



SOUTH EAST
LOCAL ENTERPRISE
PARTNERSHIP

STRATEGIC BOARD AGENDA PACK

Friday 11th December 2020
Zoom Video Conference



Agenda

Item 1	10:30	Welcome	Chris Brodie	
Item 2	10:35	Minutes from 2 October meeting Declarations of Interest Matters arising	Chris Brodie and Adam Bryan	Pg. 3
Item 3	10:40	SELEP Economic Recovery and Renewal Strategy Decision: <i>agree priorities and framework of strategy</i>	Helen Russell and Sharon Spicer	Pg. 7
Item 4	11:00	LGF Update and Spend Beyond Growth Deal Period Decisions: <i>considering requests to spend beyond Growth Deal period</i>	Rhiannon Mort	Pg. 10
Item 5	11:20	LGF Reallocation Prioritisation Decision: <i>agree single prioritised list of projects for the reallocation of remaining LGF</i>	Rhiannon Mort	Pg. 14
Item 6	11:40	Growing Places Fund Pipeline Decision: <i>agree to bring forward projects ahead of a delayed project</i>	Rhiannon Mort	Pg. 24
Item 7	11:45	Getting Building Fund Update and Pipeline Decisions: <i>agree baseline for GBF, including any reprioritisations under the grace period rules and agree approach for developing pipeline</i>	Rhiannon Mort	Pg. 28
	12:05	Comfort Break		
Item 8	12:15	Operations and Governance Decisions: <i>agree operational priorities for 2021/22 and discuss and agree approach to Co-opted Board members</i>	Suzanne Bennett	Pg. 33
Item 9	12:25	Evolution of the Growth Hub and Business Support Decision: <i>agree objectives, activities and timeline to evolve Growth Hub service</i>	Jo Simmons	Pg. 37
Item 10	12:35	Sector Support Fund Endorsements Decision: <i>agree to endorse the latest round of SSF submissions</i>	Adam Bryan	Pg. 40
Item 11	12:50	Update on National and Regional Initiatives and Campaigns Decision: <i>agree next steps to Freeport bid endorsements. Includes update on other initiatives/campaigns including Towns Board, Catalyst South and the LEP Network</i>	Adam Bryan and Alex Riley	Pg. 46
	13:10	AOB and Close		

For Information Items

Update on CV19 Recovery Funds

Future Strategic Board meeting dates:

29th January 2021 (additional meeting to be agreed), 19th March, 4th June, 1st October, 10th December, 18th March 2022



Item 2: Minutes of Strategic Board 2nd October 2020

Attendees

Chris Brodie	Chair
Sarah Dance	Deputy Chair
Adam Bryan	CEO
Aideen Sadler	Opportunity South Essex
Ana Christie	Team East Sussex
Angela O'Donoghue	Further Education representative
Carol Ford	Kent and Medway Economic Partnership
Claire Lewis	Success Essex
Clive Soper	Team East Sussex
Cllr David Finch	Essex County Council
Cllr David Monk	Kent District/Borough/City Councils representative
Cllr Graham Butland	Essex District/Borough/City Councils representative
Cllr Rodney Chambers	Medway Council
Cllr Roger Gough	Kent County Council
Cllr Ron Woodley	Southend Borough Council
Graham Peters	Team East Sussex
Liz Gibney	Kent and Medway Economic Partnership
Perry Glading	Opportunity South Essex
David Milham	Kent and Medway Economic Partnership
Prof Karen Cox	Higher Education Representative
Miles Adcock	Success Essex
Penny Shimmin	Social Enterprise Representative
Cllr Ann Newton	Wealden District Council
Geoff Miles	Kent and Medway Economic Partnership

Apologies: Cllr Gledhill, Cllr Glazier, Matthew Arnold, Jo James

Other attendees:

Alex Riley	SELEP Secretariat	Katherine Wyatt	SELEP Secretariat
Amy Bernardo	Essex County Council	Lee Burchill	Kent County Council
Amy Ferraro	SELEP Secretariat	Lorna Norris	Essex County Council
Brian Horton	SELEP Secretariat	Louise Aitken	SELEP Secretariat
Carole Barron	University of Kent	Nick Churchill	Canterbury City Council
Charlotte Moody	Essex County Council	Peter Shakespear	Essex County Council
Dave Evans	East Sussex County Council	Rhiannon Mort	SELEP Secretariat
Ellie Clow	SELEP Secretariat	Richard Longman	Thames Valley Gateway Partnership
Emma Cooney	Southend Borough Council	Robert Singh	University of Essex
Faz Osborn	CLGU	Sarah Nurden	Kent and Medway Economic Partnership
Helen Dyer	SELEP Secretariat	Sharon Spicer	SELEP Secretariat
Helen Russell	SELEP Secretariat	Stephanie Mitchener	Essex County Council
Howard Davies	SELEP Secretariat	Stephen Taylor	Thurrock Council
Iain McNab	CLGU	Suzanne Bennett	SELEP Secretariat



Ian Lewis	Opportunity South Essex	Tristan Smith	Essex County Council
Iwona Bainbridge-Dyer	SELEP Secretariat	Vimbai Foroma	
Jo Simmons	SELEP Secretariat	Vivien Prigg	SELEP Secretariat
Joanne Cable	Medway Council	Zoe Gordon	SELEP Secretariat

This meeting was held as video conference and a recording can be found [by clicking here](#); the timestamp of the start of the discussion for each item is indicated in brackets.

