Business Board: Minutes

(Draft minutes published on 23rd March 2022)

Date: 14th March 2022

Time: 2:40pm – 3:35pm

Present: Austen Adams (Chair), Vic Annells, Tina Barsby, Belinda Clarke, Councillor Wayne Fitzgerald, Mike Herd, Mayor Dr Nik Johnson, Al Kingsley, Jason Mellad, Nitin Patel, Rebecca Stephens and Andy Williams

65. Apologies for Absence and Declarations of Interest

Apoligies for absence were received from Andy Neely, Faye Holland and Aamir Khalid.

Mike Herd declared a general non-statutory disclosable interest, due to his involvement with Anglia Ruskin University.

Mike Herd and Dr Andy Williams declared a non-statutory disclosable interest in agenda item 3.1, due to being the subjects of reappointment to the Business Board, and it was confirmed that they would leave the meeting for the duration of that item.

The presence of the Business Board's Section 73 Officer was noted.

66. Minutes – 10th January 2022

The minutes of the meeting held on 10th January 2022 were approved as a correct record and signed by the Chair.

Observing that the action log required a number of further updates, and agreeing for a further version to be circulated to members following the meeting, the Business Board noted the Minutes Action Log. **Action required**

67. 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. Noting that the majority of Enterprise Zone Receipts were expected to be received by the end of the financial year, the Finance Manager informed members that the European Regional Development Fund and European Social Fund grants were claimed in arrears, and although some projects had experienced delays, it was confirmed that money would not be spent until it had been received. She informed

members that the majority of the legal agreements between the Combined Authority and Growth Co. Services were now in place, with invoices being raised and funds now being transferred.

Attention was drawn to section 5.2 of the report, which provided updates on three items which were expected to contribute to the Business Board's recycled funds, including the Wisbech Access Strategy, the iMET building, and OneCam Ltd. OneCam Ltd would be registered as dormant by the end of March, and a two-month period would follow for any creditors to request a refund of money, although it was confirmed that no such requests were expected.

While discussing the report, the Business Board:

- Sought clarification on the reasons for the delay in receiving funds from Cambridgeshire County Council related to the Wisbech Access Strategy. The Finance Manager informed Members that the Combined Authority had received confirmation that the invoice had been approved by the County Council, although the funds had not yet been received. The Business Board's Section 73 Officer undertook to investigate and provide members with an update. **Action required**

- Expressed concern over the delays to recovering recycled funds, and queried whether a potential delay to the completion of the sale of the iMET building beyond the end of March 2022 or the ongoing process of putting OneCam Ltd into dormancy could affect the Business Board's subsequent allocation of recycled funds. The Finance Manager informed members that there would be no impact until the Business Board began to consider such allocations, with category 1 applications due to be considered in May 2022, and the category 2 call not due to even open until the Government had made further announcements related to the Shared Prosperity Fund and Levelling Up Fund criteria.

- Established that, as a registered organisation and a local authority, the Combined Authority could reclaim most of any VAT that it paid. The Business Board's Section 73 Officer informed members that financial information in the reports was net of VAT on this basis.

- Clarified that any recycled capital funds would have to be spent on capital projects, although the Finance Manager noted that any interest that was received on loans could be spent as revenue.

It was resolved unanimously to:

> Note the draft outturn financial position relating to the revenue and capital funding lines within the Business & Skills Directorate for the 21/22 financial year.

68. Local Growth Fund Management Budget

The Business Board received a report outling a proposed reprofiling of the Local Growth Fund's management 'top slice' budget, which was used to support staffing costs, evaluation and monitoring, partial Business Board remuneration, procurement, and programme reports, from the end of March 2023 to the end of March 2024. This

had been made possible through a mix of savings obtained due to unspent legal costs, a reduction in travel expenses and other reduced costs, and the impacts on the Medium Term Financial Plan were indicated in Table 1 of the report.

Noting that reprofiling was usually undertaken as a result of projects being delated, the Business Board welcomed that this time it was due to direct savings that had been identified.

It was resolved unanimously to:

> Recommend the Combined Authority Board approves the reprofile of the Local Growth Fund's management budget into 2023/2024.

