



## THE BUSINESS BOARD

<b>BUSINESS BOARD</b>	<b>AGENDA ITEM No: 1.8</b>
<b>30 APRIL 2018</b>	<b>PUBLIC REPORT</b>

### RATIFICATION OF DECISIONS TAKEN BY SHADOW BOARD

#### 1.0 PURPOSE

1.1. The Shadow Board met on the following dates and made a number of decisions summarised in Appendix 1.

- (a) 22 February 2018
- (b) 8 March 2018 and
- (c) 22 March 2018

1.2. As the Business Board was not formally established at that time, the Business Board is requested to ratify the decisions of the shadow board.

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>Chair, Councillor Charles Roberts</b>
<b>Lead Officer:</b>	<b>Kim Sawyer, Legal Counsel and Monitoring Officer</b>
<b>Forward Plan Ref: N/A</b>	<b>Key Decision: No</b>
The Business Board is recommended to ratify decisions made by the shadow board as set out in appendix 1	<b>Voting arrangements</b> Simple majority of all Members

#### 2.0 FINANCIAL IMPLICATIONS

There are no financial implications

### **3.0 LEGAL IMPLICATIONS**

- 3.1. The Business Board will be formally established at this meeting. The Shadow Board was set up to discuss proposed for the establishment of the Business Board and made decisions on its behalf. The Board are therefore asked to ratify the decisions made by the Shadow Board.

### **4.0 SIGNIFICATE IMPLICATIONS**

N/A

### **5.0 APPENDICES**

- 5.1. Appendix 1 –Decisions made by Shadow Board

<b><u>Source Documents</u></b>
List background papers:  Agendas and minutes of the Shadow Board meetings as set out in the report. <a href="http://cambridgeshirepeterborough-ca.gov.uk/meetings/show/2018-02-22">http://cambridgeshirepeterborough-ca.gov.uk/meetings/show/2018-02-22</a>  <a href="http://cambridgeshirepeterborough-ca.gov.uk/meetings/show/2018-03-08">http://cambridgeshirepeterborough-ca.gov.uk/meetings/show/2018-03-08</a> <a href="http://cambridgeshirepeterborough-ca.gov.uk/meetings/show/2018-03-22">http://cambridgeshirepeterborough-ca.gov.uk/meetings/show/2018-03-22</a>

## Appendix 1

All decisions made by the Shadow Business Board which require ratification by the Business Board once formally established.

<b>Date</b>	<b>Reference</b>	<b>Issue</b>	<b>Decision</b>
22/02/18	1	<b>Confirmation of Chair</b>	Noted the decision of the Cambridgeshire and Peterborough Combined Authority to appoint Councillor Roberts as chair of the Shadow LEP Board.
	2	<b>Terms of Reference</b>	Agreed to the terms of reference, subject to amending “The purpose of the Shadow LEP board will be to... prepare for the new LEP to be effective from 1st April” to “The purpose of the Shadow LEP board will be to... prepare for LEP to be formally constituted for 1st April”
	3	<b>Governance arrangements for the Shadow Board</b>	Agreed the membership of the Shadow Board as follows  (a) Chair (b) two private sector and (c) two public sector appointments - one representative should be obtained from a combined authority member, and one representative should come from outside the combined authority area  Members of the existing LEP should not be appointed to the Shadow Board, to avoid any conflict between their role on the existing LEP;
	6	<b>Shared Chief Executive</b>	Resolved to appoint Martin Whitely as the Interim Chief Executive of the shadow LEP.
8/3/18	2	<b>Terms of Reference – Update</b>	The terms of reference have been updated to provide clarity on what happens in each period as the Business Board is developed - to the end of March and end of June. It was agreed to enhance the terms to encompass what would happen up to September, based on the discussions at this meeting.
	4	<b>Membership of the</b>	<b><i>Public Sector representatives</i></b>

