

Appendix B - Mayor's Economic Advisory Council and South Yorkshire Business Advisory Board

1. Current position and strategic context

- 1.1. In the Spring Budget, the Government set out its intention to wind down Local Enterprise Partnerships and embed any remaining roles and remits into the local government system, specifically, where they exist, in Combined Authorities.
- 1.2. The Government published guidance in its Devolution Accountability Framework (DAF) on how institutions with devolved powers (MCAs) should engage with the business voice.
- 1.3. In particular, the DAF sets out that:
 - 1.3.1. *All institutions with devolved powers should embed a strong, independent, and diverse local business voice into their decision-making processes. Any newly integrated business voice function should play an active role in partnerships such as Town Deal Boards, where those partnerships currently have Local Enterprise Partnership (LEP) participation at the request of local partners.*
 - 1.3.2. *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. 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.*
- 1.4. In South Yorkshire, the MCA has already integrated the roles and functions of the Local Enterprise Partnership into its governance model. At its heart, the model has ensured a strong effective private sector voice in the development of policy, influencing the strategic direction of the MCA and advocating and engaging with the wider business community.
- 1.5. The region has also supported the operation of an informal Business Advisory Group comprising a number of membership and business representative organisations.

2. Proposed new arrangements

- 2.1. The changing national picture, the proposed changes to wider MCA governance and the ambition of the Mayor to strengthen engagement with the business community, to develop a new Prospectus for Growth and to deliver on an ambitious programme, present an opportunity for the MCA to go further in building stronger and more diverse relationships with the private sector.
- 2.2. To do this, it is proposed that the Local Enterprise Partnership be formally wound up and replaced with two new private sector focused governance

boards; a new Mayor's Economic Advisory Council and a Business Advisory Board. These will be advisory only and have no executive functions.

3. Mayor's Economic Advisory Council

- 3.1. At the heart of the proposal to constitute the Mayor's Economic Advisory Council (MEAC) lie two separate but related needs. First, there is a need to ensure the Mayor and local authority Leaders have access to the best economic growth advice. The profile, experience and expertise being sought must match not only South Yorkshire's ambition but also the scale of the challenge. Second, it is important to ensure the South Yorkshire narrative reaches the highest and most appropriate levels of decision making in central government and private investor corridors.
- 3.2. The MEAC will provide nationally credible expert, advice and support, acting as ambassadors and champions of South Yorkshire. The MEAC will be outward facing, nationally significant and deliberately networked with key influencers across Government and key stakeholders.
- 3.3. Appointments to the Council will be at the direct invitation of the Mayor and will include representation from outside of South Yorkshire. It is expected that the MEAC will include no more than **twelve (12)** members (including the Chair) and that it will meet on a **quarterly** basis.
- 3.4. The priorities and membership of the Council will be driven by a focus on helping the region to:
 - Grow productivity and prosperity in South Yorkshire and address inequality of opportunity
 - Proliferate economic growth and ensuring access to suitable investment finance
 - Maximise trade, export, and inward investment opportunities
 - Upskill the SY workforce towards higher productivity sectors and occupations
 - Deliver long lasting, inclusive, and regenerative economic growth for residents and investors
 - Maximise the impact of strategic investments
 - Raise the economic profile of South Yorkshire.
- 3.5. The membership of the MEAC will be widely drawn and will include experts of national and international repute from the following fields:
 - o Investment and finance
 - o Property and capital infrastructure development
 - o Industry leaders in South Yorkshire's core competence and capability areas such as:
 - Advanced materials and manufacturing;
 - Clean energy and green tech;
 - Advanced mobility (esp. rail) and advanced logistics;

- Creative content & digital tech;
- Health and life sciences.
- Leading small and medium sized business owners / entrepreneurs
- Academia