Item 1: Welcome and introduction

- 1.1. Chris Brodie welcomed the Board to the virtual meeting.

Item 2: Minutes of last meeting, declarations of interest, matters arising (0'18" timestamp on video)

- 2.1. The Board **agreed** the minutes of the last meeting.
- 2.2. Sarah Dance declared an interest in relation to the SELEP budget as a remunerated Deputy Chair, and she is currently working with Turners contemporary on England's Creative Coast which is an SSF project.
- 2.3. Chris Brodie also declared an interest in relation to the SELEP budget as a remunerated Chair.
- 2.4. Adam Bryan informed the Board that last week the LEP underwent a Mid-Year Review with the Cities and Local Growth Unit, generally a really positive meeting. There is no formal assessment made as part of the Mid Year Review but feedback was positive.

Item 3: Recommendations for the COVID-19 Business Support Fund (4'10" timestamp on video)

- 3.1. Jo Simmons presented a PowerPoint presentation to the Board.
- 3.2. There were some general points raised around the importance of the Growth Hubs, the amount of money available and the timing of this funding, particularly regarding
- 3.3. The Board **agreed** to the principles for the focus, process and criteria for the £2.4 million Business Support Fund as set out in the report, taking into consideration comments raised around timing and metrics.
- 3.4. The Board noted that the Accountability Board will be required to approve:
 - i) the proposed procurement approach;
 - ii) the award of funding with consideration of value for money; and
 - iii) delegation of decision making to SELEP's Chief Executive Officer in respect of delivery of the programme, including the award of contract, within the £2.4m COVID-19 Business Support Fund.

Item 4: LGF spend beyond the Growth Deal (35'30" timestamp on video)

- 4.1. Rhiannon Mort explained the current status of LGF as detailed in the report.
- 4.2. The Board **agreed** LGF spend beyond the 30 September 2021, noting the risks as detailed in the report, for the following five projects, subject to Chris Brodie and Sarah Dance being satisfied that our reputation for delivery is maintained and an Accountability Board decision:
 - i) Eastbourne and South Wealden Walking and Cycling LSTF package;
 - ii) Hastings and Bexhill Movement and Access Package;
 - iii) Eastbourne Town Centre LSTF Access and Improvement Package;
 - iv) A28 Sturry Link Road; and

v) Innovation Park Medway Phase 2.

Item 5: Capital Project Pipelines (52'03" timestamp on video)

- 5.1. Rhianon Mort explained to the Board the situation of funding being returned to the pot, as detailed in the report.
- 5.2. The Board **agreed** that the LGF pipeline should be made up of current LGF projects that now have a funding gap. Strategic Board will prioritise the pipeline at an additional meeting to be held on 11 December 2020.
- 5.3. The Board **approve** the allocation of any uncommitted LGF at the end of 2020/21 to the Growing Places Fund pot. The value of this funding swap will be considered and approved by the Accountability Board at its last meeting in Q4 2020/21.
- 5.4. The Board **agreed** a grace period for Federated Boards to consider their GBF projects and recommend any amendments. The period will end on 11 December 2020. This grace period is pending confirmation from Central Government that it will be possible, under the grant conditions, to make changes to the list of projects to be funded by GBF.

Item 6: Delivery Plan 2020/21 (1h 03'09" timestamp on video)

- 6.1. Suzanne Bennett explained the delay to the Delivery Plan due to COVID-19.
- 6.2. The Board **approved** the adoption of the Delivery Plan 2020/21 (Appendix A) for the remainder of this financial year; and
- 6.3. The Board **did not approve** the adoption of an operating principle of recouping the cost and offsetting the resourcing impacts for managing grant funded programmes at this time. This will be reconsidered and a detailed report will be presented to the Board at a future point, following deliberation by the relevant working group.

Item 7: SELEP Statement of Account 2019/20 (1h 13'50" timestamp on video)

- 7.1. Lorna Norris summarised the financial position of the previous year, as detailed in the report.
- 7.2. The Board **confirmed** that they had considered the Statements of Accounts 2019/20.

