



Business Board: Minutes

(Draft minutes published on 28th September 2021)

Date: 14th September 2021

Time: 2:30pm – 5:10pm

Present: Austen Adams (Chair), Andy Neely (Vice-Chair), Tina Barsby, Councillor Wayne Fitzgerald, Mike Herd, Faye Holland, Mayor Dr Nik Johnson, Al Kingsley, Jason Mellad, Nitin Patel, Rebecca Stephens and Andy Williams

33. Apologies for Absence and Declarations of Interest

Apologies for absence were received from Aamir Khalid and Mark Dorsett.

Andy Neely declared a non-statutory disclosable interest in relation to the Growth Works Management Review – September 2021 (agenda item 2.3), due to his involvement with Cambridge&. It was confirmed that he would not be required to leave the meeting for the duration of the item.

Austen Adams declared a pecuniary interest in relation to the Reappointment of First Term Private Sector Members (agenda item 3.1), due to being nominated for reappointment. It was confirmed that he would leave the meeting for the duration of the item.

Andy Neely declared a pecuniary interest in relation to the Reappointment of First Term Private Sector Members (agenda item 3.1), due to being nominated for reappointment. It was confirmed that he would leave the meeting for the duration of the item.

Tina Barsby declared a pecuniary interest in relation to the Reappointment of First Term Private Sector Members (agenda item 3.1), due to being nominated for reappointment. It was confirmed that she would leave the meeting for the duration of the item.

The Chair noted that Mark Dorsett would be retiring and stepping down from the Business Board following the meeting and expressed thanks for his contributions to the work of the Business Board since joining in September 2018.

34. Minutes – 19th July 2021

The minutes of the meeting held on 19th July 2021 were approved as a correct record.

The Business Board noted the Minutes Action Log.

35. Budget and Performance Report

The Business Board received the latest budget and performance report, which provided an update and overview of the revenue and capital funding lines within the Business and Skills directorate, and which also sought a recommendation for the Combined Authority Board that the increased Growth Hub budget and requirements be delivered via the Cambridgeshire & Peterborough Business Growth Company (Growth Co.). Informing members that the first tranche of funding from the European Social Fund had been received on 14th September 2021, the Finance Manager noted that the report had not included information on Market Town or Energy Capital projects because they were not under direct control by the Business Board, although she suggested that future reports could include such information if requested. Attention was drawn to the proposal to allocate the additional £290k of Supplemental Funding for Growth Hubs to Growth Co., as set out in section 6 of the report.

While discussing the report, the Business Board:

- Sought clarification on what the effects would be if the second £250k tranche of the 2021-22 Local Enterprise Partnership (LEP) core funding grant was not received. Noting that much of the Business Board's work was carried out in conjunction with the Combined Authority, the Finance Manager indicated that financial support would potentially be provided by the Combined Authority or Enterprise Zone receipts in such circumstances. The Director of Business and Skills emphasised that the majority of core funding was spent on salaries and that a funding loss would therefore not affect project delivery, and he informed members that a meeting would be held with the Department for Business, Energy and Industrial Strategy (BEIS) on 4th October to seek confirmation on the matter.
- Queried whether the ongoing contractual agreement issues between the Combined Authority and Growth Co. were having a negative impact on the ability of Growth Co. to invest in the market. Clarifying that the Combined Authority had been providing the funding despite not receiving documented invoices, as permitted by the Local Growth Fund (LGF) agreement, the Finance Manager assured members that there were no negative impacts.
- Requested that future reports contained information on Market Town or Energy Capital projects in order to gain insight and remain informed on whether the projects were meeting their spend profile.
- Clarified that the delay to the repatriation of £4m from Cambridgeshire County Council was not due to legal issues, and that it was currently being processed by the County Council. The Director of Business and Skills undertook to provide Members with an update on when the repatriation would be completed, including an indication of any additional obstacles that had been identified as potential further causes of delay. **Action required**
- Suggested that it would be helpful to track what the £290k Supplemental Funding was spent on by Growth Co., in order to assess the impact of the additional funding.
- Established that spending of the £290k Supplemental Funding was restricted and that this would be reflected in the contractual agreement with Growth Co.. The

Finance Manager clarified that it could not be spent on certain areas, such as marketing or legal and financial advice, while BEIS had specifically asked for additional advisers and support for delivery in areas such as starting up businesses. She undertook to provide members with the contract and schedule of the draft agreement, which provided further information on such matters. **Action required**

- Confirmed that if the Business Board chose not to support the Growth Co. receiving the £290k Supplemental Fund, it would be required by BEIS to employ a different company to deliver the additional services.

