

Central Area Growth Board Report

14 February 2023

Proposed Business Engagement Plans for LEP Functions from 1 April 2024

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1. Recommendations

- 1.1 That the report be noted.
- 1.2 That the Growth Board endorse:
 - a) the business engagement principles set out in section 4 of this report; and
 - b) the timescale and recruitment plans for the business board as set out in section 5 of this report.
- 1.3 That the Growth Board nominate a member to lead the recruitment panel and activity.
- 1.4 That the Growth Board endorse the Terms of Reference for the business board once drafted by written procedure before 15 April 2024.

2. Background

- 2.1 Since the 12 December 2023 Central Area Growth Board meeting, work has been underway on both the future delivery of LEP services and the future of engagement with business including consulting key business representative organisations on the plans to incorporate the voice of business in future arrangements.
- 2.2 Government guidance on the integration of LEP services into Local Authorities highlights the need to embed a strong, independent, and diverse local business voice into the new arrangements. Additional Government guidance was published on the 19 December which provided further detail on business engagement and the voice of business in LEP integration plans as outlined in section 3.
- 2.3 The work on business engagement following government guidance comprises a broader programme of work which encompasses the transition of LEP functions to the host local authority, West Northamptonshire on behalf of the six local authorities in the South East Midlands. There are many aspects to this work, with a challenging timescale to complete the transfer by (1 April 2024).

- 2.4 The proposals set out in this paper represent the steer that the Leaders of the six local authorities provided at an away discussion focussed on LEP transition in November 2023.
- 2.5 Following guidance received from Government on 19 December 2023, the Local Authority officer task and finish group on LEP transition met on 15 January 2024 and developed further detail to the proposal based on the latest government guidance. The proposals set out in this paper are therefore subject to input from and final endorsement of the Growth Board on 14 February 2024, incorporating feedback received from stakeholders.

3. Government guidance on the voice of business and feedback from stakeholder consultation

- 3.1 Government guidance was published on the 2 August 2023 and subsequently on the 19 December 2023 which highlights the need to embed a strong, independent, and diverse local business voice into the new arrangements. This is fully supported by the members of the Central Area Growth Board. Key points from the two sets of Government guidance are summarised below, some of which were only published by Government on the 19 December:
- a) The expectation for local authorities to create or continue to engage with an economic growth board (or similar) within their functional geography.
 - b) Suggestions of the types of things the private sector could add value to within new arrangements such as enhancing local economic strategies and interventions, providing challenging and insight on business impacts of public sector initiatives and providing the view of local businesses as part of regional decision making.
 - c) An expectation that membership of the Board be selected and recruited in an open and transparent process and that terms of reference of the Board manages issues such as conflict of interest, confidentiality, gateway criteria or disqualification/removal procedures.
 - d) Ensuring the governance structure delivers an independent business voice. For example, in choice of Chair and the appointment process, how terms of reference are set, how decisions are made and agreed within the board (and disputes managed), and in managing public communications.
 - e) Ensuring the board is representative of the whole geography.
 - f) Types of activity the board is involved in could include consultation on emerging plans, engagement with district councils, Towns Boards and UKSPF programmes (where appropriate), endorsement for significant public funding proposals and linkages with wider plans and engagement structures such as Growth Hubs, LSIPS and Careers Hubs.

- g) Local authorities are also asked to consider how the Board will relate to other local for a e.g. Town Deal Boards and relevant wider pan-regional economic planning organisations e.g. Midlands Engine.

3.2 The Growth Board have also been undertaking engagement with local stakeholders over January and February 2024 to gain feedback from local businesses and business representative organisations to ensure their views are taken into account in the new model. This includes:

- a) Engaging relevant SEMLEP business engagement groups and stakeholders – including the Business Engagement group (5 Jan 2024), the SEMLEP board (22 Jan 2024)
- b) Meeting with business leaders who wrote to the Central Area Growth Board in summer 2023, to gain their views and input – 31 Jan 2024
- c) Meeting with the Milton Keynes Business Council – 14 Feb 2024
- d) Reviewing the results of the autumn 2023 SEMLEP business survey – which surveyed 2500 businesses at random across the SEMLEP geography in October 2023.

3.3 Feedback from this consultation has been valuable in shaping the proposed model for business engagement and some of the key points of the engagement include:

- a) A strong desire for business support to continue and reassurance that the Growth Hub will be continuing under the new arrangements.
- b) The business survey indicated that the top economic development functions that businesses want to see local government focus on include: delivering infrastructure improvements to encourage business and economic growth (e.g. transport, broadband); securing funding to support new investment/projects; attracting new businesses into the area and helping ensure an appropriate supply of skilled labour is available to meet business demand.
- c) That there needs to be a clear purpose and remit for the Board which will motivate businesses and stakeholders to engage with the Board and provide a meaningful outcome.
- d) Recognition of the importance of the skills agenda to businesses and the remit of the board.
- e) The size of the board needs to be large enough to be representative but small enough that all voices can be heard and opportunities for input are provided.

