



Economic Growth Board

Date	Wednesday 12 th July 2023
Report Title	Economic Growth Board – Updated Terms of Reference
Portfolio lead	WMCA portfolio lead for Economy and Innovation
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Report has been considered by	

Recommendations for action or decision:

The Economic Growth Board is asked to:

- a) Note the reasons for the proposed changes to the Terms of Reference, membership and scope of EGB;
- b) Adopt revised Terms of Reference at Appendix 1;
- c) Ask WMCA Board to ratify these changes specifically the change in quorum levels;
- d) Note the structures supporting the work of EGB;

1 Purpose

- 1.1 The purpose of this report is for Economic Growth Board to adopt revised Terms of Reference and confirm membership of the Board following LEP Integration and other changes to meeting structures.

2 Background

- 2.1 Economic Growth Board (EGB) was created in 2021 ([November 2021 WMCA Board](#)) following a comprehensive review of the region's governance. This included a focus on streamlining economic governance and policymaking and establishing a more democratically accountable decision-making body.

Reasons for Change

- 2.2 During 2022/23, there have been a number of changes that affect business representation within the region and within the Combined Authority's decision-making structures. These are:
 - Integration of some LEP functions;

- The creation of the Business Insights Forum;
- The creation of the Regional Business Council;
- The integration of business support into the WMCA and LA structures (from the Growth Hubs)
- The agreeing of the Deeper Devolution Deal.

2.3 The most significant change is the integration of Local Enterprise Partnership functions into the Combined Authority. This change took place on 1st April 2023 and the WM's LEP Integration Plan was submitted to Government in January 2023. This laid out the CA's plan for embedding a strong, independent, and diverse local business voice within decision making. As part of this, it was agreed that the LEP Board nominees would be asked whether they were willing to remain as business representatives. Both of the former Chairs of the Black Country Local Enterprise Partnership (BCLEP) and Coventry and Warwickshire Local Enterprise Partnership (C&WLEP) have agreed and return to EGB. The terms of reference have been amended to '*Business Representatives from across the region*'

Membership and voting

- 2.4 The revised Membership is as set out within the Terms of Reference at Appendix 1
- 2.5 EGB had previously agreed to widen the business membership of the Board to include a Small Business Representative. As one of our current Board members represents an SME, it is considered that a further SME rep is not required.

Quorum

2.7 EGB is one of just three decision making Boards at the WMCA. For most of 2022, it has met and not been quorate. This has meant that decisions that could have been made at EGB have to go to WMCA Board. In order to address this, it is recommended that the Quorum level is reduced from *five Constituent members* to *four voting members*. This would mean that the Mayor's presence counts towards Quorum numbers. The existing ToR was already explicit who the Voting Members are:-

"Voting Members:
Mayor (x1)
Portfolio Lead for Economy & Innovation (x1)
Nominees of the other Constituent Authorities (x6) "

2.6 In setting up EGB in November 2021, the WMCA Board was explicit that EGB could only vary its membership. It did not give permission to alter matters like quorum. WMCA Board will need to ratify any changes that fall outside of EGB's agreed powers.

Supporting Structures

- 2.9 LEP integration, the Deeper Devolution Deal and the mobilisation of the Plan for Growth has meant that there are new structures that will support the work of Economic Growth Board. These include:
- Business Insights Forum: this replaces the Covid & Brexit driven Economic Impact Group (EIG). The membership and feel of EIG is retained, but it is now a tool for planned work, rather than being dominated by emerging problems, issues and emergencies.
 - Plan for Growth (PfG) Cluster Groups: these are responsible for being the industry led cluster groups that will shape and drive progress and work .
 - Regional Business Council (RBC) – RBC remains the forum for the top locally headquartered businesses to share information and discuss issues. It is informal, but it's considerations and feedback is used to assist EGB.
 - Business Growth West Midlands Regional Operations Group: This is responsible for advising on the development of the business advice offer in the region following the integration of (2) Growth Hubs into the WMCA and local authorities.
 - Directors of Economic Development (DoED): This provides senior local authority direction to the region's strategic economic agenda, shapes EGB's work programme, supports how economic functions are discharged across the region and helps align the work of organisations.

Oversight of private sector-led advisory groups

2. 10 EGB will continue to have a role in overseeing and receiving reports from a range of private sector led regional advisory boards and will retain an interest in & support those other groups that impact upon the region's economy. These include:
- i) Innovation Board,
 - ii) Energy Capital Board
 - iii) Create Central,
 - iv) Plan for Growth Cluster leadership Groups;
 - v) Social Economy Advisory Board
 - vi) Tourism and Visitor Economy Advisory Board; and
 - vii) West Midlands Growth Company.

3 Financial Implications

- 3.1 Whilst the EGB has decision making powers (when quorate), it will not have any authority to approve WMCA incurring financial liabilities. To clarify, such decisions to incur cost will remain with the Combined Authority Board and Investment Board only.

4. Legal Implications

- 4.1 Economic Growth Board is established as a decision-making Board under the WMCA's constitution with newly adopted terms of reference.