It was resolved unanimously to:

- (a) Note the outturn financial position relating to the revenue and capital funding lines within the Business & Skills Directorate for the 20/21 financial year;
- (b) Advise officers to include Market Towns and Energy Capital programmes in their financial reporting going forward;
- (c) Note the increase in the Growth Hub Funding; and
- (d) Recommend to the Combined Authority Board that the increased Growth Hub budget and requirements be delivered via the Cambridgeshire & Peterborough Business Growth Company (Growth Co.), as detailed in section 6 of the report.

36. Strategic Funding Management Review – September 2021

The Business Board received the September iteration of the Strategic Funds Management Review, which provided an update on strategic funding programmes and their progress to 1st August 2021. Attention was drawn to the LGF Project Monitoring Report at Appendix 1 of the report, which included additional information on project timelines and outcome indicators. Noting that a balance of around £4m was expected to be repatriated from Cambridgeshire County Council as a result of the Combined Authority Board's rejection of the Project Change Request for the Wisbech Access Strategy Project at its meeting on 28th July 2021, the Senior Responsible Officer: LGF and Market Insight & Evaluation informed members that the Combined Authority Board had also approved funding for the Wisbech Access Strategy project to continue to the detailed design stage.

While discussing the report, the Business Board:

- Argued that it should be ensured that pipeline projects aligned with the various strategies already developed and in development by the Combined Authority and Business Board, including the AgriTech Strategy.
- Expressed concern about the impact of the Business Board's support for aborted or failed projects, including the Cambridgeshire Autonomous Metro (CAM), the Wisbech Access Strategy and the iMET centre, on the wider assessment of its portfolio of investments. While acknowledging that there would be an impact on the reputation of the Business Board as a result of such failures, the Senior Responsible Officer: LGF and Market Insight & Evaluation argued that the overall portfolio was

extremely successful and achieving its targeted outcomes. Observing that support for the Wisbech Access Strategy and iMET centre had been given by the Greater Cambridge Greater Peterborough Local Enterprise Partnership before the establishment of the Business Board, the Director of Business and Skills argued that the Business Board would not be judged on those projects, although he acknowledged that the Business Board had supported the CAM.

- Suggested that a review of failed or aborted projects should be carried out in order to avoid similar situations occurring in the future, and the Senior Responsible Officer: LGF and Market Insight & Evaluation informed members that reviews of the Wisbech Access Strategy and iMET projects were already underway. It was argued that support for the CAM had failed to consider a potential change in strategy and political direction following the mayoral election in May 2021, and that a review of that project should also be carried out. It was also suggested that future investment decisions should consider such issues, and the Senior Responsible Officer agreed to provide the Business Board with a summary of the lessons learned from the failed and aborted projects. **Action required**
- Expressed concerns over future levels of funding and acknowledged that the Business Board would need to be focussed and prescriptive with the projects that it chose to support moving forward. It was suggested that a review of the scoring matrix could help such a process.
- Noted that various refreshed strategies would be presented to the Business Board in January 2022, including the Industrial Strategy, the Recovery Strategy and the Skills Strategy. It was argued that the refreshed strategies should reflect and align to national strategies set by BEIS.
- Queried whether officers had contributed towards the development of the Government's Innovation Strategy. The Director of Business and Skills informed the Business Board that papers had been sent to BEIS, in liaison with Cambridge Ahead, and he undertook to circulate the papers to members. **Action required**

It was resolved unanimously to:

Note all programme updates outlined in this paper.

37. Growth Works Management Review – September 2021

The Business Board received the September iteration of the Growth Works Management Review, which provided an update on the Growth Works' programme performance since its launch in May 2021 and up to 31st July 2021, during which time the focus had been on ensuring the four service lines were embedded, operational and in execution mode across the region. Noting that all the key performance indicators (KPIs) except for one had been given a green RAG status, the Growth Co. Chair informed Members that it was expected that all the KPIs would shortly be green as a result of the strong pipeline of businesses. He noted that a reduction in apprenticeship and training commitments had been observed in some companies due to financial challenges stemming from the impacts of Covid-19, although certain sectors, such as logistics, were increasingly recognising the benefits of training. Upcoming work would

involve collecting data on customer satisfaction and an evaluation of marketing activities, while the development of a live portal to access performance results would shortly begin its testing phase.

While discussing the report, the Business Board:

- Paid tribute to the wide reach of Growth Works to small businesses across the region. The Interim Programme Manager informed members that he maintained regular contact with local authorities across the Cambridgeshire and Peterborough region to link them in with business support.
- Requested that members be kept informed of upcoming events.
- Established that a process for compiling data on customer satisfaction would begin, following a focus during the first financial quarter on settling in.
- Acknowledged the challenge in keeping all the stakeholders involved in skills informed and satisfied.
- Recognised the importance of ensuring there was high-quality management of the inward investment.
- Suggested that a risk register would be useful to identify key areas of concern. The Growth Co. Chair informed the Business Board that a risk register had been developed, although it was being reviewed to ensure that it had an appropriate scope and involved an effective scoring system to represent the risks.
- Highlighted the importance of aligning with the investment strategies of other bodies, such as Cambridge&. Noting that there was close alignment with Cambridge&, the Interim Programme Manager informed members that a network of networks was being developed to further strengthen such connections.
- Clarified that although the Top Leading Indicator for growth coaching in businesses provided with a growth diagnostic appeared to be substantially behind its target, as detailed in section 2.2 of the report, the target was expected to be achieved by the end of September, and that the figures in the report represented ongoing figures rather than for the end of the quarter.
- Noted that if all the KPIs were achieved it might be appropriate to set more challenging targets.
- Highlighted the challenge in obtaining contractual certainty on building supplies and costs to ensure that projects could progress as planned.

It was resolved unanimously to:

Note the Growth Works programme performance up to 31 July 2021.

38. Phase 3 University of Peterborough – Masterplan and Short-Term Financing

The Business Board received a report detailing the decision made by the Combined Authority Board at its meeting on 28th July 2021 to approve a £100,000 grant to Peterborough City Council (PCC), to contribute to the £300,000 Master Planning works, and to give consent as the majority shareholder in the Peterborough HE Property Company Limited (Prop Co 1) to allow Prop Co 1 to consider and approve a short term cashflow financing proposal for Phase 3 of the University of Peterborough (UoP).

It was resolved unanimously to:

Note the decision of the Combined Authority Board on 28 July 2021, in relation to the mobilisation works for Phase 3 of the University of Peterborough.

39. iMET Investment Update and Recovery Recommendations – Urgency Procedure Update

The Business Board received a report outlining the outcome of the Urgency Procedure process undertaken in relation to an offer received on the 19th July 2021 for the purchase of the iMET vocational training centre freehold at Alconbury Weald. Noting that none of the votes received by members as part of the Urgency Procedure had been against the recommendations, the Senior Responsible Officer: LGF and Market Insight & Evaluation informed the Business Board that the company that had made the offer had been advised of the Business Board's support, prior to the final decision being made by the Combined Authority Board at its meeting on 29th September 2021.

While discussing the report, the Business Board clarified that the Red Book Valuation of the iMET had been attached to the report to provide transparency. It was also noted that the Combined Authority was working to reduce the number of exempt appendices in reports moving forwards.

It was resolved unanimously to:

Note the majority vote by Urgency Procedure in support of the recommendations in Appendix 1 of the report.

40. Reappointment of First Term Private Sector Members

The Business Board received a report seeking the reappointment of Austen Adams (Chair), Aamir Khalid, Andy Neely (Vice-Chair) and Tina Barsby as private sector members of the Business Board, following the completion of their first three-year term that began in September 2018. A fifth member that was reaching the end of his first three-year term, Mark Dorsett, was retiring and therefore would not be standing for reappointment.

While discussing the report, the Business Board:

- Noted that although Tina Barsby would be retiring from her main employment, she would continue to work as a consultant and would be heavily involved in the agritech sector across the region, and would therefore continue to fulfil the criteria for eligibility as a member of the Business Board.
- Clarified that, if reappointed, the Chair would be undertaking his second term as Chair of the Business Board.
- Observed that, if reappointed, the second terms of the Chair and Vice-Chair would both finish in September 2024, and expressed concern about the subsequent transition.
- Sought clarification on whether the reappointments required approval from the Combined Authority Board, and the Business Programmes and Business Board Manager undertook to establish whether such approval was required. **Action required**

It was resolved unanimously to:

Approve second term reappointments for private sector members Austen Adams (Chair), Andy Neely (Vice-Chair), Tina Barsby and Aamir Khalid.

41. Business Community Insight

The Business Board received a report which presented two options for ensuring the Business Board remained representative of the communities and cross-section of businesses it served by including representation from local Business Representative Organisations BROs and trade unions. The first option, to further strengthen links with BROs, was to recruit a local BRO representative to chair the Business Advisory Panel sub-group (BAP) as a voting member on the Business Board. The second option was, to strengthen link with trade unions, was to recruit a local trade union representative as a voting member on to the Business Board. It was proposed that both groups could put forward a candidate to the recruitment process for membership of the Business Board, who would then be assessed by the appointment panel. It was noted that a further proposal had been made for the Economic Recovery Sub-Group to be wound down and replaced by the newly reconfigured BAP.

While discussing the report, the Business Board:

- Recognised the value that trade unions could provide to businesses, as well as the skills, experience and insight that they would be able to offer to the Business Board, and argued that it was more a question of whether they could put forward a suitable candidate for the role of Business Board membership.
- Acknowledged the benefits of encouraging a diversity of voices on the Business Board, and recognised the external support for increasing participation and openness.

