

Forward Plan reference number: N/A

Report title: To Agree Sector Support Funding Grant Allocations for the project titles, "Planning and prioritising future skills, training and business support needs for rural businesses across SELEP".	
Report to: Managing Director of the SELEP	
Report author: Rhiannon Mort, SELEP Capital Programme Manager	
Date: 22.10.2018	For: Decision
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Divisions affected: Pan-LEP	

1. Purpose of Report

- 1.1 The purpose of this report is to set out the recommendations and supporting documentation of the Sector Support Funding (SSF) Bid for the 'Planning and prioritising future skills, training and business support needs for rural businesses across SELEP' (the Project). The Project has been through an Independent Technical Review (ITR) process, to enable £96,000 of Growing Places Fund (GPF) Revenue grant to be devolved to East Sussex County Council for Project delivery. The bid document is included in Appendix 1.
- 1.2 The ITR report sets out an analysis to demonstrate that the Project meets the criteria for funding. This report is included in Appendix 2.

2. Recommendations

- 2.1 **Approve** the award of £96,000 GPF Revenue grant to East Sussex County Council to support the delivery of the Project identified in the Funding Bid and which has been assessed as meeting the criteria for funding.

3. Summary of issue

- 3.1. On 9th June 2017 the SELEP Strategic Board approved the use of the GPF Revenue grant to fund a programme of works to support the sector focussed activities that are being undertaken on a pan-LEP basis and predominantly led by the SELEP working groups, namely, the Sector Support Fund (SSF).
- 3.2. The Board agreed, in 2017/18, the programme of total funding available in each year would be up to £500,000 of revenue grants per annum for three financial years, beginning 2017/18. Subsequently, at its meeting on the 28th September 2018, the Board agreed to increase the amount of SSF available in 2018/19 to £629,000 to utilise unallocated SSF from 2017/18.
- 3.3. The purpose of the SSF is to support one-off, discrete pieces of work of a pan-LEP nature with a sector focus that brings demonstrable benefits and has support across the LEP. All applications must meet the criteria detailed in

section 3 of the SSF Guidance and be submitted in line with the process in section 4 of the same. This process ensures that the funding is allocated in accordance with the requirements of the SELEP Assurance Framework.

- 3.4. Plumpton College has submitted a bid for SSF of £96,000 to support the delivery of the Project which was endorsed by the SELEP Strategic Board (the Board) at its meeting on the 28th September 2018. The Project was also endorsed by Team East Sussex (TES) Federated Board on the 24th September 2018.

4. Project Summary

- 4.1. The Project seeks funding in order to complete a comprehensive skills evaluation to formulate recommendations for targeting future skills delivery across each Federated Area, setting out priorities for the main rural sectors:

- a) Agriculture
- b) Food and drink -production and manufacture
- c) Horticulture production – vegetable crops, fruit and viticulture

- 4.2 For each of the three main rural sectors, the following themes will be covered:

- a) Level 3+ technical skills
- b) Business improvement techniques and business support, including knowledge transfer
- c) Skills pipeline and facilitation for new entrants
- d) Business and environment sustainability

- 4.3 The work of will be commissioning through established training, education and research organisations for the rural sector with strong rural business links. Plumpton College is the lead for the project but the following training providers have been identified as participants in the project:

- a) Plumpton College, Lewes, East Sussex;
- b) Hadlow College, Tonbridge, Kent;
- c) Writtle University, Chelmsford, Essex; and
- d) East Malling Research, East Malling, Kent.

5. Project Funding

- 5.1. The total cost of the Project is estimated at £151,500, as set out in Table 1 below. This includes the in-kind contributions by the colleges and training providers, through the provision of employee time and use of the organisations facilities.

Table 1: Project Funding breakdown (£s)

Source	2018/19	2019/20	Total
SELEP SSF	48,000	48,000	96,000
In kind funding contributions			
Plumpton College	12,875	12,875	25,750
Hadlow College	6,500	6,500	13,000
Writtle University	5,000	5,000	10,000
East Malling Research	3,375	3,375	6,750
Total	75,750	75,750	151,500

6. Issues for consideration

6.1. Risks and Dependencies

- 6.1.1. No substantive Project risks have been identified within the application. The application states that the organisations included in this Project have very successful track records of bringing developments to completion on time and within cost. The Project team will comprise of senior staff members from each organisation as well as co-opted members as necessary.
- 6.1.2. The interdependence between the themes is minimal so that each activity can proceed within the relevant timeframes.
- 6.1.3. Once SSF has been confirmed, a risk register will be created and mitigation strategies agreed.