- f) A suggestion the role of the business board chair would be an 'associate member' rather than an 'observer' on the Growth Board as well as considering the role and number of Leaders who attend the business board.
 - g) A suggestion that existing sector groups could be utilised rather than creating new ones for the CAGB.
 - h) A suggestion that business people are involved in the board recruitment.
- 3.4 Further feedback received from sessions which have not yet taken place will be used to sense check the model proposed below to enable the finalisation of arrangements.

4. The proposed model for engaging with businesses in the new arrangement

Remit of the Board

- 4.1 The Central Area Leaders have agreed the intention to create an advisory Business Board or similar to help inform and shape the work of the Central Area Growth Board moving forwards and which would report directly into the Central Area Growth Board. The defined geography of the Growth Board is Bedford, Central Bedfordshire, Luton, Milton Keynes, North Northamptonshire and West Northamptonshire local authority areas.

Purpose of the Board

- 4.2 The following set out the suggested main purpose of the Business Board:
- a) Providing a co-ordinated business voice for issues of common interest affecting the economy of the defined geography
 - b) Representing business to make sure the right resources are present in the defined geography
 - c) Helping to shape economic strategy to support local decision making
 - d) Shaping the regional employment and skills agenda
 - e) Engaging stakeholders and other businesses to ensure wide participation of key sectors, advisory groups and the wider community
 - f) Stretching thinking, exploring creative options and innovative ways to tackle challenges faced by businesses in the defined geography
 - g) Maximising the benefits of the Oxford Cambridge Pan Regional Partnership and other relevant regional bodies for the defined geography

Composition of the board

- 4.3 The intention is to create a business advisory board to inform the Central Area Growth Board and provide an independent business voice to the six local authorities represented on the Central Area Growth Board.
- 4.4 The board would be advisory in nature, and have an independent business chair, elected through an open recruitment process.
- 4.5 The intention would be to recruit board members from across the defined geography with a minimum of 12 board members and a maximum of 20 board members.
- 4.6 The intention would be to have a minimum of 2 board members from each of the local authority areas within the defined geography.
- 4.7 Board membership would be representational and diverse to reflect the broad range of sectors and sizes of businesses and stakeholders in the defined geography, with an intention to have representation from:

Type of specialism or interest area	Number of places available	Any additional criteria
Business representative organisation	Minimum 1	Can demonstrate scale of representation from the defined geography
Key growth sectors	Minimum 3	Can demonstrate expertise and alignment to key growth sectors within the defined geography, for example high tech/innovation, logistics, visitor economy
Rural business representative	Minimum 1	Can demonstrate experience and understanding of the issues faced by rural businesses
SME (small and medium enterprise representative)	Minimum 1	Is in a senior management position within a small or medium sized business within the defined geography
Large business representative	Minimum 1	Is in a senior management position within a large business within the defined geography
FE sector representative	Minimum 1	Is in a senior management position within the further education sector within the defined geography
HE sector representative	Minimum 1	Is in a senior management position within the higher education sector within the defined geography

VCSE representative	Minimum 1	Can demonstrate experience and understanding of the issues faced by the voluntary, community and social enterprise sector
Local business board representatives	Minimum 2	Is currently chairing a local business board within the defined geography
Representative from relevant pan regional partnership / body	Minimum 1	Is currently involved in a relevant pan regional partnership board

Principles of the board

- 4.8 The board will be diverse and representational of the businesses and stakeholders within the defined geography.
- 4.9 The board will have a clear relationship with the Central Area Growth Board, with the business chair (and other members for relevant topics) being invited to be an associate member/observer of the Central Area Growth Board. A Leader from the CAGB will also lead on business engagement and at least one CAGB member will attend the business board.
- 4.10 The board will provide an important advisory role to the Central Area Growth Board.
- 4.11 Conflicts of interest will be managed appropriately.
- 4.12 All board members will be expected to sign a code of conduct before attending a board meeting.
- 4.13 Board meetings will take place quarterly unless otherwise agreed.
- 4.14 Board meetings will be supported by secretariat support provided by officer support from within the transitioned LEP team.
- 4.15 Recruitment to the board will be open and transparent – through an open process involving an application process and interviews. A recruitment panel will oversee the process, with a CAGB member chairing the panel.
- 4.16 Board members will be recruited to a three-year term in accordance with terms of reference for the board.