Item 8: Sector Support Fund (1h 21'05" timestamp on video)

- 8.1. Adam Bryan explained to the Board the key priorities of this project, including re-building confidence and demand in the visitor economy and recovery from COVID-19.
- 8.2. The Board **endorsed** the Re-Building Confidence and Demand in the Visitor Economy (£200,000) project, which has been assessed as meeting the SSF eligibility criteria for funding, subject to confirmation of endorsement from the sponsoring SELEP Federated Board

Item 9: Governance and Policy Decisions (1h 20'10" timestamp on video)

- 9.1. Suzanne Bennett explained to the Board that the changes presented today do not present significant changes, but include the GBF and include more general language.
- 9.2. The Board **approved** the adoption of the Assurance Framework 2020 as at Appendix A;
- 9.3. The Board **approved** the inclusion of SELEP Ltd as a party to the future GBF funding agreements with final approval delegated to the Chief Executive Officer (CEO) and Chief Operating Officer (COO); and



- 9.4. The Board **appointed** Ana Christie and Clive Soper to act jointly as the SELEP SME Business Champions on the Board for a period of two years.

Item 10: AOB and close (1h 30'05" timestamp on video)

- 10.1. There will be a questionnaire developed for Directors regarding effectiveness of the Board.
- 10.2. There was a general discussion around the effects of no-deal Brexit, particularly for Kent, and the importance of the LEP engaging with this matter.



Item 3: SELEP Economic Recovery and Renewal Strategy

Executive Summary

1. Overview

- 1.1. In January 2020 the Strategic Board (the Board) agreed an initial draft of the SELEP Local Industrial Strategy (LIS). However, the LIS work was put on hold nationally due to the economic disruption and policy implications caused by COVID-19. Further SELEP strategy development was paused to allow the Board to focus on the immediate response to COVID-19 and provide more time to consider the extent of the economic impacts and future policy developments.
- 1.2. The Board meeting on 4 September 2020 discussed the proposal to develop a SELEP Recovery and Renewal Strategy to provide a clear strategic direction to inform activities in the short to medium term. This strategy will build on the draft LIS and evidence base, the COVID-19 Economic Response Statement released by SELEP in summer 2020, ongoing economic intelligence and the local Economic Recovery Strategies developed by partners. At the point the new Economic Strategy Statement is agreed, this will replace the existing SELEP Economic Strategy Statement.
- 1.3. An update on the proposed priorities and framework for this strategy is headlined in this report and provided in more detail in Appendix A.

2. Decisions: Board is recommended to:

- 2.1. **Agree** the framework (Appendix A) for the SELEP Economic Recovery and Renewal Strategy including the priorities and objectives set out within that framework. If agreed these priorities and objectives will then be used as the basis for all future prioritisations of funding allocations. This does not include any funding allocations for which prioritisation has already commenced.

3. Rationale for Decisions

- 3.1. The agreement of the overarching framework and priorities would allow the ongoing development of the strategy and the presentation of the final content for approval by the Board in March 2021.
- 3.2. Developing the Economic Recovery and Renewal Strategy will support the Board in ongoing effective and informed decision-making according to local priorities. It would also enable the Board to continue to influence Government and stakeholders regarding the most critical issues within the SELEP economy and would support engagement with Catalyst South around clear messaging across the wider region.

Further Information

4. Decision 1: to agree the framework for the SELEP Economic Recovery and Renewal Strategy and the priorities and objectives set out within that framework

- 4.1. The Board is asked to agree the priorities and objectives set out at 4.6 and the framework (Appendix A).
- 4.2. There are currently no guidelines set out by Government regarding development or a framework



for economic recovery strategies. However, building on discussions with Board members, our wider stakeholders and our understanding of the approach being taken by other LEPs; the primary purpose of this SELEP strategy will be to **set out the distinct strategic economic opportunities that will drive SELEP's economic recovery and renewal and to direct decision making and investments across the area**. It will focus on how SELEP delivers activities and applies available resources over the next few years, providing clarity on the opportunities and priorities that require investment and support in the short to medium term.