		<p><b>Shadow Board</b></p>	<p>It was decided to appoint Councillor Wayne Fitzgerald, Deputy Leader of Peterborough City Council, to create a geographical balance within the CA area. It had also been previously agreed to select one member from outside the CA area. The only nomination received was Councillor Lance Stanbury, Portfolio Holder for Growth from Forest Heath Council. Councillor Stanbury was duly appointed.</p> <p><b>Private Sector representatives</b> Various potential Board representatives were discussed. It was decided to offer two posts to Richard Tunnicliffe, the Regional Director of the CBI and Professor Andy Neely of Cambridge University as both were considered key appointments for the Board in this early phase. In order to ensure the Board was not Cambridge-centric, it was agreed that Kim Sawyer would approach Opportunity Peterborough to identify a potential suitable candidate to represent the Peterborough area.</p> <p><b>Post meeting note</b> Richard Tunnicliffe, the Regional Director of the CBI declined the invitation Professor Andy Neely of Cambridge University accepted the invitation</p>
	6	<p><b>Letter from BEIS</b></p>	<p>A letter had been received from BEIS regarding core funding arrangements, which was critical to the administration and delivery of LEP functions.</p> <p>Each authority in the current LEP is usually required to match-fund the LEP, however it was suggested that from now on, the enterprise zone receipts could be used to provide the match-funding instead of local authority funding. This would send a strong, positive message regarding sustainability and would demonstrate a commitment to public sector reform.</p> <p><b>Agreed</b> that the Chair of the Shadow Board should write to the authorities in the current LEP geography that the funding contribution will no longer be requested. <b>Agreed</b> the funding forms would be updated to reflect this proposal, and the forms be provided to the Chief Executive / Chair to review, and the Chair to authorise before signing off.</p> <p>Queries were raised regarding the figures provided within the forms, given the ultimate structure is not yet known and the costs were uncertain. Officers explained that changes can occur in year, however the deadline for the forms is 14 March</p>

			<p>which gives very little time to ensure the forms reflect proposed structures. As a result, the forms had to be prepared on the best understanding at the time.</p> <p>Questions were asked relating to how the LEP funding operated. The rest of the LEP funds were met from a variety of sources - such as ESIF.</p> <p><b>It was agreed</b> that the Chair and Chief Executive would be provided with a more comprehensive breakdown of income / expenditure by the relevant Finance Officer.</p>
	8	<b>Vision for the new LEP</b>	<p>The vision, as articulated in the attached presentation, was agreed. Requested to add the value of exports and imports to the KPI's.</p>
	9	<b>Structure of the new LEP</b>	<p>It was acknowledged that the paper presented was developed in parallel with the vision and as such may need further revision, however this would ultimately form the basis for the future Assurance Framework. Research had been undertaken on other similar operating models which had been provided within the papers.</p> <p>The Business Board needs to both look, and feel different to the current LEP, and it was felt that having a greater representation of private sector representatives, giving them a strong voice, would help this. The message to the private sector should be "Everything we do – we ask you; everything you want – you ask us". As such, the Business Board becomes the CA's conduit for engagement with the business community on its growth strategy and delivery.</p> <p>The merits of different representation levels was debated; it was noted that private sector representation was likely to come from across the CA geography. Further, arguments of representation should not necessarily be based on geography or sectors – we need to ensure we have people with the right skillsets and experience to support growth in the area – representation should be based on what we're trying to achieve.</p> <p><b>It was therefore agreed</b> that a model should be adopted with the Mayor and Deputy Mayor of the CA; 8 business representatives, and the Chairs of relevant CA committees (transport, skills, housing) to attend as required to represent their area</p>

			<p>of activity.</p> <p>Those members of the public sector who were not currently Board members would attend the Combined Authority Board as Associate Members with the opportunity to influence Board decisions. This model was felt to represent the best in private – public partnership which is an objective of the Assurance Framework. Business leaders would be able to support delivery of major development programmes in the area.</p> <p><b>It was agreed</b> that a meeting of Leaders and Chief Executives of all those authorities in the current LEP geography should take place in mid-April.</p>
		<b>Timetable of future meetings and the agenda</b>	<p>Kim Sawyer identified several items that would need to be added to the future agenda, such as the branding and naming, assurance framework and decision making chart. The timetable would be updated in respect of these.</p> <p>It is intended that formal Business Board meetings should take place every 2 months beginning in April, and for the first few months informal meetings would take place as required to consider appointments to the Board and discuss forthcoming agendas. It was important to build a good understanding of the functions of the Business Board in the early stages.</p> <p>It was recognised that communications would play an important role moving forwards, for example ensuring we can attract high calibre candidates to the Business Board.</p> <p><b>It was agreed</b> when the Business Board is fully operating, the Secretary of State should be invited to a meeting which considered the first draft of the local industrial strategy, to signal this is the new generation of business boards.</p>
22/3/2018	3	<b>Terms of Reference for the Shadow Board</b>	<p>It was noted that the terms of reference were intended to serve until September, in order to get the full Board operational.</p>

