

<b>Business Board</b>		Agenda Item
<b>4 March 2024</b>		<b>1.4</b>
Title:	Business Board Terms of Reference and Governance	
Report of:	Jodie Townsend, Governance Improvement Lead	
Lead Member(s):	Mayor Dr Nik Johnson Councillor Edna Murphy, Lead Member for Governance	
Public Report:	Yes	
Key Decision:	No	
Voting Arrangements	Simple majority	

### Recommendations:

That the Business Board:

A	Approve the Terms of Reference (attached at Appendix A) for submission to the CPCA Board for consideration and adoption within the CPCA Constitution
B	Request CPCA to bring role profiles to the next meeting of the Business Board in line with the roles set out in 2.6 for consideration and approval.
C	Request CPCA Officers to undertake the necessary actions in order to deliver the cadence for meetings set out in 2.9 to 2.13
D	Endorse the responses set out in 2.14 and 2.15 to the CPCA Board requests for formal response to the CPCA Board.
E	Recommend the good practice identified in 2.17 to the CPCA Board for implementation by CPCA Officers.

### Strategic Objective(s):

The proposals within this report fit under the following strategic objective(s):

✓	Achieving ambitious skills and employment opportunities
✓	Achieving good growth
✓	Increased connectivity
✓	Enabling resilient communities
✓	Achieving best value and high performance

All institutions with devolved powers should embed a strong, independent, and diverse local business voice into their decision-making processes. CPCA Board agreed when adopting new governance arrangements in March 2023 that the Business Board would play an integral function within the overall governance arrangements, representing the business voice across all thematic areas and playing a key role in assisting the development and shaping of regional economic strategy.

## 1. Purpose

1.1	The key purpose of this report is to agree a new Terms of Reference for the Business Board that aligns with the role and functions agreed for the Business Board by CPCA Board in March 2023.
1.2	The report also seeks Business Board agreement on a number of governance matters intended to improve the ability of the Business Board to deliver on its core roles and responsibilities.

## 2. Proposal

### Business Board Terms of Reference

2.1	Attached at <b>Appendix A</b> is a proposed new terms of reference for the Business Board that align with: <ul style="list-style-type: none"><li>• the agreed role for the Business Board under the new CPCA governance arrangements</li><li>• the recommendations made through the Metro Dynamics review</li><li>• Government requirements set out in the 2021 LEP integration guidance</li></ul>
2.2	The terms of reference support the recast of the Business Board to transition from being an executive programme board to one providing: <ul style="list-style-type: none"><li>○ strategic business advice to CPCA's Board, Mayor, Committees and officers across all policy areas</li><li>○ advice on the development and shaping of economic strategy and day to day oversight of progress on implementation, on behalf of the CPCA Board who decide on and own the strategy</li><li>○ a business voice for Cambridgeshire and Peterborough</li></ul>
2.3	The new role and purpose set out in the terms of reference provides key functions and responsibilities to the Business Board in line with it being fully integrated into the governance arrangements of the Combined Authority. Key to these functions and responsibilities is the CPCA Corporate Plan Priority Area – Achieving Good Growth.
2.4	Two workshops have been undertaken with the Business Board, most recently on 12 <sup>th</sup> February 2024, at this workshop the Business Board supported the proposed terms of reference with a number of minor amendments to reflect collaborative ways of working. These amendments are highlight throughout the proposed terms of reference at <b>Appendix A</b> in red.
2.5	<b>The Business Board is requested to consider and approve the terms of reference at Appendix A for submission to the CPCA Board for consideration and adoption within the CPCA Constitution.</b>