- 4.3. If agreed today the priorities will supersede those set out in the Economic Strategy Statement and will form the basis of future decisions on the prioritisation of projects for funding allocations. This will not apply to any funding allocations for which prioritisation has already commenced. If these strategic priorities are not agreed at this meeting, until the point that new strategic priorities or full strategy is agreed, the Economic Strategy Statement will remain in place for prioritisation.
- 4.4. Board should note that currently beyond SELEP's operational activities in 2021/22, SELEP does not currently have identified funding to deliver any interventions or investments that may be agreed as part of the new strategy. It is anticipated that the UK Shared Prosperity Fund (UKSPF) will be the primary source of funding to implement this strategy, however all potential funding and investment opportunities will be considered as part of the delivery of the strategy.
- 4.5. The priorities set out have been guided by the programme of work that took place to develop the draft LIS as well as ongoing analysis of the impacts of the COVID-19 pandemic and EU Transition. They have also been informed by discussions with Strategic Board members at a dedicated workshop that took place on 11 November.
- 4.6. The strategy framework is structured around four strategic priorities:
 - 4.6.1. Business Resilience and Growth;
 - 4.6.2. UK's Global Gateway;
 - 4.6.3. Communities for the Future; and
 - 4.6.4. Coastal Catalyst.
- 4.7. In addition, there are seven objectives which underpin all the priority areas and which would be reflected throughout the strategy. A diagram of the framework and proposed areas of focus for each of the strategic priorities is set out in Appendix A.
- 4.8. Pending agreement from the Board and recognising that implementation of the strategy will require direct action and investment as well as influence and collaboration, the Board may also wish to consider the ways in which SELEP could work with Government and stakeholders to implement the strategy, as well as how the strategy can most effectively be used to lobby for and secure funding. There will be an opportunity to discuss this at the Board meeting which will also help to inform the subsequent content and presentation of the strategy.
- 4.9. Colleagues from Cities and Local Growth Unit have advised that Government is planning to refresh the National Industrial Strategy in early 2021 and we will therefore continue to monitor emerging priorities and policy implications to ensure alignment with SELEP's own strategy development. We expect the strategic priorities that we have set out in this framework will remain relevant to a refreshed Industrial Strategy. However, it is possible that there will be additional implications that the Board wish to consider as a result of the publication of a revised Industrial Strategy.



5. Next Steps

- 5.1. The Secretariat will continue to develop the Economic Recovery and Renewal Strategy based on the outcome of this Board meeting, including through engagement with wider stakeholders across the partnership and working through the Senior Officers Group to agree the process for endorsement by Federated Boards. A final draft of the strategy will be shared for consideration at the SELEP Strategic Board meeting on 19 March 2021.

6. Comments from the Accountable Body

- 6.1. As set out in the Assurance Framework, the SELEP is required to develop, maintain and deliver an Economic Strategy Statement (ESS). The implementation and delivery of the Recovery and Renewal Strategy in 2021/22 which will replace the existing ESS, will be subject to receipt of funding from Government to support this work. At this time this funding is not confirmed.

7. Appendices, Supporting Documents and Previous Decisions

- 7.1. Appendix A: SELEP Recovery and Renewal Strategy Framework
- 7.2. For further details contact:

Sharon Spicer and Helen Russell – Strategy and Intelligence Managers.
Sharon.spicer@southeastlep.com / helen.russell@southeastlep.com

Item 4: LGF Update and Spend Beyond Growth Deal Period

Executive Summary

1. Overview

- 1.1. This report provides the Strategic Board (the Board) with details of projects where LGF spend is expected to extend beyond the Growth Deal period. The report also provides an update on the overall position of the programme and high-risk projects within the programme.
- 1.2. The Board is asked to approve the spend of any LGF beyond the 30 September 2021. There are five projects brought forward for consideration by the Board for LGF spend beyond this date.

2. Decisions: Board is recommended to:

- 2.1. **Agree** LGF spend beyond 30 September 2021 for the following five projects:
 - 2.1.1. Plumpton College, Skills for Rural Businesses Post-Brexit, East Sussex
 - 2.1.2. Hailsham/Polegate/Eastbourne Movement and Access Transport Package, East Sussex
 - 2.1.3. Maidstone Integrated Transport Package, Kent
 - 2.1.4. Medway City Estate Connectivity Improvement Package
 - 2.1.5. University of Essex Parkside Phase 3

3. Rationale for Decisions

- 3.1. Across the SELEP area £87.485m LGF is currently forecast to be spent beyond 31 March 2021. This presents a programme and reputational risk for SELEP as a commitment has been provided to Central Government that all LGF funding will be spent by 31 March 2021.
- 3.2. The Board has previously agreed that where a project is reporting LGF spend beyond 31 March 2021, LGF will be transferred to the respective local authority for spend across their wider capital programme. During the subsequent financial years, local authorities will use their own capital programme to fund spend on the LGF project.
- 3.3. The total LGF allocation to the project remains the same, but this approach can be used to demonstrate that the LGF has been spent in full by the end of 2020/21, whilst still complying with the grant determination letters and enabling the LGF project to proceed beyond 31 March 2021. This mechanism is referred to, through the remainder of this report, as an “Option 4 capital swap”.
- 3.4. This approach does, however, increase the risk of non-delivery of the LGF projects in future years and reduces SELEP’s oversight of this funding.
- 3.5. For an advanced payment of the outstanding LGF allocation to be made to partner authorities in Q4 2020/21, the Accountability Board will be asked to consider the certainty over the deliverability of the project before the payment is made.
- 3.6. For any project spending LGF beyond the 6-month extension (i.e. beyond 30 September 2021) Strategic Board endorsement is required, alongside the approval from the Accountability Board.

