

Coast to Capital

Meeting: Coast to Capital Board Meeting
Date: Thursday 15 October 2020
Report Title: Governance Update
Report by: Katie Nurcombe
Item No: 2) b)
Part: A

Recommendation:

The Board is asked to approve:

- The Governance Review Scope and the membership of the informal Working Group created to oversee this review.
- Matt Furniss an alternate Director for Colin Kemp
- David Joy's reappointment for a second three-year term.
- The timeline for Vice Chair and Board Director recruitment and interim arrangements.
- The evolution of Board sponsorship responsibilities and discuss the approach to identifying new Board sponsors.
- The renaming of the Audit Committee to the Audit and Risk Committee.
- The creation of a Finances and Resources Group led by Karen Dukes and its Terms of Reference.

1. Context

Following the Board development session in September and the circulation of the Chair's 'Fit for the Future' consultation paper a number of new and existing Governance developments are in progress across the organisation. This update sets out the current progress and seeks Board approval to a number of recommendations.

2. Governance Review

The Board is asked to approve the scope of the Governance Review set out in **Annex A**. Our Government Area Lead is aware of this review and this will also be noted at our Mid-year Appraisal with Government in October. Jane Longmore and Frances Rutter have joined the Coast to Capital Chair, Vice Chair and Chair of the Audit Committee to form an informal Working Group to oversee this review. The Board is asked to approve the membership of the Working Group.

3. Board Appointments

Following their appointment and confirmation at the AGM in September the induction process for **Jane Longmore** and **Phélim Mac Cafferty** has commenced.

In line with the Articles, the Board is asked to agree **Matt Furniss** is appointed as an alternate Director for Colin Kemp in his absence.

David Joy is making a vital contribution to the work of Coast to Capital in the area of regeneration, housing and development and comes to the end of his first three-year term at the end of October 2020. The Board is asked to approve his reappointment for a second three-year term to ensure the Board can continue to benefit from his expertise.

Karen was appointed as Interim Vice Chair in August 2020 and the **role of Vice Chair** will be reviewed as part of the Governance Review described above. In line with the proposed timetable for this review the recruitment process for a new Vice Chair will take place once the role, remit and potential remuneration has been agreed and therefore will be launched in the next financial year. The Board is asked approve the approach for Vice Chair recruitment and interim arrangements.

The Coast to Capital Board allows for a maximum of 20 Board members and there are currently 18 members on the Board. Allowing for an external recruitment process for the Vice Chair in line with the National Assurance Framework this leaves **one vacancy on the Board**. It is proposed this vacancy is advertised at the same time as the Vice Chair position which will allow us to bring on the maximum number of new Board members at the same time. The results of the recent skills audit will help determine the candidates we would like to bring on to the Board.

In the meantime, we have the option to **co-opt Board members**. There was a limited response to the skills audit and there are still some gaps in nominations for Board Sponsors as described in the next section. Therefore, it is proposed that given our current understanding of the gaps on the Board, we explore co-opting individuals to enhance our skills/expertise/diversity. This includes supporting our 'Greener' ambition, championing young people, expertise in digital technologies and a representative from a large corporate.

The Board is asked to comment on the focus for future Board recruitment in particular the priority for co-opted Board member recruitment and to address the diversity of the Board in particular BAME.

4. Committees

Audit and Risk

In line with the new Risk Policy the Audit Committee has a formal responsibility to review the top company risks and ensure the risk management process is undertaken in line with the Policy. To clarify this important responsibility the Board

is asked to approve a change to the name of this Committee to the **Audit and Risk Committee**. No changes to its Terms of Reference are required; however, these will be reviewed as part of the Governance Review described below.

Finance and Resources

The Board is asked to approve the formation of a new **Finance and Resources Working Group**. A draft Terms of Reference can be found in **Annex B** for approval.

5. Committee Appointments

The Board is asked to confirm the following Committee appointments (based on nominations). There may be some verbal updates/additions to this provided at the Board as responses were still coming in at the point that this paper was tabled:

- **Investment Committee** – Interim Chair, Karen Dukes. Interim Vice Chair, David Joy.
- **Growing Places Fund** - Julie Kapsalis to join the GPF Committee as a member to ensure the Coast to Capital Chair is able to take part in key discussions and decisions
- **Business Grants Panel** – Jamie Arnell, Paul Marshall and Jonathan Sharrock to Chair Business Grant Panels
- **Finances and Resources Working Group** – Karen Dukes to lead this Working Group. Other members to be identified – possibly from co-opted members.

6. Board Sponsorship Roles

The following Board members have existing Board sponsor responsibilities and the Board is asked to approve the evolution of the scope of their existing sponsorship responsibilities to respond to the current priorities of Coast to Capital:

- **Julie Kapsalis** – **Equality and Diversity Champion** – ‘Equality’ has been added to recognise the importance of both ensuring equal opportunity and placing a positive value on differences.
- **Martin Harris** – **Transport and Aviation Sponsor** – ‘Aviation’ has been added to recognise the importance of this sector to the Coast to Capital Economy and the challenges this sector is currently facing.
- **David Joy** - **Regeneration and Development Sponsor** – ‘Development’ has replaced ‘Housing’ to recognise the activity in the ‘Building Back Stronger’ priority area.

Claire Mason remains as **SME Champion** - recognising the importance of SMEs to our economy.

We have received a number of nominations for the proposed Board Sponsor opportunities identified in ‘Fit for the Future’ which the Board is asked to note. Where there are gaps, the Board is asked to consider an approach to identifying sponsors

for any gaps. This may be considered in the approach to co-opted Board members and picked up as part of the Governance Review remit looking at Board composition.

- Green Growth Sponsor/Natural Capital Project Sponsor - TBC
- Fusion Innovation Centre Project Sponsor – Jane Longmore
- Arts/Culture/Visitor Economy/Tourism Sponsor – Dan Humphreys & Amanda Jones (split to be agreed and working closely together)
- Rural Economy Sponsor – Karen Dukes
- Third Sector Sponsor – Rosaleen Liard
- Digital Economy Sponsor - TBC
- Young People Sponsor – TBC
- Social Value and Communities - TBC

7. Conclusion

Coast to Capital is committed to maintaining and building on its 'Exceptional' rating for Governance and these actions ensure this is given priority focus over the remainder of the financial year.

8. Next Steps

Proposals will be presented by the Governance Working Group to the Board at its meeting in January for discussion and approval.

9. Diversity Statement

Ensuring diversity of the composition of the Board is included in the scope of the Governance Review and is noted as a priority.

10. Legal Statement

No legal position has been sought on this paper. The Accountable Body will be asked to approve any updated Assurance Framework document before it is presented to the Board for approval.

11. Finance Statement

There is no budget for this project and there are no associated costs. The main financial consideration is the impact on the budget if a recommendation is made for the Vice Chair position to be remunerated as part of the Governance Review.

Annexes:

- Annex A – Governance Review Scope
- Annex B – Finance and Resources Group Terms of Reference

Further information on request: Draft Board Recruitment Pack