

## **Appendix One**

### **Heads of Terms, Greater Brighton Economic Board**

#### **1. Establishment, Purpose and Form**

- 1.1. The Greater Brighton Economic Board (“The Board”) shall be established from the Commencement Date
- 1.2. The over-arching purpose of the board is to bring about sustainable economic development and growth across Greater Brighton (‘the City Region’). To achieve this, the principal role of the Board is to co-ordinate economic development activities and investment at the regional level.
- 1.3. The Board comprises the Greater Brighton Economic Joint Committee (“GBEJC”), on which the local authorities will be represented; and the Greater Brighton Business Partnership (“GBBP”), on which the Cost to Capital Local Enterprise Partnership, business, university and further education sectors will be separated.
- 1.4. Meetings of the Board comprise concurrent meetings of GBEJC and GBBP.
- 1.5. GBEJC shall be a joint committee appointed by two or more local authorities represented on the Board, in accordance with section 120(1)(b) of the Local Government Act 1972.
- 1.6. The Board may appoint one or more sub-committees.
- 1.7. For the two years starting with the Commencement Date, the lead authority for the Board shall be Brighton & Hove City Council (“BHCC”), whose functions in that capacity shall include the provision of scrutiny (see paragraph 4.3), management of the call-in and review process (see paragraph 8), and the support detailed in paragraph 12.
- 1.8. Unless the Board resolves otherwise, before the start of the third year following the Commencement Date, and every two years thereafter, the Board shall review the lead authority arrangements and, subject to paragraph 1.9, invite each of the local authorities represented on the Board to submit an expression of interest in fulfilling the role of lead authority for the subsequent two year period. The Board shall then instigate a procurement exercise to select the most appropriate authority for that role.
- 1.9. Notwithstanding the appointment of a successor lead authority pursuant to paragraph 1.8, the incumbent lead authority may retain such of their Accountable Body functions as are necessary to enable that local authority to comply with its on-going commitments and liabilities associated with its Accountable Body status.

## **2. Interpretation**

### **2.1. In these Heads of Terms –**

- i. 'Commencement Date' means 1<sup>st</sup> April 2014.
- ii. 'City Region' means the area encompassing the administrative boundaries of BHCC, Adur District Council, Worthing Borough Council, Lewes District Council, Mid Sussex District Council and Crawley Borough Council as lie within the Coast to Capital Local Enterprise Partnership area; and 'regional' shall be construed accordingly;
- iii. 'economic development' shall bear its natural meaning but with particular emphasis given to :
  - Employment and skills;
  - Infrastructure and transport
  - Housing;
  - Utilisation of property assets;
  - Strategic planning;
  - Economic growth.
- iv. 'Accountable Body' means the local authority represented on the Board carrying out the function set out in paragraph 12.2.

## **3. Functions**

3.1. The Functions of the Board are specified in paragraph 3.2 below and may be exercised only in respect of the Region.

3.2. The functions referred to in paragraph 3.1 are as follows:

- i. To make long term strategic decisions concerning regional economic development and growth;
- ii. To be the external voice to Government and investors regarding the management of devolved powers and funds for regional economic growth;
- iii. To work with national, sub-national (in particular the Coast to Capital Local Enterprise Partnership) and local bodies to support a co-ordinated approach to economic growth across the region;
- iv. To secure funding and investment for the Region;
- v. To ensure delivery of, and provide strategic direction for, major projects and work stream enabled by City Deal funding and devolution of powers;
- vi. To enable those bodies to whom section 110 of the Localism Act 2011 applies to comply more effectively with their duty to co-operate in relation to planning of sustainable development.
- vii. To incur expenditure on matters relating to economic development where funds have been allocated directly to the Board for economic development purposes; and for the avoidance of doubt, no other expenditure shall be

incurred unless due authority has been given by each body represented on the Board.

3.3. In discharging its function specified in paragraph 3.2 (viii) above, the Board shall-

- i. (save in exceptional circumstances) seek to invest funding on the basis of-
  - a Proportionality, by reference to the economically active demographic of each administrative area within the city Region;
  - b Deliverability;
  - c Value for money and return on investment / cost benefit ratio; and
  - d Economic impact to the City Region as a whole.
- ii. Delegate implementation of that function to the lead authority, who shall also act as Accountable Body in relation to any matters failing within that function.