### Business Board Role Profiles

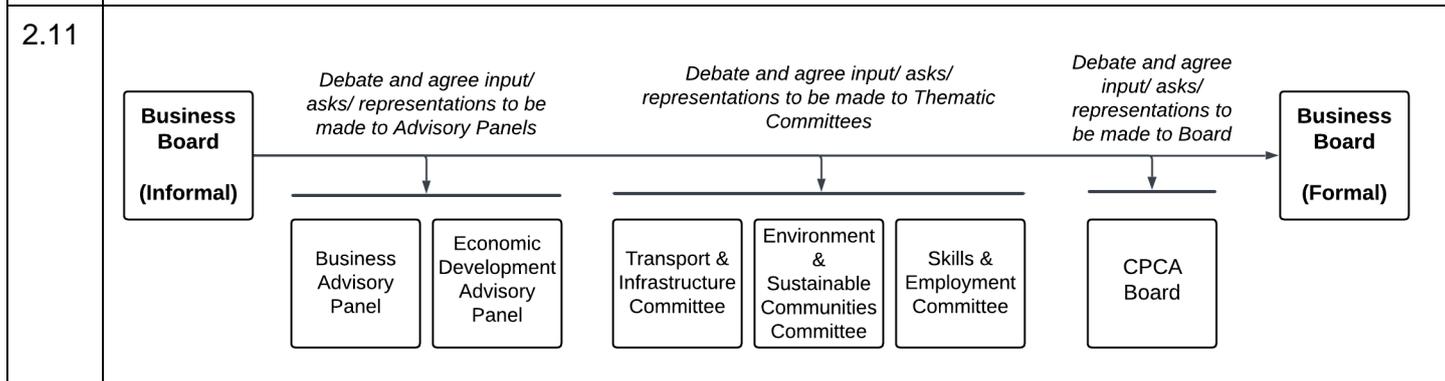
2.6	The changes made to the Governance Framework of the CPCA have created a number of roles within the Business Board, these are set out as follows: <ul style="list-style-type: none"><li>• The Chair</li><li>• The Vice-Chair</li><li>• Representatives on the Thematic Committees (Transport &amp; Infrastructure – Environment &amp; Sustainable Communities – Skills &amp; Employment)</li><li>• Economic Development Advisory Panel Lead</li><li>• Business Advisory Panel Lead</li><li>• Leads of specific areas selected by the Business Board (i.e. SMEs, Agri-Tech etc)</li><li>• Business Board member</li></ul>
2.7	The workshop agreed that role profiles should be produced for these roles setting out their responsibilities, also ensuring that they set out an appropriate level of expectation as well as key functions and purpose for each role.

**2.8 The Business Board is requested to instruct CPCA Officers to bring role profiles to the next meeting of the Business Board in line with the roles set out in 2.6 for consideration and approval.**

Cadence

2.9 The Business Board workshop considered how to maximise the ability to interact with the Business Advisory Panel and Economic Development Advisory Panel. The workshop also considered how maximise input into Thematic Committees and the CPCA Board.

2.10 The workshop proposed the adoption of a new cadence of meetings within the CPCA calendar of meetings that would timetable a cycle of Informal and Formal meetings, with Formal meetings being in-person meetings. This cycle would operate as follows:



2.12 This approach would be supported by informal engagement with the Business Board by the Chair and supporting officers to highlight any areas of focus required for the informal meeting and identify information required and officers who needed to be present. The Business Board is asked to endorse this proposal for action by the Combined Authority.

**2.13 The Business board is asked to request CPCA Officers to undertake the necessary actions in order to deliver the cadence for meetings set out in 2.9 to 2.13**

Responding to CPCA Board

2.14 When approving the new governance arrangements of the CPCA the CPCA Board made two key requests of the Business Board that require a formal response. These requests were debated at the 12 February workshop and responses to both requests were agreed as follows

2.15 CPCA Board request: The Business Board is asked to consider its membership approach and how it can specifically deliver appropriate sector representation in line with CPCA Corporate Plan requirements, wider geographical and small business representation and matters raised within the Governance Arrangements report and in the Metro Dynamics Review into future role and functions of the Business Board.

Business Board response: A summary of the skills and sectorial background has been produced for all Business Board members. By mapping membership, we can ensure the Business Board continues to deliver appropriate sectorial, geographical and business representation. The aim is that this is something which will support recruitment of new members, and to assign the appropriate members as the Business Board sectorial champions and thematic committee representatives. This will also be published on the corporate website and shared across the CPCA to highlight the Business Board capabilities available in supporting delivery of the Corporate Plan and to be an easier way to signpost relevant members with which to engage.

2.16 CPCA Board request: The Business Board is asked to consider how it will demonstrate that it can develop the necessary relationships with other business forums in the region such as the Chamber of Commerce and that it has the capability to engage appropriate business sectors/clusters as required by the Combined Authority for key consultations.

Business Board response: Business Board Sector Champions will work closely with CPCA economic growth officers, especially the Sector Specialists team, and this will enable members to engage appropriately with key sectors and business clusters. The CPCA will look to introduce Stakeholder Forums for each priority sector, based on the approach taken with Life Science, which will further promote business engagement across key clusters. Furthermore, closer links are also being fostered

	between the Business Board and its two sub-groups, the Business and Economic Development Advisory Panels, and lead members will be asked to attend meetings to ensure appropriate engagement with the wider business community and with local authority economic development teams.
2.17	<b>The Business Board is asked to endorse the responses set out in 2.14 and 2.15 to the CPCA Board requests for formal response to the CPCA Board.</b>
<u>Good Practice</u>	
2.18	The Business Board has identified measures that it believes will enhance its ability to deliver on its role and responsibilities, these include the following: <ul style="list-style-type: none"> <li><input type="checkbox"/> Addition for all Business Board reports that sets out specific to the ask of the item of the Business Board a clear purpose statement – intended next steps through CPCA governance – link to Business Board annual plan - desired impact for the region</li> <li><input type="checkbox"/> Briefing papers to be produced for CPCA Board and each CPCA Thematic Committee that sets out summary of items discussed, and decisions taken – next steps for each item – forward look of items scheduled to come to that governance body</li> </ul>
2.19	The recent Business Board workshop identified these practices as a potential way of improving knowledge of the Business Board and better informing the Business Board in fulfilling its role within then CPCA governance framework.
2.20	<b>The Business Board is requested to approve recommending the good practice identified 2.17 to the CPCA Board for implementation by CPCA Officers.</b>