5. Equalities Implications

- 5.1 There are no immediate negative equalities implications arising from this report.



6. Inclusive Growth Implications

- 6.1 The changes to EGB will continue to enable Inclusive Economic Growth to be at the heart of CA decision making.

7. Geographical Area of Report's Implications

- 7.1 The report refers to the former three LEP area which incorporate links with all constituent and non-constituent authorities.

8. Other implications

- 8.1 None.

APPENDIX 1

Economic Growth Board - Terms of Reference Revised July 2023	
Purpose	<p>To provide strong, democratically accountable leadership to the strategic oversight of the region’s approach to driving green and inclusive economic growth.</p> <p>To exercise the delegated authority provided to it by the Combined Authority Board on matters of inclusive economic growth.</p> <p>The Board will have responsibility for overseeing the performance and evaluation of the region’s economic strategy, monitoring and managing processes as required.</p>
Accountable to	WMCA Board
Accountable for & Receiving Reports from:	<p>Energy Capital Board Create Central, Plan for Growth Cluster leadership Groups; Social Economy Advisory Board Tourism and Visitor Economy Advisory Board; and West Midlands Growth Company</p>
Membership	<p>There are currently 19 members of the board:</p> <p>Voting Members:</p> <ul style="list-style-type: none"> • Mayor (x1) • Portfolio Lead for Economy & Innovation (x1) • Nominees of the other Constituent Authorities (x6) <p>Non-Voting Members:</p> <ul style="list-style-type: none"> • Representation of Non-Constituent Authorities (x1) • Portfolio Holder for Finance (x1) • Business Representatives from across the region x3 • Representative of Midlands TUC (x1) • Representative of West Midlands Chambers of Commerce (x1) • Chair of West Midlands Growth Company (x1) • Chair of West Midlands Innovation Board (x1) • Representative of Higher Education sector (x1) <p>Each representative will be able to send a substitute to the meeting if required.</p>



	<p>EGB may recommend adding to (or varying) the membership of the Board in order to better fulfil its functions in driving green and inclusive economic growth or to reflect organisational changes in the region or nationally. Voting rights would remain unaffected, unless the EGB made a separate recommendation to change these.</p>
Chair	<p>Portfolio Lead for Economy & Innovation</p> <p>In the absence of the Chair, the board shall elect from amongst its voting members an Acting Chair until such time as the Chair becomes available again.</p>
Vice Chair	Deputy Mayor
Voting - tbc	<p>Only the voting members of the board will be entitled to vote at meetings. The Chair does not exercise a casting vote.</p> <p>Any matters that are to be decided by the Board are to be decided by consensus of the Board where possible.</p> <p>Where consensus is not possible the provisions of this section in the Constitution shall apply as follows:</p> <ul style="list-style-type: none"> - Each Member of the Combined Authority Board is to have one vote and no Member including the Chair is to have a casting vote. - Any matter put to a vote will be decided on a show of hands. A decision will require a two thirds majority of voting members present and voting
Quorum	No business shall be transacted unless representatives of four voting members are present at a meeting.
Frequency	The board shall meet a minimum of four times a year, or more frequently as required.
Servicing	The board will be serviced by the WMCA's Governance Services team.
Functions	<p>To exercise decision-making powers on behalf of the WMCA in the following areas:</p> <ul style="list-style-type: none"> • well-being powers as set out in sections 99 and 102A of the Local Transport Act 2008 in order to promote economic growth and such powers can be exercised in conjunction with general powers granted to the Combined Authority by virtue of Section 113A of the Local Democracy Economic Development and Construction Act 2009 (as amended by the Localism Act 2011). • Development of a regional approach to inclusive and green economic growth policies and plans, including the development

	<p>and delivery of regional economic strategies, policies and plans, to be agreed with CA Board where appropriate.</p> <ul style="list-style-type: none"> • Delivery of a West Midlands Jobs Plan, ensuring local communities are linked to new jobs and opportunities. • Regional support to businesses, including the implementation of a new business support programme. • Regional innovation strategy and supporting programmes. • Ensure that economic strategy, and interventions flowing from it, are underpinned by a robust evidence base (including that derived from key sectors and places) which is reviewed and updated on a regular basis. • Ensure that businesses are encouraged & supported to transition to net zero • To consider and advise upon major policy change within the portfolio. • Provide leadership in developing an approach to future devolution of powers from Government to the region on matters of economic growth • Receive updates on the investment programme as it relates to the economic portfolio and also from other Boards which support the economic agenda, for example Employment and Skills, Environment, Inclusion, as appropriate. • To have oversight of the impact made by the West Midlands Growth Company (WMGC). • Report progress to the WMCA Board. <p>Support the Economy & Innovation Portfolio Holder by:</p> <ul style="list-style-type: none"> • Providing advice and support to WMCA activity • Helping engage with wider stakeholder networks and activity. • Identify and scale up existing good practice within the WMCA area. • Identify and secure resources to deliver new opportunities.
Review	Annually in June.