Governance structure

- 4.17 The business board would report to the Central Area Growth board as described in section 4.4. It would also have oversight of the Growth Hub board and the Careers Hub steering group as indicated below.

Central Area Growth Board (CAGB)

Advisory groups

CAGB local authority
officers group

Economic Growth /
Business Board

Any other officer
groups

Growth Hub board
Careers Hub steering
group

Other business advisory
and engagement groups

5. Timescale, interim arrangements and next steps

- 5.1 Once the principles of the business engagement approach are agreed by the Growth Board, having taken into account feedback from stakeholders, officers will work on developing the terms of reference and recruitment plan for the business board working to the following suggested timeline:

Activity	Target date
Develop the terms of reference for the business board and any other associated policies	15 April '24
Form the recruitment panel	15 April '24
Finalise the recruitment pack	15 April '24
Finalise the communication plan for recruitment	15 April '24
Launch the board recruitment	w/c 15 April '24
Board recruitment closes	Mon 20 May '24
Interviews of prospective board members	w/c 27 May '24
Appointments of new board members	w/c 3 June '24
First meeting of the business board	w/c 24 June '24
Quarterly meetings of the business board	On a quarterly schedule from June '24

5.2 In recognition of the fact that the new business board is not likely to be operational until June 2024, it is recommended that the Growth Board consider interim arrangements particularly to assist with the requirement to publish an existing, updated or new economic strategy within six months of receiving the funding. The specific suggestions would be:

- a) That the Growth Hub board continues in its current format for the financial year 2024/2025 to assist with oversight of the Growth Hub and provide oversight of performance and delivery.
 - b) That the Careers Hub establish a Steering Group to oversee Careers Hub activity by September 2024 to provide a similar function for the Careers Hub.
 - c) That the business board will provide a clear link to any supporting sector groups and business engagement groups, to ensure the widest representation of stakeholders is represented through the business board (as outlined in appendix A – below)
 - d) That options are explored for interim arrangements for a period of six months to provide the business voice and strategic input into the development of the refreshed or new economic strategy which needs to be published within six months of receiving funding for 24/25.
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Appendix A

In accordance with the diagram in 4.5.1, there are a number of existing sector and business groups within the SEMLEP governance structure. For 2024/2025, the proposal for each is outlined below:

Group	Remit	Proposal for 24/25
Creative and Cultural Industries Group	Representatives from the creative and cultural sector	The Growth Hub will work with the independent Chair to continue this group
Logistics Group	Representatives from the logistics sector	Seek a new host organisation for this group
High tech innovation group	Representatives from the high performance engineering sector	This group is not currently meeting, and during 24/25 officers will determine whether there is benefit in re-establishing a group for this sector
Planners forum	Planning officers across the local authorities	To continue – requesting a local authority takes on the responsibility to organise the meetings
Local Nature Partnership	Focussed on bringing improvements to the local natural environment	Environment Lead for the OxCam PRP will take this group on
PDIIDG (Property Development Investment and Infrastructure Delivery Group)	Representatives from the commercial property / developer sector	tbc
SEMU (South East Midlands Universities)	Meeting of universities	In agreement with the group – look at whether this is retired in place of the Arc Universities group
Vice Chancellors Annual Meeting	Meeting of university vice chancellors	To be confirmed
IIBRG (Inward Investment and Business Retention Group)	Local authority officers forum for inward investment	Will continue as a local authority officers group – feeding into the PRP Investment steering group – need a local

		authority to organise the meetings
Banking Forum	Representatives from the banking community	Growth Hub to lead and broaden to include other investment opportunities
Business Engagement Group (BEG)	Business representative organisations sharing intelligence on key issues	To continue - Growth Hub to support
Ambassadors	Business representatives who champion the region	Has not been active for a while. Group will be stood down for 24/25.
Food and drink	Representatives from the Food and Drink sector	To continue – chaired by Mallows Company
Rural Group	Representatives from the Rural sector	To continue – chaired by Ngage Solutions
Business Support providers forum	Representatives from business support organisations	To continue – supported by the Growth Hub
Employment and Skills briefing	Briefing for organisations involved in employment and skills	To continue as needed and then absorbed into the Careers Hub
Northampton Waterside Enterprise Zone	Governance for the Enterprise Zone	To continue, chaired by West Northants Council
Luton Enterprise Zone	Governance for the Enterprise Zone	tbc
Growth Hub Board	Governance for the Growth Hub	To continue
Careers Hub Steering Group	Governance for the Careers Hub	To be formed in 24/25