			It was noted that the business board would have less decision making responsibility; they would advise and recommend, but decisions would be made through the combined authority. Accountability would come through the existing scrutiny functions of the Combined Authority.
	4	<b>Vision for the new Board and working arrangements with the Combined Authority</b>	<b>It was agreed</b> that an overview of emerging funding opportunities and how these should be targeted should be added to the forward plan, and the government should be invited to come to the Board in April to discuss sector deals.
	5	<b>Register of Interests and Conflicts policy</b>	The register of interests and conflicts policy <b>was agreed</b> . Copies of the register of interest would be sent to shadow board members to complete.
	6	<b>Accountable Body Agreement</b>	<p>The Shadow Board considered a report that will be presented to the Combined Authority Board on 28 March, dealing with the transfer of accountable body functions from Cambridgeshire County Council to the Combined Authority.</p> <p>Although the financial elements of the report outline what is being transferred to the Combined Authority, there will be additional funding received for 2018/19, which will include an additional £14m of funding. In total, approximately £42m of funding will transfer to the Combined Authority.</p> <p>Due to the challenges faced by the existing LEP, it had not been possible to allocate specific funds, although the majority of the £42m was earmarked to programmes. Whilst the Board are keen to ensure that money is channelled to support growth, it was recognised this needs to be balanced in ensuring funds are best employed to meet local need and possibly leverage additional funding into the area.</p> <p><b>It was agreed</b> that a report should be presented to the Board confirming what programmes funding is currently allocated to.</p>
	7	<b>Membership of the</b>	The business board is intended as a voice for business representatives, to advise

		<p><b>Business Board</b></p>	<p>on activity of the Combined Authority, which consisted of public sector representatives. With that in mind, it had been proposed the only public sector representatives on the board would be the mayor and economic growth portfolio holder, creating a clear divide between the opinions of business interests and of political aims.</p> <p>Discussion took place on the merits of the structure, and the means of involving non-Combined Authority members within it. Place plans for growth may assist, and there is also the potential of assessing the nature of associate membership. More generally, processes need to be in place to resolve disputes and provide channels for those who are unhappy with decisions made. Those authorities who became associate members of the Combined Authority would be able to influence discussions at the Combined Authority Cabinet, and there is a need to ensure there is strong channels of communication across Chief Executives and Leaders.</p> <p>The board recognised the need to ensure the "right" representatives were appointed to the Board; they need to have the right skillsets, and be genuinely representative of their sector. Representatives would be expected to actively engage with their sectors on matters discussed by the Board. It is intended that the Chair of the Business Board would participate in Combined Authority discussions.</p> <p>Views were sought on the skills required for Board members, as follows:</p> <ul style="list-style-type: none"> <li>· Ability to think across sector, rather than geographic thinking</li> <li>· Confidence of the local business community</li> <li>· Desirable that they are credible with government</li> <li>· Strong Sense of collective responsibility, active promoters of the board's position</li> <li>· Networkers - understand what is occurring in their sector and the wider economy</li> <li>· Balance - some from large, well established firms, but also those that can represent the smaller, entrepreneurial firms.</li> </ul> <p>Board remuneration was discussed. It was recognised this is equivalent to a non-executive role, and remuneration can assist in attracting candidates, recognising you value their role and input. However, any remuneration would need to be proportionate and appropriate. Term limits for board members also need to be considered, alongside a rotation system.</p>
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	8	<b>Government Industrial Strategy</b>	The board noted the strategy.
	9	<b>Forward Plan</b>	The board noted the forward plan.