- Observed that some other LEPs included trade union representatives in their membership.
- Queried whether the proposal to involve trade unions with the Business Board was based on a wider, national strategy of the Government, or whether it was based on specific concerns with the Business Board in Cambridgeshire and Peterborough. Emphasising that the proposal was not based on any concerns about the Business Board in particular, the Director of Business and Skills informed members that the Government was actively encouraging greater BRO involvement in the skills sector and LEP work across the country.
- Acknowledged the likelihood that the Government's ongoing LEP Review would propose an increased involvement of trade unions and BROs in LEPs, and that the Business Board had the opportunity to pre-empt such a proposal, although it was also argued that it would be appropriate to wait for the LEP Review to be concluded before making a decision.
- Argued that Business Board members were expected to represent business in general in a cooperative manner and individual capacity, rather than for a specific sector or group of people, and expressed concern over whether a trade union or BRO representative would be able to disassociate themselves appropriately from the tens of thousands of people that it was in their remit to represent.
- Suggested that the BRO and/or trade union representatives could join the Business Board as co-opted members, rather than full members, although it was also argued that this would diminish their influence.
- Observed that the Business Board currently had an open recruiting process and expressed concern about introducing an alternative, closed route to membership, noting that trade union and BRO representatives could already apply for membership through the current recruitment process.
- Argued that members should be selected based on their skill-set and individual merit, and expressed concern that rejecting a trade union or BRO candidate on this basis could be misconstrued and perceived negatively.
- Observed that there was already a National Farmers Union representative on the BAP, and suggested that including BRO and trade union representatives on the BAP would provide sufficient opportunity to provide input to the Business Board if the BAP then elected one of its members to join the Business Board, although another member expressed concern that this would lessen their input and potential impact.
- Observed that inviting trade unions and BROs to join the Business Board could lead to further lobby groups arguing that they should be represented as well.
- Suggested that trade unions and BROs could be added to the list of sectors that the Business Board actively encouraged to apply for membership, although it was argued that this would be less effective than setting their membership as a requirement. It was observed that an analysis of businesses and sectors across the region had been carried out when the Business Board was established in 2018, and

that this had not identified a specific need for either trade unions or BROs. Members requested an updated assessment and review of sectorial representation be carried out and the Director of Business Skills undertook to circulate one. **Action required**

- Argued that while trade unions were important in the functioning of individual businesses, their interest in the varied roles of the Business Board would be limited and selective. Members expressed concern that their involvement could lead to a politicisation of the Business Board's debates, which it aimed to avoid, noting that trade unions regularly conflicted with businesses, although it was argued that effective trade unions recognised the need for cooperation and open dialogue.

Following the discussion and taking into consideration the concerns that had been raised about the options presented in the report, the Director of Business and Skills proposed the following alternative third option, which was supported by a majority of members:

To encourage applications from local Business Representative Organisations and Trade Unions to apply for membership of the Business Board.

It was resolved unanimously to:

Consider the two proposed options to broaden membership of the Business Board to include representation from local Business Representative Organisations and Trade Unions.

42. Format of Business Board Meetings

The Business Board received a report asking it to reconsider a recommendation made by the Audit and Governance Committee to the Combined Authority Board that Business Board meetings should be held in public, unless determined by the Chair that a meeting should be in private or confidential session. Following the Business Board's original decision, made on 19th May 2021, to not support the recommendation, the Combined Authority Board had asked for a reconsideration, and following discussions between the Chair of the Business Board and the Chair of the Audit and Governance Committee, it was proposed that the Business Board support the recommendation.

While discussing the report, the Business Board:

- Observed that it was the first time that the Combined Authority Board had not supported a recommendation from the Business Board, and argued that this indicated the widespread support for Business Board meetings to be held in public.
- Acknowledged that the Combined Authority held meetings in public while dealing with confidential matters in closed sessions, and that this increased levels of transparency and openness. However, it was also argued that, as Business Board members were not publicly elected representatives, it was unfair for them to be subject to the same levels of public scrutiny.
- Expressed concern that Business Board members would be less willing to engage openly with some discussions if meetings were held in public, and that members of

the public could misconstrue Business Board members as representing their own businesses or sectors.

- Suggested that the Business Board could discuss whether the next meeting should be held in private at the end of each meeting, although it was recognised that discretion to make such a decision would remain with the Chair.

It was resolved unanimously to:

- (a) Reconsider the recommendation from the Audit and Governance Committee, 'that there should be a presumption that meetings of the Business Board are carried out in public (unless otherwise determined by the Chair); and
- (b) Recommend the Combined Authority approve the proposed format change for future Business Board meetings.

43. Business Board Headlines for Combined Authority Board

The Business Board noted the headlines that the Chair would convey at the Combined Authority Board meeting on 29th September 2021.

44. Business Board Forward Plan

Noting that the next meeting on 9th November would be the public Annual Meeting, the Business Board noted the Forward Plan.

Chair
9th November 2021