

*making our region more prosperous, sustainable and fairer,
helping our people and businesses to create and seize opportunities*

Combined County Authority Board	
Date	17 June 2024 – Annual General Meeting
Report Title	Business Advisory Board: Approach to Membership and Recruitment
Accountable EMCCA Board Member	Mayor Claire Ward
Accountable Chief Officer	Mark Rogers, Interim Chief Executive
Accountable Employee	Jodie Townsend, Interim Monitoring Officer
Report has been considered by	Informal Board
Key decision	No
Public Report	Yes
Voting Arrangements	Simple majority including the Mayor
Recommendation(s) for action or decision:	
The Combined County Authority is recommended to:	
A	Approve the revised Terms of Reference for the Business Advisory Board attached at Appendix A.
B	Approve the recruitment process for Business Advisory Board membership set out in section 4 of this report, including appendices B and C.
C	Delegate appointments to the Business Advisory Board to the Mayor and Chair of the Business Advisory Board, in consultation with the Appointments Panel as set out in the recruitment process in section 4 of this report.

1. Purpose

- 1.1 The purpose of this report is to set out the proposed approach to membership of the Business Advisory Board and provide details of the intended recruitment process.

1.2 The report further seeks delegated authority for the appointment of Business Advisory Board membership in alignment with the approach set out in this report.

2. Background

2.1 The English Devolution Accountability Framework sets out requirements for a 'business voice' with all institutions with devolved powers required to embed a strong, independent, and diverse local business voice into their decision-making processes. This business board should build on the success of existing LEP boards wherever possible. Local leaders will also have the flexibility to adjust the membership of the newly integrated business board, including by inviting the participation of local economic partners outside of the business community, and can re-brand as necessary.

2.2 Any new business board members must be appointed through an open process. That process should ensure appointees are politically independent and able to provide a constructive check and challenge on local decision-making using their private sector perspective.

2.3 The Combined County Authority agreed on 20 March 2024 that a Business Advisory Board would create a strategic business advisory and engagement body in alignment with national policy on LEP integration and the English Devolution and Accountability Framework. This would create a business voice for the region that can provide that voice to the Mayor, the EMCCA Board and wider committees across the governance framework that would create an opportunity for business to influence a wide range of strategic thematic policy.

2.4 The Combined County Authority also agreed an initial terms of reference for the Business Advisory Board, with details on its approach to membership to be included following further engagement once a Mayor was elected.

2.5 The Combined County Authority did agree that there be two CCA representatives on the Business Advisory Board as non-voting members as follows:

- Mayor (or nominee)
- Combined County Authority relevant Lead Member

3. Proposal

3.1 The Business Advisory Board will be a central component in the governance arrangements of the Combined County Authority, ensuring decision-making, strategy development and investment decisions benefit from expert business input and take account of Derbyshire and Nottinghamshire's business voice.

3.2 The devolution deal for the East Midlands reflects national policy to integrate LEPs into devolved settings, as per the 2021 LEP integration guidance. The D2N2 LEP is now evolving towards a new model fully integrated into the East Midlands Combined County Authority with a remit to ensure it can be as ambitious as possible, maintaining a strong business voice at the heart of the region and maximising economic growth across the East Midlands. The D2N2 LEP is an independent limited company and EMCCA will work with it to ensure full integration in a timely manner.

Business Board Role and Purpose

3.3 In March 2024, the Combined County Authority agreed that the Business Advisory Board be established as an advisory committee to the Combined County Authority and the Mayor; seeking to provide strategy advice and guidance through representation of the 'business voice' in support of the exercise of Combined County Authority and Mayoral functions. In doing so they agreed an initial terms of reference with key functions.