#### **4. Reporting and Accountability**

4.1. The Board shall submit an annual report to each of the bodies represented on the Board.

4.2. The Greater Brighton Officer Programme Board shall report to the Board and may refer matters to it for consideration and determination.

4.3. The work of the Board is subject to review by an ad hoc joint local authority scrutiny panel set up and managed by the lead authority.

#### **5. Membership**

5.1. The following bodies shall be members of the Board:

- i. Brighton & Hove City Council
- ii. Adur District Council
- iii. Worthing Borough Council
- iv. Lewes District Council
- v. Mid-Sussex District Council
- vi. Crawley Borough Council
- vii. University of Sussex
- viii. University of Brighton
- ix. Further Education Representative
- x. Coast to Capital Local Enterprise Partnership
- xi. Brighton & Hove Economic Partnership
- xii. Adur & Worthing Business Partnership
- xiii. Coastal West Sussex Partnership
- xiv. South Downs National Park Authority
- xv. Gatwick Airport Ltd

5.2. GBEJC shall comprise the bodies specified in paragraphs 5.1(i) to (vi); and GBBP shall comprise the bodies specified in paragraphs 5(vii) to (xv).

- 5.3. Each of the bodies listed in paragraph 5.1 shall be represented at the Board by one person , save that BHCC shall, by reason of it being a unitary authority, be represented by two persons (as further specified in paragraph 5.4).
- 5.4. Each local authority member shall be represented at the Board by its elected Leader and, in the case of BHCC, by its elected Leader and the Leader of the Opposition.
- 5.5. Each business sector member shall be represented at the Board by the Chairman of that member or by a person nominated by the Board of that member.
- 5.6. Each university member shall be represented by a Vice Chancellor or Pro Vice-Chancellor of that university or by a person nominated by that university member.
- 5.7. Each further education member shall be represented by its Principal or the Chair of its Governing Body or by a person nominated by that further education member.

## **6. Chair**

- 6.1. The Chair of GBEJC shall, by virtue of his/her democratic mandate, be Chair of the Board
- 6.2. If the Chair of GBEJC is unable to attend a Board meeting, the Board shall elect a substitute from its local authority member representatives provided that no such member representative attending in the capacity of a substitute shall be appointed as Chair of GBEJC / the Board.
- 6.3. The Chair of GBEJC for its first year of operation shall be the Leader of BHCC
- 6.4. Following GBEJC's first year in operation, its Chair shall rotate annually between its members, with the new Chair being appointed at the first meeting of the Board in the new municipal year.
- 6.5. GBEJC shall decide the order in which their members shall chair that body.

## **7. Voting**

- 7.1. Each person represents a member of GBEJC, and each person representing a member of the GBBP, shall be entitled to vote at their respective meetings.
- 7.2. Voting at each of the concurrent meetings of GBEJC and GBBP shall be by show of hands or, at the discretion of the chair, by any other means permitted by law, and voting outcomes reached at those meetings shall be on a simple majority of votes cast.
- 7.3. Where voting at a meeting of GBEJC results in an equal number of votes cast in favour and against, the Chair of GBEJC shall have a casting vote.

- 7.4. Where voting at a meeting of GBEJC results in an equal number of votes cast in favour and against, the motion/proposal/recommendation under consideration shall fall in relation of GBBP.
- 7.5. Where the respective voting outcomes of GBEJC and GBBC are the same, that shall be taken as the agreed Board decision and the Board may pass a resolution accordingly.
- 7.6. Where the respective voting outcomes of GBEJC and GBBP differ, the Board –
- i. May not pass a resolution relating to that matter; and
  - ii. May refer the matter to the Chief Executive of the lead authority, who may consult with members of the Board or such other persons as are appropriate, with a view to achieving agreement on the matter between GBEJC and GBBP by discussion and negotiation.
- 7.7. Where, pursuant to paragraph 7.6(ii), agreement is reached the matter at issue shall be remitted to, and voted upon at, the next meeting of the Board.
- 7.8. Where, pursuant to paragraph 7.6(ii), no agreement is reached the motion/proposal/recommendation at issue shall fall.