Further Information

4. Decision 1: Agree LGF spend beyond the 30 September 2021 for the following five projects, listed in 4.2 below:

- 4.1. The Board has previously agreed the extension for eight projects. There are a further five projects, for which LGF spend has been reported as forecast beyond 30 September 2021.
- 4.2. The Board is asked to approve LGF spend beyond 30 September 2021 for the following five projects:
 - 4.2.1. Plumpton College, Skills for Rural Businesses Post-Brexit, East Sussex
 - 4.2.2. Hailsham/Polegate/Eastbourne Movement and Access Transport Package, East Sussex
 - 4.2.3. Maidstone Integrated Transport Package
 - 4.2.4. Medway City Estate Connectivity Improvement Package
 - 4.2.5. University of Essex Parkside Phase 3

Table 1 Summary of projects seeking approval for LGF spend beyond 30 September 2021

Summary of projects seeking approval for LGF spend beyond 30 September 2021							
Project Name	Total LGF allocation (£m)	LGF spend to end of 2019/20 (£m)	LGF spend forecast 2020/21 (£m)	LGF spend forecast in 2021/22 (£m)	LGF spend forecast in 2022/23 (£m)	Expected completion date in business case	Updated expected completion date
Plumpton College, Skills for Rural Businesses Post-Brexit, East Sussex	2.918	0.229	1.062	1.628	0	Q4 2020/21	Q3 2021/22
Hailsham/Polegate/Eastbourne Movement and Access Transport Package, East Sussex	2.100	1.263	0.340	0.331	0.166	Q4 2019/20	Q3 2021/22
Maidstone Integrated Transport Package, Kent	8.900	3.564	1.222	2.000	2.114	Q4 2020/21	Q4 2022/23
Medway City Estate Connectivity Improvement Measures, Medway	2.200	0.621	0.579	1.000	0.000	Q4 2020/21	Q3 2021/22
University of Essex, Parkside Phase 3	5.000	0.000	0.750	4.250	0.000	Q4 2021/22	Q4 2022/23

- 4.3. The delays to the delivery of the five projects, shown in Table 1, are the result of an overly ambitious delivery programmes having been included within the original business case and/or the impact of Covid-19 having created financial uncertainty or project delays.

- 4.4. In deciding whether LGF spend should be permitted beyond 30 September 2021, it is recommended that consideration should be given to (i) the delivery risks, as set out in Appendix A, and (ii) whether these projects remain a priority for investment, or if there are alternative projects to be agreed for inclusion on the LGF pipeline which could spend the funding and achieve project benefits as a faster pace.

5. Additional information on high risk projects

- 5.1. Based on the latest updates provided by local authority partners, it is now forecast that £87.485m LGF will be spent beyond 31 March 2021. This includes the forecast spend of £21.231m on projects which are identified as high risk.
- 5.2. In total there are 10 projects, included within the LGF programme, with a risk score of 5 on a 1 to 5 scale. This risk score has been based on an assessment of deliverability, financial position and reputational risk, in line with the guidance from Central Government.
- 5.3. Projects with a risk score of 5 are listed in Table 2 below and an individual update is set out in Appendix A.

Table 2 High-risk projects

High- risk LGF projects summary							
Project Name	Promoter	LGF spend to end of 2019/20 (£m)	Forecast LGF spend in 2020/21 (£m)	Forecast LGF spend beyond 2021/22 (£m)	All Years (£m)	LGF spend beyond 31 March 2021	Main project delivery constraint
Queensway Gateway Road	East Sussex	9.496	0.504	0.000	10.000	No	Land acquisition
Bexhill Enterprise Park North	East Sussex	0.000	1.540	0.400	1.940	Yes	Planning consent
Beaulieu Park Railway Station	Essex	0.000	0.000	12.000	12.000	Yes	Confirmation of funding package
M11 Junction 8 Improvements	Essex	2.239	0.161	0.334	2.734	Yes	Funding gap
University of Essex Parkside (Phase 3)	Essex	0.000	0.750	4.250	5.000	Yes	Confirmation of funding package
A28 Chart Road - on hold	Kent	2.756	0.000	0.000	2.756	No	Confirmation of funding package
A28 Sturry Link Road	Kent	1.109	0.000	0.000	1.109	Yes	Confirmation of funding package
M2 J5 improvements	Kent	0.000	0.000	1.600	1.600	Yes	Approval of project by Central Government
IPM (Rochester Airport - phase 2)	Medway	0.570	1.130	2.000	3.700	Yes	Planning consent
IPM 2 (Rochester Airport - phase 3)	Medway	0.000	0.872	0.647	1.519	Yes	Planning consent
Total		16.170	4.957	21.231	42.358		

