

## Business Board: Minutes

Date: 19 October 2020

Time: 4:05pm – 4:50pm

Present: Austen Adams (Chair), Andy Neely (Vice-Chair), Dr Tina Barsby, Councillor John Holdich, Aamir Khalid, Al Kingsley, Jason Mellad, Mayor James Palmer, Nitin Patel, Rebecca Stephens.

### 1.1 Apologies for Absence and Declarations of Interest

Apologies were received from Mark Dorsett, Faye Holland and Nicki Mawby.

The Chair reminded members of the constitutional requirement to attend a third or more of the scheduled meetings in a 12-month period.

Austen Adams declared a non-statutory disclosable interest in relation to 'Nomination to the Greater Cambridge Partnership Executive Board' (agenda item 1.2), and confirmed that he would leave the room while the item was discussed and resolved.

Members noted the Director of Business and Skills was not in attendance to avoid a conflict of interest in item 2.1 (Getting Building Fund Project Proposal - October 2020).

### 1.2 Nomination to the Greater Cambridge Partnership Executive Board

The Business Board received a report which proposed the nomination of the Chair to serve as a non-voting, co-opted member of the Greater Cambridge Partnership (GCP) Executive Board. It was noted that the GCP Executive Board would decide whether to accept any nomination from the Business Board. The report informed the Business Board that the Chair would be co-opting Dr Andy Williams, Vice President of Cambridge Programme & Strategy at AstraZeneca, as a non-voting member of the Business Board, while also proposing that the GCP invite Dr Andy Williams to join the Executive Board as a second non-voting member from the Business Board.

The Chair explained to the Board that although he had initially been reticent about taking on the role, in part because of the workload but also due to the GCP's work implicitly focussing on the Greater Cambridge area, he had come to appreciate the importance of aligning the work of the two boards and strengthening their collaboration. Acknowledging his limited scope of knowledge and experience of the Greater Cambridge area in particular, he told members that the proposal to expand the Business Board's representation on the Executive Board would allow for Dr Williams to contribute his intimate knowledge of the local area while allowing himself to provide the perspective of businesses across the wider region. He also noted that co-opting Dr

Williams to the Business Board would provide an invaluable boost to the scope and understanding of the Board.

Once the Chair had left the meeting, and while discussing the report, the Business Board:

- Clarified that the current representative on the Executive Board, Claire Ruskin, had been a member of the Greater Cambridge Greater Peterborough LEP before it became the Business Board. She had recently resigned as the CEO of Cambridge Network and was now stepping down from her role on the GCP Executive Board.
- Observed that ongoing economic growth in Cambridge, although welcome, contributed to significant problems related to the surrounding housing supply and transport infrastructure, both of which had proven insufficient for the extra demand. It was suggested that considering transport and housing initiatives in the area was impractical without considering how they would affect the wider economy, and that the GCP Executive Board would therefore benefit greatly from the participation of the Business Board Chair.
- Confirmed that the Mayor was a non-voting member of the GCP Executive Board, while its three voting members were nominated by the three constituent councils.
- Noted that business representatives on the GCP Joint Assembly had requested for the Business Board's nomination to have a good understanding of the Greater Cambridge area, which had led to the proposal for an additional business representative on the Executive Board.
- Suggested that a representative of the Business Board could be invited to join the Opportunity Peterborough Board, as it was felt important to understand the work of Opportunity Peterborough as well as the GCP.
- Clarified that the Chair could co-opt up to five people to the Business Board as non-voting members.

It was resolved unanimously to:

- a) Nominate the Chair of the Business Board to be a non-voting co-opted member of the Greater Cambridge Partnership Executive Board;
- b) Note that the Chair of the Business Board will be co-opting Dr Andy Williams of AstraZeneca as a non-voting member of the Business Board; and
- c) Propose to the Greater Cambridge Partnership that it invite Dr Andy Williams to join the Greater Cambridge Partnership Executive Board as a second non-voting member from the Business Board.

## 2.1 Getting Building Fund Project Proposal – October 2020

The Business Board received a report which sought a recommendation for the Mayor, in consultation with the Combined Authority Board, to approve the allocation of the sums required to progress the Peterborough University Phase 2 Manufacturing and Materials Research & Development Centre to complete the design and business case from the Getting Building Funding from Ministry of Housing, Communities and Local Government (MHCLG), subject to that sum being agreed by the Section 73 Officer. It also sought a recommendation that the Mayor, in consultation with the Combined Authority Board, delegate authority to the Senior Responsible Officer (Deputy Chief Officer) for Business Growth Service, in consultation with the Lead Member for Finance, Section 73 Officer and Monitoring Officer, authorise the release of the balance of the £14,295,833 Getting Building Funds subject to the project producing the documents listed as terms and conditions in the external appraiser's report. In order to enable the approval of the proposed project, the Business Board was required to approve a variation of Local Growth Fund decision making processes set out in the Local Assurance Framework, in order to accommodate tight timelines and meeting schedules.

The £14,295,833 funding represented an initial investment of £13,468,833 into the joint venture company followed by a grant to Peterborough City Council of £827,000, while the application indicated projected new job figures of 256 direct jobs, 2560 indirect jobs and 80 temporary jobs. The procured centre operator would come forward with a support package in its 10-year business plan, using a staggered rental step system that would reach full market value by year 10. The Combined Authority would retain the option to sell its stake after review at five and ten years.

While discussing the report, the Business Board:

- Expressed concern about the high risk of investing the funds before a business case had been developed. The Strategic Funds Manager acknowledged the concern and informed the Board that it had been highlighted by the independent evaluator as the main reason for the project receiving a lower score than at earlier stages. The Business Board's Section 73 Officer noted that the project would receive funding in two tranches, so as to avoid committing all the funds before a business case had been fully developed. It was confirmed that this approach was unlikely to lead to delays that would take the project beyond the March 2022 deadline.
- Suggested that it was important to mitigate against the possibility of the Business Board's reputation being damaged by any future delays to the project or failure to deliver on any of its objectives. While noting that all projects were subject to external circumstances that were beyond the control of the Business Board, the Strategic Funds Manager observed that it would be a joint venture and continuous monitoring and evaluation would identify any need for intervention.
- Clarified that the Cities and Local Growth Unit expected the infrastructure to be completed by March 2020.
- Observed that the Business Board was already funding the relocation of the applicant through a separate project funded by the Local Growth Fund and sought clarification that this would not lead to a conflict of interest. The Strategic Manager confirmed that there would be no conflict. A change request had been accepted at the previous Board meeting to allow the applicant to move its research and

development team into this new project, with the original project focussing entirely on manufacturing and creating high value jobs in the manufacturing sector.

It was resolved unanimously to:

- a) Approve variation of Local Growth Fund decision making processes set out in the Local Assurance Framework, to enable approval of the proposed project;
- b) Recommend that the Mayor, in consultation with the Combined Authority Board, approve the allocation of the sums required to progress the Peterborough University Phase 2 Manufacturing and Materials Research & Development Centre to complete the design and business case from the Getting Building Funding from Ministry of Housing, Communities and Local Government (MHCLG), subject to that sum being agreed by the Section 73 Officer; and
- c) Recommend that the Mayor, in consultation with the Combined Authority Board, delegate authority to the Senior Responsible Officer (Deputy Chief Officer) for Business Growth Service, in consultation with the Lead Member for Finance, Section 73 Officer and Monitoring Officer, authorise the release of the balance of the £14,295,833 Getting Building Funds subject to the project producing the documents listed as terms and conditions in the external appraiser's report.

Chair