



AGENDA ITEM No: 1.3

Minutes of the meeting of the Shadow Business Board 22 March 2018

Present:

Councillor Charles Roberts (Chair)
Councillor Lance Stanbury
Councillor Wayne Fitzgerald
Professor Andy Neely

In Attendance:

Martin Whitely, John Hill, Kim Sawyer, Debbie Forde, Leah Mickleborough, Darren Eadey

Cllr Charles Roberts welcomed everyone to the meeting of the business board. Introductions were made by all present in the room.

Minutes of the previous meeting

The minutes of the meeting on 8 March were agreed. These have been sent to BEIS who have provided positive feedback on the direction of travel for the new Business Board.

Terms of Reference for the Shadow Board

As the first meeting with the full Shadow Board members present, the Chairman recapped on the current progress made towards setting up a new organisation to replace the LEP. The Shadow Board is intended to be short lived, and disbanded during the summer. The terms of reference, which were attached to the agenda, were intended to serve until September, in order to get the full Board operational. Work had continued to shut down the existing LEP. Once LEP functions transfer to the Combined Authority (as the accountable body) on 1 April, work will be undertaken to recruit permanent board members. Work has been started to understand decision making processes and the relationship with the Combined Authority under the new Board.

It was emphasised that more work needs to be undertaken to understand how the relationship will work in those areas which fall under the scope of the current LEP, but

sit outside the Combined Authority geography. The Shadow Board would work to scope the form of this relationship in future.

The proposed structure for the new Board had been developed internally, although regard had been given to other areas with a Combined Authority and LEP. It was recognised that the governance would need to evolve as the Board developed, and importantly look and feel different to the current LEP. The government were still considering the future of LEPs although had concluded that they are still a good vehicle for engaging businesses in decision making, and co-ordinate activity around local industrial strategies; the Board would need to be compliant with the government's current guidance as a minimum. The government should be seen not simply as a funder of activity in the local area and instead as an investor, with a stake in achievements.

A question was asked regarding the accountability of the proposed structure. 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.

Vision for the new Board and working arrangements with the Combined Authority

Andy Neeley declared a non-pecuniary interest as a member of the Independent Economic Commission and continued to take part in discussion and voting.

It was agreed that the KPI for inward investment opportunities, and scale-ups needed to be separated into two due to their differing nature.

The Board recognised the need to move at pace to take advantage of emerging opportunities, and participate in forthcoming industrial strategy challenge funded. It was noted that the Combined Authority has been engaging with BEIS about forthcoming sector deals and the need to be involved with these.

The local industrial strategy is being developed by the Independent Economic Commission, although funded primarily by the Combined Authority. Place based growth strategies would support delivery of the overall industrial strategy, which would be a strong opportunity to involve those areas not in the Combined Authority and also ensure that each place had a space in discussions, avoiding focus on any one area.

It was agreed 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.

Register of Interests and Conflicts policy

The register of interests and conflicts policy was agreed. Copies of the register of interest would be sent to shadow board members to complete.

Accountable Body Agreement

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.

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.

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.

It was agreed that a report should be presented to the Board confirming what programmes funding is currently allocated to.

Membership of the Business Board

The business board is intended as a voice for business representatives, to advise 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.

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.

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.

Views were sought on the skills required for Board members, as follows:

- Ability to think across sector, rather than geographic thinking
- Confidence of the local business community
- Desirable that they are credible with government
- Strong Sense of collective responsibility, active promoters of the board's position
- Networkers - understand what is occurring in their sector and the wider economy
- Balance - some from large, well established firms, but also those that can represent the smaller, entrepreneurial firms.

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.

Government Industrial Strategy

The board noted the strategy.

Forward Plan

Board members were requested to review the forward plan. It was noted the first formal meeting would take place at the end of April; with a potential all Council / Chief Executive meeting to take place on 16 April to discuss the new arrangements.