- 5.4. Many of the project issues relate to delays to the delivery programme as result of Covid-19, funding gaps and/or planning consent not being in place. In total, 16 projects have sought additional LGF funding, as detailed in agenda item 5.
- 5.5. Where projects are unable to proceed in the agreed timescales, the scheme promoters are required to declare this position to ensure that the LGF funding can be reallocated and committed to an alternative project by the end of 2020/21.
- 5.6. In February 2021, the Accountability Board will need to confirm they are satisfied with the deliverability of those projects spending beyond 31 March 2021, to enable the remaining balance of LGF funding to be transferred to those projects.
- 5.7. If there remain deliverability issues with projects, such as planning consent having not been secured and the full funding packages not being in place, it will be recommended that the funding is reallocated to alternative projects on the LGF pipeline (to be agreed under agenda item 5).

6. Next Steps

- 6.1. At each Accountability Board meeting, an update is provided on the high-risk projects listed in



Appendix A, with the Board often receiving individual update reports to note progress or to agree next steps.

- 6.2. In February 2021, the Accountability Board will again focus on the high-risk projects with consideration for the views of the Board expressed through this meeting, being mindful of the need to demonstrate LGF spend in full by the end of 2020/21. A decision will be required from the Accountability Board in February 2021 to agree where option 4 swaps should be applied or consider whether there are projects from which LGF should be reallocated, as there remains too great an uncertainty over their future delivery.
- 6.3. Under agenda item 5, the Board is asked to agree an LGF pipeline of schemes to reinvest the £6.7m LGF currently unallocated and to identify the projects next in line to receive investment should the high-risk projects be unable to proceed.
- 6.4. If the value of the unallocated LGF exceeds the value of the LGF pipeline, the Board has previously agreed that the remaining LGF will be moved to the Growing Places Fund (GPF) pot, for investment as GPF capital loan funding.

7. Comments from the Accountable Body

- 7.1. To secure the remaining third of the 2020/21 allocation of LGF, the Accountable Body and SELEP confirmed to Government in June 2020, that plans were in place to spend the LGF grant in full by 31 March 2020, either through deliverability of the projects or using the Option 4 capital swap mechanism set out in section 3.3. The LGF project delays outlined in the report, highlights a risk for a number of projects that they will be unable to spend their LGF allocation by the end of the Growth Deal, increasing the requirement to place reliance on the Option 4 swap.
- 7.2. Where there is high risk that a project may be cancelled or is not deliverable within the agreed timeframes, it is not recommended that an Option 4 swap is applied in this respect and that other options are considered. It is anticipated that these risks will be considered at the February Accountability Board as part of the approval requests to undertake the Option 4 swaps.
- 7.3. Under the terms of the LGF grant conditions, there is no requirement to spend the grant by March 2021; there remains a reputational risk for SELEP Ltd, however, to ensure delivery of the Growth Deal and in respect of the assurances provided to Government of LGF spend, to secure the remaining third of LGF in 2020/21.
- 7.4. Should the Board chose not to endorse the spend of LGF beyond 30 September 2021 for the Projects recommended above, a decision will need to be made by Accountability Board on the future position of the project, which may include cancellation; any such decisions will be managed through the SLAs in place with the respective partner Authorities to support the LGF programme and may include recovery of LGF spent to date, where conditions for funding can no longer be met.

8. Appendices, Supporting Documents and Previous Decisions

- 8.1. Appendix A – Projects spending beyond 30 September 2021 and high-risk projects
- 8.2. Background Documents – [Accountability Board Agenda Pack 20 November 2020](#)
- 8.3. For further details contact Rhiannon Mort, Capital Programme Manager:
Rhiannon.mort@southeastlep.com



Item 5: LGF Reallocation Prioritisation: Covid-19 Response Fund

Executive Summary

1. Overview

- 1.1. The Strategic Board (the Board) is asked to consider and agree a project pipeline for the Local Growth Fund (LGF). In accordance with the process agreed at the October 2020 Board meeting, the LGF pipeline consists of current LGF projects which are now experiencing a funding gap.
- 1.2. The purpose of the pipeline is to enable timely and appropriate award of the funding currently available and any further funding which becomes available at future 2020/21 Accountability Board meetings.

2. Decisions: Board is recommended to:

- 2.1. **Agree** a prioritised LGF project pipeline (an indicative pipeline is set out in Table 1).
- 2.2. **Agree** LGF spend beyond the 30 September 2021, as applicable for projects listed in Table 3, for those projects which have been prioritised for additional LGF funding. If project completion dates are delayed by more than 6 months, the Board will be asked to confirm its continued support for LGF spend beyond the Growth Deal period.