69. Strategic Funding Management Review - March 2022

The Business Board received an update on strategic funding programmes and their progress to 1st February 2022. Noting the significant increase in jobs created that was reported in January 2021, the Senior Responsible Officer (SRO) for Local Growth Fund (LGF) and Market Insight & Evaluation highlighted that this was due to verified jobs for year 1 through the Business Growth Service being confirmed following the mobilisation stage. Drawing attention to section 6.1 of the report, the SRO informed members that development of the Economic Growth Strategy was ongoing, with the completed strategy scheduled to be presented to the Business Board at its meeting on 9th May 2022.

While discussing the report, the Business Board:

- Observed that the monthly cumulative data on jobs creation in Appendix 1 of the report appeared to be linear, and sought clarification on how the data was compiled. Clarifying that forecast analysis of job creation was carried out in a linear manner, the SRO informed members that the cumulative collection of data indicated that progress was exceeding the forecasts, and while the forecast across the year was uniform, the data collected on a monthly basis was more varied. He also noted that projects were monitored monthly, quarterly and six monthly, so some projects were on a relatively infrequent basis due to their long-term nature, which resulted in spikes in results when data was collected.

- Emphasised the importance of all stakeholders across the Combined Authority and Business Board being informed of the anticipated timeline for the Shared Prosperity Fund prior to confirmation from the Government, and requested a briefing note on the process that was expected to be implemented. **Action required**

It was resolved unanimously to:

> Note all programme updates outlined in this paper.

70. Reappointment of Business Board Co-opted Members

Mike Herd and Dr Andy Williams left the meeting for the duration of the item.

The Business Board received a report proposing the reappointment of Mike Herd and Dr Andy Williams to continue as non-voting co-opted members on the Business Board, following their previous appointment on 16th March 2021, for a further 12 months up to 14th March 2023.

While discussing the report, the Business Board:

- Paid tribute to both co-opted members' contributions to the work of the Business Board and welcomed their proposed reappointment.

- Clarified that co-opted members were appointed to complement the skills and expertise of the Business Board and suggested that such reasoning could be made more explicit with any future appointments. It was noted that Mike Herd had been appointed due to his experience in working with organisations similar to Growth Works, while Dr Andy Williams offered knowledge of the life sciences sector, as well as extensive experience working with the Greater Cambridge Partnership.

It was resolved unanimously to:

> Approve the reappointment of Mike Herd and Dr Andrew Williams to continue as co-opted members on the Business Board.

71. Local Assurance Framework

The Business Board received a report on changes to the Local Assurance Framework (LAF) which were needed to align with the updates to the National Local Growth Assurance Framework (NLGAF) that had been published in September 2021. These included a new set of exemptions that offered temporary adjustments to the NLGAF's compliance requirements, as listed in Appendix 3 of the report. One of these related to the gender composition of the Business Board, and it was noted that a recruitment process was underway to appoint a new female private sector member to the Business Board's remaining vacancy. Members were informed that the proposed changes had been considered and approved unanimously by the Audit and Governance Committee on 11th March 2022, which resulted in a minor change to recommendation (b), to indicate that this previous meeting had taken place.

Attention was drawn to section 3.3.39 of the LAF, where a reference had been made to the broadened membership of the Business Board and the inclusion of trade union and business representative organisations. It was noted that the wording of this section incorrectly reflected what had been agreed by the Business Board at its meeting on 14th September 2021, and Members were assured that the final version presented to the Combined Authority Board on 30th March 2022 would be amended to highlight that applications for membership from trade unions and business representative organisations would be encouraged.

While discussing the report, the Business Board emphasised that its agreement was subject to written confirmation that the section 3.3.39 of the final version of proposed changes to the LAF to be presented to the Combined Authority Board had been amended appropriately. **Action required**

It was resolved unanimously to:

a) Approve the revised Local Assurance Framework; and

b) Note that the Local Assurance Framework went before the Audit and Governance Committee on 11th March 2022 for recommendation to the Combined Authority Board to approve the revisions to the Local Assurance Framework.

72. 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 30th March 2022.

73. Business Board Forward Plan

Confirming that the next meeting would be held on 9th May 2022, the Business Board noted the Forward Plan.

Chair
9th May 2022