- 3.4 The Board further agreed to integrate the 'business voice' into the governance arrangements of the Combined County Authority the Business Advisory Board would nominate a representative to sit as an embedded non-voting member of the following Combined County Authority governance bodies:
- Transport Advisory Committee
 - Skills & Employment Advisory Committee
 - Investment Committee
- 3.5 The Business Advisory Board will have a vital role on behalf of the East Midlands in identifying key opportunities to engage the business community in lobbying on behalf of the region alongside EMCCA, on influencing priorities with Government and maintaining a role of developing local networks to support this.
- 3.6 The initial terms of reference and agreed approach to the role, purpose and responsibilities for the Business Advisory Board creates a number of key themes for its core activity:
- **Economic strategy and strategic direction.** A core function of the Business Advisory Board, working with the CCA Board and Committees, is to use its business leadership perspective to advise the CCA Board on economic strategy, with clarity over the respective roles of the two Boards – the Business Advisory Board advising, shaping and developing, the CCA Board owning and deciding.
 - **Advisory.** Given that responsibility for funding decisions will have been moved away from the LEP to the Combined County Authority, a core purpose of the Business Advisory Board should broaden out to providing strategic advice from the perspective of the local business leadership to EMCCA, specifically in respect of funding decisions, and more widely in its delivery of an economic growth strategy and interventions. This should include bringing business expertise to unblocking relevant issues and supporting making the case for investment into the East Midlands.
 - **Clear business voice.** To strengthen the impact of this advisory role, the Business Advisory Board can make use of existing networks and professional bodies to bring a wide range of business insights to the development of ideas and advice to the CCA.
 - **Business engagement.** The Business Advisory Board will be active in helping the CCA engage with businesses, for example to promote relevant interventions or funding programmes to targeted sectors, including the third sector, and creating alignment with other business bodies such as the Chamber of Commerce and Federation of Small Business.
 - **Lobbying Government.** By focussing on this advisory role and strengthening the business voice, the Business Advisory Board could further leverage the influence of its members to strengthen the region's lobbying work with central government to secure the policy and investment needed to tackle economic growth challenges. This role will be critical in helping secure future devolution deals.
 - **Relationship with the CCA Board and ways of working.** The Business Advisory Board should aim to provide independent, business-led advice in a form and timely manner that has the greatest value to Derbyshire and Nottinghamshire and the CCA Board. To be effective regular engagement between Business Advisory Board members, the Mayor and the CCA leadership and operational management is important.

Proposed approach to membership

- 3.7 This paper sets out below proposals regarding the proposed approach to membership in order to ensure that the Business Advisory Board represents the 'business voice' of Derbyshire and Nottinghamshire and contains the membership skillsets and sector knowledge required by the Combined County Authority.

3.8 Following engagement with the Mayor, LEP and the Interim Business Representative(now designate Chair of the Business Advisory Board), specific sectors and/or areas of business have been identified to form the membership of the Business Advisory Board:

3.9 Private Sector Representation (8+)

- Upper Tier Business (minimum of 3)
- Business sectors with significant chance of investment (minimum of 4)
- Business Representation Organisations (minimum of 1)
- Wider geographical representation (at least 3)

Business Representation Organisations (1)

- East Midlands Chamber of Commerce

Employee Representation (1)

- Employee and wider trade union movement (1)

Public Sector Representation(3)

- Mayor (in context as the Mayor)
- Relevant CCA Lead Member (envisaged to be Economic Growth or Business & Innovation or similar)
- Lead Member/ Chair of the Skills & Employment Committee
- Chair of the Innovation Advisory Board of the Combined County Authority(yet to be established)

3.10 The above approach to membership is intended to deliver the required skillset and business voice to best represent the region and support the Combined County Authority in delivering its objectives. This proposed approach would deliver a minimum membership of 16 in total.