6.2. Outcome of ITR Process (*Accountable Body Comments*)

- 6.2.1. The Accountable Body has independently assessed the Project Bid Document and has confirmed that the Project meets the criteria for funding, including the Assurance Framework requirement with regard to the expectation that high value for money will be achieved.
- 6.2.2. The expected benefits of the Project are detailed in the application but a Benefit Cost Ratio (BCR) has not been calculated for the Project following a robust methodology. The stated Project outputs and benefits include:
- Analysis of current constraints to productivity in primary rural businesses;
 - Written report and case studies informing the SELEP with respect to options for funding and supporting rural skills delivery
 - Benchmarking study to identify key needs, gaps and players.
 - Improve knowledge exchange between land based producers
 - Improve the attractiveness of the sector and access to it for young people; and
 - Develop opportunities for new entrants to bring non-agricultural related acumen to create new ideas for business development

6.2.3. Although the BCR does not meet the threshold of 2:1 required to demonstrate high value for money, additional, unquantified benefits have been identified which fulfil the criteria for high value for money as defined by exemption 1 in the SELEP Assurance Framework.

Exemption 1: This may be applied where a project does not present High Value for Money (a Benefit Cost Ratio of over 2:1); but

- has a Benefit Cost Ratio value of greater than 1.5:1; or
- where the project benefits are notoriously difficult to appraise in monetary terms.

Exemption 1 will only apply if the following conditions are satisfied:

- (1) The funding sought from SELEP in relation to the project must be less than £2.0m and to conduct further quantified and monetised economic appraisal would be disproportionate; and
- (2) where there is an overwhelming strategic case (with minimal risk in the other cases); and
- (3) there are qualitative benefits which, if monetised, would most likely increase the benefit-cost ratio above 2:1.

6.3. Financial implications (*Accountable Body Comments*)

6.4. Up to £629,000 of the GPF revenue grant was made available in 2018/19 to support the SSF. There is sufficient funding available to support the request for this Project, as set out in the following table:

Table 2: Sector Support Fund Summary

	Strategic Board Endorsement	2018/19 £
Available Fund Balance		629,000
Total seeking approval following board endorsement		
Kent Medical Campus Enterprise Zone – Innovation Centre Design Work	28-Sep-18	156,000
Good Food Growth Campaign	28-Sep-18	60,400
Future Proof: Accelerating Delivery of High Quality Development across the LEP	28-Sep-18	110,000
Planning and prioritising future skills, training and business support needs for rural businesses across SELEP	28-Sep-18	96,000
Total endorsed		422,400
Balance following approval		206,600

6.4.1. This grant is a fixed maximum contribution to the Project; any Project overspends incurred will be required to be addressed by the Project delivery partner.

6.5. Legal implications (*Accountable Body Comments*)

6.5.1. The grant will be transferred to the respective upper tier authority via a grant agreement with the Accountable Body; the grant agreement will include a requirement for claw back of the funding if it is not fully expended or not expended in line with the Project Bid Document.

7. Equality and Diversity implications

- 7.1 Section 149 of the Equality Act 2010 creates the public sector equality duty which requires that when a public sector body makes decisions it must have regard to the need to:
- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act
 - (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.
- 7.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation.
- 7.3 In the course of the development of the project business cases, the delivery of the project and the ongoing commitment to equality and diversity, the promoting local authority will ensure that any equality implications are considered as part of their decision making process and were possible identify mitigating factors where an impact against any of the protected characteristics has been identified.

8. List of appendices

- 8.1. Appendix 1 – Project Bid Document
- 8.2. Appendix 2 – Independent Technical Review report

9. List of Background papers

- 9.1. Sector Support Funding Guidance
- 9.2. SELEP Assurance Framework
- 9.3. Minutes of the Strategic Board Meeting 28th September 2018

Role	Date
Accountable Body sign off Stephanie Mitchener (On behalf of Margaret Lee)	 04.12.2018

<p>I approve the above recommendations set out above for the reasons set out in the report.</p>  <p>Adam Bryan Managing Director for the South East Local Enterprise Partnership</p>	<p>Date</p> 06/12/18
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