## **8. Review of decision**

- 8.1. Decisions of the Board will be subject to call-in and review in the following circumstances:
- i. Where a local authority voted to agree a recommendation at a GBEJC meeting, but the decision of the Board was to agree the recommendation.
  - ii. Where a local authority voted against a recommendation at a GBEJC meeting, but the decision of the Board considered that the interests of the body they represent had been significantly prejudiced; or
  - iii. Where any local authority represented on the Board considered that the interests of the body they represent had been significantly prejudiced; or
  - iv. Where any local authority represented on the Board considered that the Board had made a decision beyond its scope of authority.
- 8.2. The procedure for Requesting, validation, and implementing a call-in and review is specified in Schedule 1.
- 8.3. Where a request for call-in is accepted, the Board decision to which it relates shall be stayed pending the outcome of the call-in
- 8.4. Following call-in, the panel convened to review a Board decision may refer the decision back to the Board for re-consideration. Following referral, the Board shall, either at its next scheduled meeting or at a special meeting called for the purpose, consider the panel's concerns over the original decision.

8.5. Having considered the panel's concerns, the Board may alter its original decision or re-affirm it. Paragraph 8.1 shall not apply to the Board's follow-up decision. In consequence, the latter decision may be implemented without further delay.

## **9. Substitution**

9.1. Subject to paragraph 9.2, where a representative of a member of the Board is unable to attend a Board meeting, a substitute representative of that member may attend, speak and vote, in their place for that meeting.

9.2. A substitute member must be appointed from a list of approved substitutes submitted by the respective member to the Board at the start of each municipal year.

## **10. Quorum**

10.1. No business shall be transacted at any meeting of the Board unless at least one third of all member bodies are present, and both GBEJC and GPBBP are quorate.

10.2. Quorum for GBEJC meetings shall be three member bodies.

10.3. Quorum for GBBP meetings shall be three member bodies.

## **11. Time and Venue of Meetings**

11.1. Ordinary meetings of the Board shall be convened by the lead authority and normally take place in the geographical area of that authority.

11.2. The Chair of the Board may call a special meeting of the Board at any time, subject to providing members with minimum notice of two working days.

## **12. Administrative, financial and legal support**

12.1. The lead authority shall provide the following support services to the Board:

- i. Administrative, as more particularly specified in the Memorandum of Understanding pursuant to paragraph 13;
- ii. Financial (including the Accountable body function specified in paragraph 12.2); and
- iii. Legal, comprising Monitoring Officer and Proper Officer functions in relation to GBEJC meetings.

12.2. The function of the Accountable Body is to take responsibility for the financial management and administration of external grants and funds provided to the Board, and of financial contributions by each member of the Board, as more particularly specified in the Memorandum of Understanding Pursuant to paragraph 13. In fulfilling its role as Accountable Body, the lead authority shall remain independent of the Board.

12.3. Other members of the Board shall contribute to the reasonable costs incurred by the lead authority in connection with the activities described in paragraphs 12.1 and 12.2, at such time and manner as the Memorandum of Understanding shall specify.

### **13. Memorandum of Understanding**

13.1. Members of the Board may enter into a memorandum of understanding setting out administrative and financial arrangements as between themselves relating to the functioning of the Board.

13.2. The memorandum may, in particular, provide for –

- i. Arrangements as to the financial contributions by each member towards the work of the Board, including:
  - a The process by which total financial contributions are calculated;
  - b The process for determining the contribution to be paid by each member;
  - c The dates on which contribution are payable;
  - d How the Accountable Body shall administer and account for such contributions;
- ii. Functions of the Accountable Body; and
- iii. The terms of reference for the Greater Brighton Officer Programme Board.

### **14. Review and Variation of Heads of Terms**

14.1. The Board shall keep these Heads of Terms under review to ensure that the Board's purpose is given full effect.

14.2. These Heads of Terms may be varied only on a resolution of the Board to that effect, and subject to the approval of each body represented on the Board.