3.11 The intended business representation under each private sector membership definition can be further described as follows:

- **Upper Tier Business** – These are businesses of national or international standing that are located in Derbyshire and Nottinghamshire. They are likely to have significant profile and therefore capable of lobbying government on behalf of the region. They are likely to be significant employers and major players within their sector. The ambition is to seek individuals at Board level on upper tier businesses to be representatives on the Business Advisory Board.
- **Business Sectors with significant chance of investment** – These are business sectors that represent areas of innovation, research and development that make them more likely to receive national investment. It is proposed that 4 representatives be sought within this definition, with 1 representative for each of the following specific sectors:
 - Nuclear
 - Hydrogen
 - Digital Industries
 - Life Sciences
- **Wider geographical representation** – The intention here is to ensure that the wider areas of Derbyshire and Nottinghamshire’s small and medium sized businesses are represented on the Business Advisory Board.

3.12 The proposal in regard to Business Representation Organisations is to ensure that representatives of established organisations that already represent business on a national or regional level have a voice on the Business Advisory Board. It is proposed that the East Midlands Chamber of Commerce take this position, in taking this position the Chamber would be expected to convene with other representation organisations such as the CBI and FSB to ensure a wide range of perspectives and networks are fed into the Business Advisory Board.

- 3.13 The private sector recruitment to the Business Advisory Board would be recruited to through an open recruitment process, details of this process are set out below in section 4 of this report.
- 3.14 The Public Sector representation on the Business Advisory Board, has already been agreed by the Combined county Authority at its March meeting in terms of agreeing membership roles for:
- Mayor – The Mayor would be a member of the Business Advisory Board in the context of being the Mayor. They would therefore represent their mayoral ambitions and utilise their convening powers and influence, along with their role as Chair of the Combined County Authority, through their membership
 - Relevant Lead Member – The expectation is that the Mayor will appoint portfolio roles that align with the significant areas of devolution and funding, key functions and CCA and mayoral priorities. Board agreed that the most relevant portfolio to the role and purpose of the Business Advisory Board be the Board representative on the Business Advisory Board. It is envisaged that this portfolio would be economic growth, business & innovation or something similar.
- 3.15 It is proposed that the public sector representation on the Business Advisory Board be extended to include the Chair of the Skills & Employment Committee and the Chair of the Innovation governance body due to be incorporated into the governance framework.
- 3.16 It is envisaged that the Chair of the Skills & Employment Committee will be the Portfolio Lead Member for Skills & Employment. The skills and employment agenda and the key functions and role of the Business Advisory Board are intrinsically linked, inclusion of this position would therefore be of benefit to the remit of both governance bodies. This is also the case for the innovation agenda.
- 3.17 It is proposed that the above form the inaugural membership, with other membership requirements considered as appropriate or when identified.

Terms of Appointment

- 3.18 It is proposed that the terms of office for each private sector member be for two years, with the option to extend for a further year, to provide continuity during the initial years of activity.
- 3.19 No allowance is proposed nor included in the Allowances Scheme for members including the Chair. Members shall be able to claim travel and expenses in line with the Allowances Scheme.
- 3.20 The key themes for Business Advisory Board core activity set out in 3.6 of this report, the proposed approach to membership set out in 3.9, and the terms of appointment set out in 3.18 have been included in a revised terms of reference for the Business Advisory Board attached at **Appendix A**.
- 3.21 The Combined County Authority is recommended to approve the revised Terms of Reference for the Business Advisory Board attached at Appendix A.**

4. Recruitment Process

- 4.1 The open recruitment process for Business Advisory Board membership shall begin with an advert on the public EMCCA website (and associated channels) at the earliest opportunity. The process will be overseen by the Business Representative with support from EMCCA officers.
- 4.2 There are key skillsets that Business Advisory Board members will need to demonstrate in their role, in addition membership should be capable of utilising their skills, knowledge, and passion to drive forward and progress the work of the Business Advisory Board. The proposed role profile for

members to be included in the Constitution is attached at **Appendix B** and will be made available to candidates.