3. Rationale for Decisions

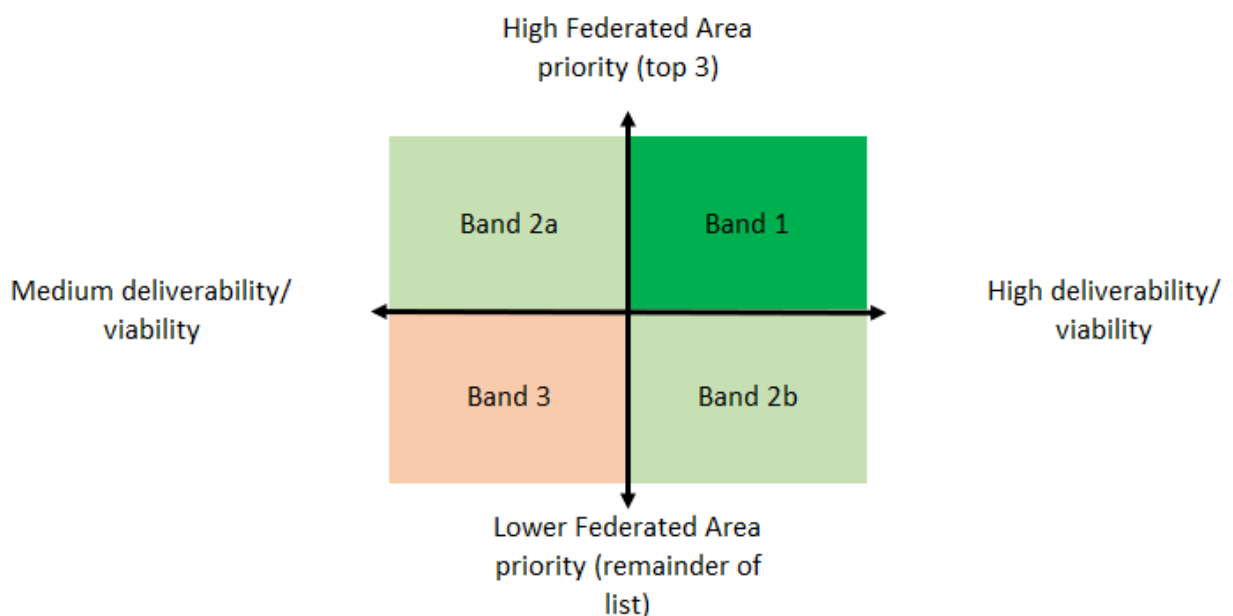
- 3.1. An LGF pipeline was agreed by the SELEP Investment Panel in July 2019 but only one project now remains on this pipeline; Colchester Queen Street Grow-on-Space (£3.777m LGF ask).
- 3.2. There is currently an unallocated LGF balance of £6.693m, which exceeds the value of the existing pipeline. In addition, there are several high-risk projects which may not be able to proceed (see Item 4) and that would therefore need to return their LGF funding for reallocation.
- 3.3. If there are unallocated funds at the end of this financial year there is a significant reputational risk to SELEP as assurances have been given to Government that all LGF monies will be allocated and spent by that time. It is therefore imperative that a new LGF project pipeline is established.
- 3.4. The Board has previously agreed that projects reporting LGF spend beyond 31 March 2021 can, subject to approval by Accountability Board in February 2021, have their LGF transferred to the relevant local authority prior to the end of 2020/21 for spend across their wider capital programme. During the subsequent financial years, local authorities will use their own capital programme to fund spend on the LGF project.
- 3.5. The total LGF allocation to each project will remain unchanged, but this approach can be used to demonstrate that the LGF has been spent in full by the end of 2020/21, whilst still complying with the grant determination letters and enabling the LGF projects to continue beyond 31 March 2021.
- 3.6. For any project spending LGF beyond the agreed 6-month extension to 30 September 2021, Strategic Board endorsement is required alongside approval from the Accountability Board.

Further Information

4. Decision 1: Agree a prioritised LGF project pipeline

- 4.1. As agreed by the Board in October 2020, current LGF projects which are now experiencing a funding gap were invited to apply for additional LGF funding. Following review and prioritisation by the Federated Boards, SELEP received applications from 16 projects seeking a total additional LGF ask of £13.91m.
- 4.2. Due to project cancellations with associated LGF funding being returned to SELEP and following the allocation of funding to all projects on the existing LGF project pipeline, there is an unallocated LGF balance of £6.693m. There are also a number of high-risk projects which are expected to return part or all of their LGF allocation at the February 2021 Accountability Board meeting if the project risks cannot be satisfactorily addressed. The total unspent LGF funding currently allocated to the 9 identified high risk projects is £33.55m (see Item 4).
- 4.3. The approach to prioritisation seeks to reflect both the Federated Board prioritisation of the projects and any identified deliverability or value for money risks identified through assessment of the applications.
- 4.4. The projects have been divided into 4 bands – Band 1, 2a, 2b and 3 based on their Federated Area prioritisation and an assessment of their current deliverability (Figure 1).