### 3. Background

3.1	CPCA Board agreed a new governance framework in March 2023 following recommendations made through Phase A of the Improvement Programme, this followed conclusions within the Independent Review of Governance (July 2022) that highlighted concerns regarding the CPCA Board and Business Board relationship and ways of working.
3.2	CPCA Board was assisted in its deliberations on adopting a new governance framework by a review undertaken by Metro Dynamics. Metro Dynamics was commissioned to undertake a review on behalf of CPCA with the aim of reviewing the role and purpose of the Business Board and to plan for the next phase of its work.
3.3	The Metro Dynamics review was informed through engagement with Business Board membership, CPCA Board and senior officers and a Joint CPCA Board and Business Board workshop in December 2022. The governance arrangements report approved by CPCA Board (March 2023) was informed by the Independent Review of Governance and the significant engagement work, which included Business Board membership, undertaken as part of the Improvement Programme.
3.4	Subsequently the Governance Improvement Lead and the Executive Director for Economy and Growth have worked with Business Board membership throughout 2023 and 2024 to develop proposals for a revised term of reference.
3.5	The proposed terms of reference are attached at <b>Appendix A</b> .
3.6	The Executive Director for Economy & Growth, Director of Business, Trade & Investment and the Director of Law & Governance have all been consulted in the production of the Draft Terms of Reference.

### 4. Appendices

4.1	Appendix A – Draft Terms of Reference for the Business Board
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### 5. Implications

<b>Financial Implications</b>	
5.1	The financial exposure due to the change is expected to be minimal as additional extra travel costs will be incurred when the Board Members will be attending any activities in person. It should be noted that role profiles for Business Board Members are expected to be submitted to the Independent Remuneration Panel at the appropriate point to examine appropriateness of current allowance in the context of special responsibilities amongst membership.
5.2	Although, the overall financial impact of the change in the region cannot be assessed at present. The expectation is that the changes will bring financial benefit in our area, thanks to the business skills knowledge and expertise provided by the Business Board.
<b>Legal Implications</b>	
6.1	Decisions relating to amendment to the Combined Authority's Constitution which includes the Business Board's Constitution, are for Combined Authority Board to make. As a result, the adoption of a new Constitution must be agreed by Combined Authority Board.
6.2	If new terms of reference are endorsed by the Business Board and subsequently endorsed by CPCA Board then they will replace the existing Business Board Constitution as content in the CPCA Constitution.
6.3	It is anticipated that operational procedures and procedure rules for Business Board meetings will be subsequently reviewed and updated following agreement on a new term of reference,
<b>Public Health Implications</b>	
7.1	No direct public health implications are identified within this report; however, it should be noted that the new role and responsibilities of the Business Board are intended to deliver a business voice across multiple thematic areas that could include public health.
<b>Environmental &amp; Climate Change Implications</b>	
8.1	No direct public health implications are identified within this report; however, it should be noted that the new role and responsibilities of the Business Board are intended to deliver a business voice across multiple thematic areas that could include environment and climate change.
<b>Other Significant Implications</b>	
9.1	No direct public health implications are identified within this report; however, it should be noted that the new role and responsibilities of the Business Board are intended to deliver a business voice across multiple thematic areas.
<b>Background Papers</b>	
10.1	CPCA Review of Governance (July 2022): <b><u><a href="#">Document.ashx (cmis.uk.com)</a></u></b>
10.2	CPCA Interim CEX Assessment 2022 (October 2022): <b><u><a href="#">Document.ashx (cmis.uk.com)</a></u></b>
10.3	CPCA Improvement Plan Phase 2 (March 2023): <b><u><a href="#">Document.ashx (cmis.uk.com)</a></u></b>
10.4	CPCA Governance Arrangements Report (January 2023): <b><u><a href="#">Document.ashx (cmis.uk.com)</a></u></b>
10.5	CPCA Governance Arrangements Report (March 2023): <b><u><a href="#">Document.ashx (cmis.uk.com)</a></u></b>
10.6	Metro Dynamics Report (March 2023): <b><u><a href="#">CPCA Business Board review (cmis.uk.com)</a></u></b>
10.7	CPCA Improvement Plan Phase 2:

	<b><u>Document.ashx (cmis.uk.com)</u></b>
10.8	Business Board Governance (May 2023): <b><u>Document.ashx (cmis.uk.com)</u></b>
10.9	English Devolution Accountability Framework: <b><u>English Devolution Accountability Framework - GOV.UK (www.gov.uk)</u></b>