- 4.3 Members of the Business Advisory Board should be passionate about their business, their sector, the East Midlands region and devolution. Where relevant they should have a track record of achievement in business and their sector. Members will be required to adhere to the Combined County Authority code of conduct and therefore should demonstrate the Nolan Principles of behaviour.
- 4.4 To further support the recruitment process, the proposed person specification for members has been drawn up at **Appendix C** that would be published as part of the advert.
- 4.5 It is proposed that the recruitment process includes:
- Longlisting by senior EMCCA officers in consultation with Business Representative.
 - Shortlisting by Mayor and Business Representative.
 - Interviews by Panel consisting of Mayor, Business Representative, and a senior EMCCA officer.
 - Mayor and Business Representative consult Appointments Panel (4 Leaders) on recommendations (this can be done informally).
 - Appointments made by Mayor, subsequently report to Board for noting.
- 4.6 The intention is to recruit Business Advisory Board membership in time for the first meeting of the Business Advisory Board scheduled for the 2 October 2024.
- 4.7 Decisions regarding recruitment specifics such as exact timeframes, advertisement details and recruitment targeting will be determined by senior EMCCA officers in consultation with the Business Representative.
- 4.8 **The Combined County Authority is recommended to approve the recruitment process for Business Advisory Board membership set out in section 4 of this report, including appendices B and C**

5. Appendices

- 5.1 Appendix A: Revised Business Advisory Board Terms of Reference
- 5.2 Appendix B: Business Advisory Board member Role Profile
- 5.3 Appendix C: Business Advisory Board member person specification

6. Implications

Financial Implications

- 7.1. A budget will need to be allocated to cover the costs of both the recruitment exercise which is anticipated to be in the region of £15-£20k and a small budget for any travel and expenses as per paragraph 3.18. This will be covered by the Combined County Authority budget allocation.

Legal Implications

- 7.3 The EMCCA Constitution will need to be updated to incorporate the revised terms of references set out in Appendix A. These will replace the terms of reference set out in Section 5D of Part 3 of the Constitution.

Other Significant Implications

7.4 No other implications have been identified other than those within the report.

Background Papers

7.5 [The East Midlands Combined County Authority Regulations 2024 \(legislation.gov.uk\)](#)

Appendix A

Business Advisory Board Terms of Reference (revised for Board consideration)

Business Advisory Board Terms of Reference

This is an advisory committee to the Combined County Authority and the Mayor; it seeks to provide strategy advice and guidance through representation of the 'business voice' in support of the exercise of Combined County Authority and Mayoral functions.

The Committee may appoint one or more sub-committees for the purpose of discharging any of the Committee's roles or responsibilities.

Purpose

The Business Advisory Committee:

- sits as the strategic business voice to the Combined County Authority Board, the Mayor, Combined County Authority Committees and Officers. Providing strategic business advice on economy, business, skills, transport, employment, housing, UKSPF and future devolution deals
- act as the lead business voice to the Combined County Authority for the region, representing business to the Combined County Authority
- take a lead role in the development of economic growth strategy iterations for the Combined County Authority through close working with the Combined County Authority and the responsible Chief Officer, and the relevant Combined County Authority Lead Member
- develop proposals for strategy and key policy for Combined County Authority consideration, engaging key stakeholders and partners in order to assist delivery of the Combined County Authority's strategic objectives
- engage specific business sectors as and when required to provide advice, guidance and responses to consultation to the Combined County Authority
- membership will individually act as sector champions for their areas of expertise – leading on engaging with local and national networks, bringing insight into Combined County Authority discussions, and supporting stakeholder engagement with Combined County Authority officers on specific pieces of work
- work with the Combined County Authority to identify key opportunities to engage the business community on influencing priorities with Government and maintain a role of developing local networks to support this.

Membership

The membership of the Business Advisory Board shall consist of a minimum of 16 members as follows:

Private Sector Representation (At least 10 Representatives)

- Upper Tier Business (minimum of 3)
- Business sectors with significant chance of investment (minimum of 4)
- Wider geographical representation of small and medium sized businesses (minimum of 3)

Business Representation Organisations (1 Representative)

- East Midlands Chamber of Commerce

Employee Representation (1 Representative)

- Employee and wider trade union movement

Public Sector Representation (4 Representatives)

- Mayor (in context as the Mayor)
- Relevant CCA Lead Member (envisaged to be Economic Growth or Business & Innovation or similar)
- Lead Member/ Chair of the Skills & Employment Committee
- Chair of the Innovation Advisory Board of the Combined County Authority

Private Sector representation will be recruited to through an open recruitment process.