4. Business Advisory Board

- 4.1. The Business Advisory Board will provide regional business input into the work of the MCA. It is expected that the BAB will include no more than **twelve (12)** members including the Chair and that it will meet on an **8 weekly** basis. MCA Executive support / officer attendance will be in addition to the 12 formal members.
- 4.2. Its membership will have some individuals drawn from either the senior leadership of, or direct business representation drawn from, Business Representative Organisations in South Yorkshire, including the Chambers of Commerce.
- 4.3. The Chair of the MCA Regional Skills Advisory Board (RSAB) will be invited to sit on the Board to support joined up working and communication between these groups.
- 4.4. Appointments to the Board will also include some openly recruited roles for business leaders that reflect the diversity of South Yorkshire's business base. These will be expected to span existing and growth sector strengths and capabilities, businesses at different stages of the life cycle from IP intensive spin-outs to mature businesses, those with different operating models such as social enterprise and Community Interest Companies, those with different ownership models (including employee owned, family owned, listed, privately owned and those who have secured debt and private equity funding) alongside inward investors and businesses trading globally.
- 4.5. The MCA will also seek a balance of businesses within the profile set out above that demonstrate a strong commitment to Responsible Business practices such as exemplar investors in their workforce, those who have ability to be effective advocates and have a track record of engaging with their sector counterparts or are able to access or convene wider networks within the business community.
- 4.6. Due consideration will be given to the composition of the Board to ensure appropriate balance across geography, gender, age, ethnicity etc.
- 4.7. Building upon lessons from how the existing Business Advisory Group has operated, it is proposed that a Board be established with a role and remit that includes:
 - Shaping South Yorkshire's thinking on short and long-term issues of importance to businesses and the region's economic future, and to ensure these are heard and considered by the SYMCA and inform its decisions.
 - Helping develop thinking on Mayoral Combined Authority priorities within the agreed remit and core priorities where the business voice can bring most added value while allowing for agility to respond to emerging issues.

- Covering a range of business topics that the MCA is directly involved with and where in-depth business input strengthens its thinking, supports delivery, and secures backing.
 - Sharing of intelligence which informs the region's approach to delivering the business facing interventions including business growth, skills programmes, and investments in digital and physical infrastructure.
 - Members working together to help each other with their respective endeavours.
 - Serving as an early forum to surface issues that the Mayor and the MCA may need to address.
 - Advocacy, networking, and engagement regionally.
- 4.8. For the Business Advisory Board to be effective in delivering the agenda set out above, different ways of conducting its meetings will be considered; including exploring 'problem driven' and 'active participation' approaches to deconstructing problems and challenges and building consensus and new partnerships. Meetings will be held across the region.

5. Governance and working with the Mayoral Combined Authority

- 5.1. It is proposed that both the MEAC and Business Advisory Board be formally recognised in the MCA Constitution. The schedule of MEAC and BAB meetings will be aligned with MCA Board meetings to ensure input remains timely.
- 5.2. The MEAC will be chaired by the Mayor, with the ability for that role to be delegated by the Mayor. The Business Advisory Board will have a private sector Chair. The appointment of the BAB Chair will be agreed by the MCA Board. The Chair(s) and the Mayor will meet on a six monthly basis to develop a joint work programme which will then be considered and endorsed by the MCA Board on an annual basis.
- 5.3. This joint work programme will enable MCA Portfolio Leads to develop a forward plan of engagement with the MEAC and BAB on issues where the private sector voice would add value.
- 5.4. The MCA Board will be able to commission / seek reports from the MEAC and Business Advisory Board on a regular basis.
- 5.5. The MCA will continue to explore innovative ways of engaging the business voice in policy and programme design and development. The existing MCA / Chambers of Commerce Quarterly Economic Survey presents a good base on which this work could be developed.
- 5.6. It is proposed that the role of 'a strong, independent and diverse business voice' as highlighted by Government is included in the Constitution as part of the functions of the MCA.
- 5.7. To ensure the business voice is an integrated part of the MCA system and heard in the issues being considered by the MCA, it is also proposed that the MCA Constitution is amended to:

- 5.7.1. At the invitation of the MCA Board, the Chair of the MEAC (if not the Mayor) and Business Advisory Board have the opportunity to attend and speak at MCA meetings in a non-voting capacity.
- 5.7.2. Set out that the MCA and Business Advisory Board will agree annually a range of short-term issues and key deliverables, and longer-term economic challenges that the BAB will focus on over the coming 12 months to support the region's economic growth. This framework should demonstrate a degree of agility with the ability for changes to be agreed in year as the economic situation dictates.

6. Transparency

- 6.1. Both the Mayor's Economic Advisory Council and the Business Advisory Board will be established as advisory boards to the formal MCA decision-making process. On that basis the meetings will not be held in public.
- 6.2. However, it is important that the public and the business community understand who, how and on what issues the private sector voice is being engaged – as well as having the opportunity to inform that work.
- 6.3. To support this objective, the MCA will ensure that information relating to both the MEAC and BAB is published online, including:
 - 6.3.1. Meeting dates, board composition as well as information on board recruitment processes.
 - 6.3.2. Members Declarations of Interest
 - 6.3.3. An agreed forward plan of activity the MCA Board has asked both the MEAC and BAB to consider and an annual report setting out an update on the key areas of work undertaken.
 - 6.3.4. A summary of the key topics discussed at each meeting.
 - 6.3.5. Contact details of the MCA lead officer.