronically circulated to members 10 working days in advance of a meeting. In exceptional circumstances, where deferment to the next LMC meeting could have a detrimental impact on delivery of the programme, (one or more) papers may be distributed less than 10 working days before the meeting;
- Decision-making will be by consensus. In the event of no consensus being reached, the Chair will be responsible for brokering an appropriate resolution;
- 55% of members (or their agreed delegates) will need to be present for a meeting to be considered quorate. [This must include representatives of the Managing Authority];
- Where it is necessary / appropriate to conduct business via written procedures, members will be given 7 working days within which to respond (unless exceptional circumstances require a shorter deadline). A non-response will be taken as approval of the proposal.
- Declaration of interest will be a standing item at the beginning of LMC meetings. Members will be required to declare any interest at the appropriate point in the LMC meeting.
- The LMC will operate according to the Nolan rules of conduct for those holding public office/engaged in public business.
- The LMC will review how it is operating in April 2012.

## 7 Frequency of Meetings

The LMC will meet at least twice a year but normally no more than four times a year. The LMC will also hold an annual event to publicise Programme activity. Notice of meetings will normally be given at least 15 working days in advance.

## 8 Secretariat: Key Roles and Responsibilities

8.1 The Secretariat will provide administrative support for the governance arrangements established to oversee programme implementation. Its responsibilities will include:

- Support for the LMC and sub-LMC governance arrangements e.g. coordination of agendas and papers, drafting of minutes.
- Liaison with LMC and LMC-sub group members at local, national and EU level
- Providing technical advice on eligibility and compliance issues, to LMC and sub groups as required.
- Coordination of Annual Implementation Reports for presentation /consideration by LMC and submission to EU.

**SOUTH WEST COMPETITIVENESS AND EMPLOYMENT  
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EUROPEAN REGIONAL DEVELOPMENT FUND  
LOCAL MANAGEMENT COMMITTEE  
CODE OF CONDUCT**

**Local Management Committee Members are required to note and sign the 'Code of Conduct' set out below and return to the Secretariat before participating in a Local Management Committee meeting.**

**1. General Principles**

- Members of public bodies should not participate in the discussion or determination of matters in which they have a direct pecuniary interest.
- When an interest is not of a direct pecuniary kind, members should consider whether participation in the discussion or determination of a matter would suggest a real danger of bias. This should be interpreted in the sense that members might unfairly regard with favour, or disfavour, the case of a party to a matter under consideration. In considering whether a real danger of bias exists in relation to a particular decision, members should assess whether they, a close family member, a person living in the same household as the Local Management Committee member, or a firm, business or other organisation with which the member is connected is likely to be affected more than the generality of those affected by the decision in question. This would cover, for example, a decision to invite tenders for a contract where a firm with which a member was connected was significantly better placed than others to win it.

**2. Code of Conduct**

All Local Management Committee members have a responsibility to treat all applicants equally and impartially and must therefore declare whether they, or their organisation has either a direct or indirect interest in any of the projects to be considered by the Committee. For these purposes, 'interest' is defined as:

- The Local Management Committee Member, or their organisation, acting as the project sponsor, or applicant.



- Any project which results in the Local Management Committee Member, or their organisation, being a beneficiary from that project.

Where the above interests are declared, the Local Management Committee Member may take no part in the discussions of the relevant projects, and may be asked to withdraw from the meeting whilst discussions are taking place.

Where a Local Management Committee Member, or their organisation, is providing match funding for a project, this fact must also be declared. The Chair, after taking the views of other members of the Group, will decide whether the member concerned may take part in the discussion of the project.

A Local Management Committee Member shall not use their position as such, directly or indirectly, for personal gain or political purposes.

### **3. Attendance**

LMC members are expected to make every effort to attend meetings, and the Secretariat will contact members who have failed to attend three consecutive meetings with a view to finding an alternative member.

### **4. Confidentiality**

All recommendations of the LMC are considered to be collective decisions and no individual member of the Committee will be expected to declare or justify any views made during the meeting to wider interests outside the meeting.

Recommendations of the LMC in relation to individual investments remain confidential until such time as the Secretariat informs members that a formal decision has been made.

I confirm that I have read the Code of Conduct and will abide by its principles and provisions.

Signed.....

Date.....

Name (in Caps).....

Organisation.....