Business Representation Organisation and Employee Representation will be proposed by Officers and approved at the Business Advisory Board.

Public Sector Representation will be determined by the Combined County Authority Board.

Voting Membership

- Private Sector Representation
- Business Representation Organisation
- Employee Representation

Non-Voting Membership

- Public Sector Representation

Chairing the Committee

The Business Advisory Board Chair will be a Business Representative, who is nominated by the Mayor and confirmed by the Combined County Authority.

In the absence of the appointed Chair the Business Advisory Board will appoint a Chair for the meeting. The Chair of the Business Advisory Board will become an Associate Member of the Combined County Authority Board.

Business Advisory Board Roles

The Business Advisory Board will nominate a representative to sit as an embedded non-voting member of the following Combined County Authority governance bodies:

- Transport Advisory Committee
- Skills & Employment Advisory Committee
- Investment Committee

The role of these embedded members will be to represent the business voice and the view of the Business Advisory Board on thematic topics.

Quorum

The quorum will be 6 voting members including the Chair (or Deputy Chair)

Voting

Any matters that are to be decided by the Business Advisory Board are to be decided by consensus where possible.

When a vote is required, only voting members of the Business Advisory Board will be entitled to vote at meetings, the Chair does not exercise a casting vote.

Frequency

There will be a minimum of four Business Advisory Board meetings each municipal year, meetings are not required to be held in public with provision for Public Forum.

Key Functions

- **Economic strategy and strategic direction.** A core function of the Business Advisory Board, working with the CCA Board and Committees, is to use its business leadership perspective to advise the CCA Board on economic strategy, with clarity over the respective roles of the two Boards – the Business Advisory Board advising, shaping and developing, the CCA Board owning and deciding.
- **Advisory.** Given that responsibility for funding decisions will have been moved away from the LEP to the Combined County Authority, a core purpose of the Business Advisory Board should broaden out to providing strategic advice from the perspective of the local business leadership to EMCCA, specifically in respect of funding decisions, and more widely in its delivery of an economic growth strategy and interventions. This should include bringing business expertise to unblocking relevant issues and supporting making the case for investment into the East Midlands.
- **Clear business voice.** To strengthen the impact of this advisory role, the Business Advisory Board can make use of existing networks and professional bodies to bring a wide range of business insights to the development of ideas and advice to the CCA.
- **Business engagement.** The Business Advisory Board will be active in helping the CCA engage with businesses, for example to promote relevant interventions or funding programmes to targeted sectors, including the third sector, and creating alignment with other business bodies such as the Chamber of Commerce and Federation of Small Business.
- **Lobbying Government.** By focussing on this advisory role and strengthening the business voice, the Business Advisory Board could further leverage the influence of its members to strengthen the region's lobbying work with central government to secure the policy and investment needed to tackle economic growth challenges. This role will be critical in helping secure future devolution deals.
- **Relationship with the CCA Board and ways of working.** The Business Advisory Board should aim to provide independent, business-led advice in a form and timely manner that has the greatest value to Derbyshire and Nottinghamshire and the CCA Board. To be effective regular engagement between Business Advisory Board members, the Mayor and the CCA leadership and operational management is important.

