

BUSINESS BOARD	AGENDA ITEM No: 1.5
30 APRIL 2018	PUBLIC REPORT

INTERIM TERMS OF REFERENCE AND CONSTITUTIONAL ARRANGEMENTS

1. PURPOSE

- 1.1. The Business Board are asked to agree its interim terms of reference and governance arrangements.

<u>DECISION REQUIRED</u>	
Lead Member:	Councillor Charles Roberts, Chair of the Business Board and Economic Growth Portfolio Holder of the Combined Authority
Lead Officer:	Kim Sawyer, Legal Counsel and Monitoring Officer
Forward Plan Ref: N/A	Key Decision: No
<p>The Business Board is recommended to:</p> <p>(a) Agree the interim terms of reference of the Business Board (Appendix 1) and constitutional arrangements (Appendix 2).</p> <p>(b) That a further report be brought to the September meeting of the Business Board to finalise the terms of reference and constitutional arrangements.</p> <p>The Combined Authority Board will be asked to ratify the decisions of the Business Board.</p>	<p>Voting arrangements</p> <p>Simple majority of all Members</p>

2. BACKGROUND

- 2.1. The Shadow Board was set up in February 2018. The purpose of the Shadow Board was agreed as follows:

- 2.1.1. Agree the vision for the Business Board and its relationship with the Combined Authority as the Accountable Body;
 - 2.1.2. Prepare for the new Business Board (initially with reduced membership) to be formally constituted from 1st April 2018;
 - 2.1.3. Ensure an appropriate governance structure from 1 April;
 - 2.1.4. Begin the process to recruit to private and public sector members of the Business Board from April;
 - 2.1.5. Appoint a private sector chair of the new Business Board by end June 2018;
 - 2.1.6. To have a fully constituted Business Board by September 2018;
 - 2.1.7. By September 2018 to have contributed to the development of, and be the custodian of the Local Industrial Strategy.
- 2.2. The interim terms of reference and milestones are set out in Appendix 1. The Business Board are also asked to agree its interim constitutional arrangements as set out in Appendix 2. These must comply with the best practice guidance issued by the Ministry of Housing, Communities & Local Government.
- 2.3. The Shadow Board agreed to have its official launch in September. A further report will be brought to that meeting to final the Board's terms of reference and constitutional arrangements.

3. FINANCIAL IMPLICATIONS

- 3.1. There are no financial implications

4. LEGAL IMPLICATIONS

- 4.1. The interim constitutional arrangements must comply with the Local Enterprise Partnership governance and transparency: best practice guidance issued by the Ministry of Housing, Communities & Local Government. The Guidance support Local Enterprise Partnerships (LEPs) in meeting the recommendations made by the review into Local Enterprise Partnership governance and transparency, commonly known as the Mary Ney review,

5. SIGNIFICATE IMPLICATIONS

N/A

6. APPENDICES

- 6.1. Appendix 1 - Terms of reference for the Business Board
- 6.2. Appendix 2 – Interim Constitutional arrangements

Source Documents

List background papers:

<https://www.gov.uk/government/publications/local-enterprise-partnership-governance-and-transparency-best-practice-guidance>

<https://www.gov.uk/government/publications/review-of-local-enterprise-partnership-governance-and-transparency>

Appendix 1

Terms of reference for the Business Board

Date: 22 March 2018

Purpose of Shadow Board

The purpose of the Shadow Board will be to:

- (1) Agree the vision for the Business Board and its relationship with the Combined Authority as the Accountable Body
- (2) Prepare for the new LEP (initially with reduced membership) to be formally constituted from 1st April 2018
- (3) Ensure an appropriate governance structure from 1 April
- (4) Begin the process to recruit to private and public sector members of the Business Board from April
- (5) Appoint a private sector chair of the new LEP by end June 2018
- (6) To have a fully constituted Board by September 2018
- (7) By September 2018 to have contributed to the development of, and be the custodian of the Local Industrial Strategy.

Key milestones of the Shadow Board

To decide the membership, terms of reference and procedure rules of the Shadow Board.

To appoint interim private and public sector members to the Shadow Board

To decide consultation arrangements for establishing a new LEP Board, to include those Leaders who are not members of the Combined Authority

Business Board

By the first meeting of the new LEP in April to consider and make recommendations to BEIS, the Combined Authority and Councils (not on the CA Board) on the following:

- **Structure and Name**

A proposed legal structure for the new Board and the name of the new body

- **Membership**

The private and public sector membership for the new Board that

- (a) complies with the requirements of the Assurance Framework
- (b) takes account of the geographical spread of the LEP
- (c) The process and timetable for appointing private sector representatives,
- (d) The process and timetable for appointing public sector representatives,

- (e) Arrangements for substitutions for public sector members
- (f) Job Descriptions and advertising arrangements for membership
- (g) The terms of office, code of conduct and declarations of interest arrangements
- (h) The appointment of the Chair and Vice Chair of the Board
- (i) Allowances/expenses for private sector members

- **Constitution**

The overall purpose and terms of reference of the LEP Business Board and reporting arrangements

The timetable and frequency of meetings

Quorum of new Board

Voting arrangements

Any sub committees of the new LEP

By the end of June:

- **Appointments**

To appoint all private and public sector Board members

To appoint the private sector Chair of the Board

To fully implement the Business Board timetable

- **Overview and Scrutiny arrangements**

The overview and scrutiny arrangements including the involvement of those authorities outside the Combined Authority area.

- **Governance**

The representation on the Combined Authority of those councils as Associate members of the Combined Authority

By the end of September:

- **Policy**

To understand the policy framework of the Combined Authority and the new Board

To have developed, in partnership with the Combined Authority, the Local Industrial Strategy and to act as custodians for the Strategy

- **Work programme**

To operate as a fully constituted Board with an agreed work programme

To operate in accordance with the Assurance Framework