

Economic Growth Board

Date	2 February 2022
Report Title	Economic Growth Board – Governance Arrangements
Portfolio lead	Economy and Innovation – Councillor Ian Brookfield
Accountable Chief Executive	Laura Shoaf, West Midlands Combined Authority email: laura.shoaf@wmca.org.uk
Accountable Employee	Dr Julie Nugent, Director of Productivity and Skills Email: Julie.Nugent@wmca.org.uk
Report has been considered by	WMCA Governance services

Recommendations for action or decision:

The Economic Growth Board is asked to:

- a) Adopt the attached Terms of Reference, voting rights and membership.
- b) Note that EGB has the power to vary (or add to) the membership as needed; and
- c) Agree that the Innovation Board, Create Central, Cultural Leadership Board and Energy Capital Board will also report to the EGB.
- d) Agree that the EGB has a role in working with the WMGC Board to maintain an overview of its impact on the West Midlands' economy.

1 Purpose

- 1.1 The purpose of this report is for Economic Growth Board to adopt its Terms of Reference and confirm membership of the Board. EGB is asked to note that governance arrangements for other Boards will be brought forward to a future meeting to clarify and simplify leadership arrangements.

2 Background

- 2.1 Leaders of the seven constituent authorities and the Mayor agreed to a comprehensive review of the region's governance. This included a focus on streamlining economic governance and policymaking, and establishing clearer, more accountable decision-making body.

Economic Growth Board Role and Terms of Reference

- 2.2 The outcome of the review was reported to the WMCA Board on 19 November 2021. The WMCA Board resolved to establish the Economic Growth Board (EGB) with decision-making powers, led by the Portfolio Lead for Economy, which will put regional economic development at the heart of WMCA decision making. The Combined Authority Board has delegated the following powers to the Economic Growth Board:
- such well-being powers as are 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).
- 2.3 As well as placing inclusive economic growth at the heart of WMCA decision making, the EGB will also influence other areas of delivery, such as transport and skills, which are direct enablers of inclusive economic growth. This will not affect the current governance arrangements for those topics (e.g. the Skills Advisory Board will continue to provide strategic oversight of regional skills needs, with a focus on the Adult Education Budget). Working alongside the WMGC Board, the EGB will also have oversight of the impact made by the West Midlands Growth Company.
- 2.4 The EGB will be advised and supported by a cross regional officer group. This is currently being developed and will follow the direction of item 8 (West Midlands Plan for Growth, and associated task and finish group activity) to strengthen links between partners.

Membership and voting

- 2.5 Membership is as set out within the Terms of Reference at Appendix 1.
- 2.6 There are 18 EGB members. To demonstrate strong democratic accountability, should the Board be required to vote on matters, the eight voting members are The Mayor, the Portfolio Lead for Economy & Innovation, and the Leaders of the other Constituent Authorities.

Oversight of private sector-led advisory groups

- 2.7 There is a range of private sector-led regional advisory Boards and groups which play an economic role. They include the Innovation Board, Energy Capital Board, Cultural Leadership Board, Create Central, and Tourism Board (which reports to the Growth Company). These are advisory groups helping to inform WMCA policy and in some cases oversee the delivery of specific programmes – they are not decision making. In establishing the Economic Growth Board, the WMCA Board asked that it consider its relationship with advisory groups. It is recommended that Create Central, Cultural Leadership Board, and the Energy Capital Board (which will also report to the Environment and Energy Board) should also report to EGB, along with the Innovation Board. The work of the Tourism Board will be covered through the EGB's relationship with the WMGC.
- 2.8 The main activities and responsibilities of these Boards are:

Advisory Board	Summary
Innovation Board	Champion demand-led innovation across the 3 LEP WMCA geography, acting as the prime collective voice for encouraging innovation in West Midlands' firms and oversight of the West Midlands Innovation Programme.
Energy Capital Board	The smart energy innovation partnership for the West Midlands. By responding to the needs of our vibrant manufacturing economy and diverse local markets, we aim to make the West Midlands one of the most attractive locations to build innovative clean energy technology companies in the world. Our partnership combines world-leading academic expertise with ambitious local authorities, diverse businesses, innovators and entrepreneurs. Energy Capital provides a single point of contact for investors, project funders and potential partners across the West Midlands geography.
Create Central Board	<p>Create Central brings together the most successful TV, Film, Games, and wider creative content leaders, stakeholders and partners in the West Midlands. It is private-sector only, and arms-length from local government, linking to the public sector via a governance framework agreed by the WMCA and LEPs to deliver a growth plan across:</p> <ul style="list-style-type: none"> • Partnerships with national sector bodies such as the BFI, Creative England, ScreenSkills, Ukie, PACT, Creative Industries Council, British Film Commission, UK Screen Alliance, British Games Institute and others. • A formal partnership agreement with WMGC to develop and deliver a Production and Inward Investment Strategy and partnerships with major broadcasters. • Strengthening links between industry and the development of talent and skills across the region.
Cultural Leadership Board	Established in 2019 to advise the WMCA on the transformative role of culture across WMCA's policy areas, including transport and housing, skills, digital, the environment, wellbeing and inclusive communities. The board has currently 21 members and is committed to building an innovative and entrepreneurial cultural sector, with leadership that reflects the diversity of our region, and supporting a world-class cultural offer that is accessible to all. Cultural and creative sectors can play a major role in the Levelling Up of West Midlands and the Board wants to ensure these opportunities are fully utilised in the region.
West Midlands Growth Company	The West Midlands Growth Company (WMGC) is a Teckal company, owned by the WMCA, its constituent authorities and the region's universities. WMGC will report to the Economic Growth Board on key strategic matters and with new investible propositions

	to drive growth, as well as to WMCA via existing channels regarding progress with delivery of its service level agreement. Activity will continue to be commissioned from WMGC in line with existing arrangements.
Tourism Board	The Regional Tourism Board owns the Region's Tourism Strategy, and its executive is provided by WMGC. The industry-led Tourism Board will report into the Economic Growth Board on key strategic matters and with new investible propositions to drive the sustainable growth of the region's tourism, leisure and hospitality sectors.

3 Financial Implications

- 3.1 Whilst the EGB will have decision making powers, 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 equalities implications arising from this report.

6. Inclusive Growth Implications

- 6.1 The EGB will place inclusive economic growth at the heart of CA decision making.

7. Geographical Area of Report's Implications

- 7.1 The report refers to the 3 LEP area and incorporates links with all constituent and non-constituent authorities. Subject to policy decisions by Government and local partners, decision-making over economic growth policies and programmes might relate to either the 7-met WMCA area, or the wider economic footprint.

8. Other implications

- 8.1 None.

APPENDIX 1

Economic Growth Board - Terms of Reference	
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	<p>Innovation Board</p> <p>Create Central</p> <p>Cultural Leadership Board</p> <p>Energy Capital Board</p>
Membership	<p>There will be 18 members of the board:</p> <p>Voting Members:</p> <ul style="list-style-type: none"> • Mayor (x1) • Portfolio Lead for Economy & Innovation (x1) • Leaders 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) • Local Enterprise Partnership Chairs (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.</p>



	<p>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	<p>Chair of one of the three Local Enterprise Partnerships.</p> <p>To provide support for the Chair from a business perspective.</p>
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> <p>Each Member of the Combined Authority Board is to have one vote and no Member including the Chair is to have a casting vote.</p> <p>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</p>
Quorum	<p>No business shall be transacted unless representatives of five Constituent Authorities are present at a meeting.</p>
Frequency	<p>The board shall meet a minimum of four times a year, or more frequently as required.</p>
Servicing	<p>The board will be serviced by the WMCA's Governance Services team.</p>
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 and delivery of regional economic strategies, policies and plans, to be agreed with CA Board where appropriate.

	<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.