Support the Mayor, Combined County Authority and the relevant Lead Member by:

- Providing advice and support to Mayoral and Combined County Authority activity
- Helping engage with wider stakeholder networks and activity

- Identify and scale up existing good practice within the Combined County Authority region, including cross portfolio working, improvements and initiatives
- Identify and secure resources to deliver new opportunities

Review

The terms of reference are to be reviewed on an annual basis by the Investment Committee. The role and arrangements of the Investment Committee will be reviewed on an annual basis by the Combined County Authority

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To be of effect from:	17 June 2024

Appendix B

Business Advisory Board Member Role Profile

Business Advisory Board Member Profile

Business Advisory Board members should be able to demonstrate:

- High level and broad management skills, both at a strategic and operational level, utilised in a complex organisation or SME.
- An understanding of how to translate local, regional, national government policy into workable, strategically focused on delivery and improvement.
- Well networked with an extensive knowledge of the needs of specific sectors/stakeholders including barriers to business growth (e.g., skills and transport) and their impact upon the East Midlands particularly from the growth and enabling sectors.
- Political Awareness with the ability to proactively engage in influencing the shaping of policy and lobbying government.
- A knowledge of designing and implementing approaches to working to constantly assess and challenge the effectiveness and efficiency across a broad range; not limited to a single specialism.
- The knowledge and expertise to be a change management leader for the East Midlands
- Business Board members will create space to have policy and strategy discussions with the CCA Board and officers.

Business Advisory Board members should utilise their skills, knowledge, and passion to drive forward and progress the work of the Business Advisory Board:

- in providing advice and support to CCA activity
- in helping engage with wider stakeholder networks and activity
- to identify and scale up existing good practice within the CCA region, including cross portfolio working, improvements and initiatives
- to identify and secure resources to deliver new opportunities
- to work with the CCA public affairs function to identify key opportunities to engage the business community on influencing priorities with Government and maintain a role of developing local business networks to support this.
- to take a partnership approach and culture should be established between Boards whereby the Business Board can provide timely advice on decisions to be taken by the CCA Board.
- to 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 County Authority for key consultations.

Business Advisory Board members will be expected to be able to individually act as sector champions for their areas of expertise, leading on engaging with local and national networks, bringing insight into CCA discussions, and supporting stakeholder engagement with CCA officers on specific pieces of work.

Appendix C

Business Advisory Board Recruitment: Person Specification

The recruitment process for Business Advisory Board membership should utilise the following person specification:

Business Advisory Board members should:

- have a strong commitment to, and understanding of, the EMCCA region and in particular the drivers of and challenges faced by the East Midlands economy
- have substantial business skills and experience gained at a senior level and be a credible individual with the stature to lead and influence
- have substantial experience of chairing groups or boards of senior executives, of providing leadership and of inspiring and motivating colleagues and stakeholders
- be independently minded – providing detachment and clarity in the development of strategy and the identification of opportunities
- have the ability to set strategic direction and to quickly understand and analyse and distil complex issues into coherent and practical actions
- have strong interpersonal and communication skills, be articulate and passionate, have an ability to influence and network, to deal with media attention and to represent the Business Advisory Board and its actions
- have experience of providing leadership in a partnership environment and have a strong commitment to collaborative and partnership working, including with the public sector
- have a genuine interest and understanding of the challenges facing the business community
- have a total commitment to equality of opportunity and diversity, including an understanding of the barriers and challenges faced by economically or socially excluded groups

It should be noted that applications will not be considered if the individual:

- is a member, officer of the Combined County Authority, or a County Council, Borough Council, District Council within the area served by the Business Advisory Board, or otherwise employed under the direction of a local authority;
- is a non-executive director or officer of an NHS Trust;
- is subject to a bankruptcy restriction order or interim order;
- is subject to a sexual risk order or be on the sexual offender's register;
- is subject to a civil injunction or criminal behavior order;

- is disqualified from acting as a director, a charter trustee or charity trustee
- within five years before the date of submission of application, have been a director or person of significant control of a company subject to a creditor's compulsory liquidation
- within five years before the date of submission of application, have been convicted of any offence and have had passed on them a sentence of imprisonment, whether suspended or not, for a period of not less than three months without the option of a fine.
- is an active member of parliament, serve as an officer in any recognised political party or make substantial personal contributions to any recognised political party.