Figure 1: Proposed banding of projects seeking additional LGF funding



- 4.5. Projects within Band 1 have been identified by Federated Boards as a high priority (i.e. within their top 3 projects) with no identified deliverability or value for money risks. The majority of the projects within this band are under construction and therefore it is anticipated that the additional funding sought will be spent in full by the end of 2021/22 at the latest.
- 4.6. Band 2a contains the remaining projects identified as a high priority by the Federated Boards. Deliverability or value for money risks have been identified and therefore these projects present a higher risk than those in Band 1. The majority of projects in Band 2a are forecasting full spend of the additional funding sought by the end of 2021/22 at the latest, with two projects forecasting a longer spend profile to 2022/23 or 2023/24.



- 4.7. The projects in Band 2b have been identified by Federated Boards as a lower priority (i.e. not within their top 3 projects) but no deliverability or value for money risks have been identified. All the projects included within this band are already under construction and therefore it is expected that the additional LGF funding sought will be spent in full by the end of 2021/22 at the latest.
- 4.8. Band 3 contains those projects identified as a lower priority by Federated Boards, which have identified deliverability or value for money risks. All the projects included within this band are already under construction and therefore, assuming the risks can be satisfactorily addressed, it is expected that the additional LGF funding sought will be spent in full by the end of 2021/22.
- 4.9. Projects have been prioritised within each band based on the following criteria:
 - 4.9.1. **RAG ratings** – projects with only one amber or red RAG rating have been prioritised over those which have more than one identified deliverability or value for money risk;
 - 4.9.2. **Percentage of original LGF allocation spent** – where projects have received identical RAG ratings, the percentage of the original LGF allocation spent to date has been used to determine the prioritisation of the projects;
 - 4.9.3. **Date of full spend of additional LGF investment sought** – where required to differentiate between projects, the timetable for spend of the additional LGF investment sought has been considered with projects forecasting spend over a shorter period of time being prioritised over those with a more extended spend profile.
 - 4.9.4. **Actual LGF spend to date** – where it has not been possible to differentiate between the projects and to prioritise using the above criteria, the actual LGF spend to date has been used to facilitate prioritisation – with those projects showing greatest LGF spend being prioritised over those with a lower value of LGF spend to date.
- 4.10. Due to some sizeable funding requests, Opportunity South Essex have taken the decision to split the additional LGF funding requested for three projects into two or more tranches. As a result, the A13 Widening, Southend Airport Business Park, and A127 Essential Maintenance and The Bell junction improvement projects appear on the project pipeline more than once. It should be noted that where these projects appear more than once within the same band following prioritisation using the above criteria, they have been prioritised in accordance with Opportunity South Essex's ranking.
- 4.11. An indicative project pipeline is set out in Table 1, alongside a summary of the information used to prioritise the projects. This pipeline has been developed to facilitate a discussion amongst the Board and is not intended to reflect the final prioritised list.
- 4.12. A full summary of the applications received is set out in the LGF COVID Response Fund assessment spreadsheet (Appendix B).

Table 1: Indicative LGF project pipeline

Band	Project name	Federated Area and ranking	Existing LGF allocation (£m)	% of LGF allocation spent to date	Additional LGF requested (£m)	Cumulative total (£m)	LGF spend end date	Strength of case for LGF funding	Impact on project benefits	Estimated Value for money	Barriers to project delivery
1	Kent & Medway Medical School	KMEP 1	8.000	100%	1.000	1.000	2020/21				
	Project Flightpath Phase 2	SEB 1	1.4215	100%	0.560	1.560	2020/21				
	Dover TAP (KSCMP)	KMEP 2	0.300	80%	0.100	1.660	2021/22				
	A127 Essential Maintenance/ The Bell Part A	OSE 2	6.600	50%	0.207	1.867	2021/22				
	East Malling Advanced Tech Horticultural Zone	KMEP 3	1.6836*	0%	0.315	2.182	2020/21				
	Southend Town Centre	OSE 3	1.500	0%	0.125	2.307	2021/22				
2a	A13 Widening Part A	OSE 1	80.000	79%	1.500	3.807	2021/22				
	Skills & Business Support for Rural Businesses post Brexit	TES 1	2.918	8%	1.495	5.302	2021/22				
	Parkside Phase 3	SEB 3	5.000	0%	1.650	6.952	2023/24				
	M11 Junction 8	SEB 2	2.7339	88%	1.000	7.952	2022/23				
	Eastbourne Fisherman's Quay	TES 2	1.080	0%	0.360	8.312	2021/22				
2b	Kent and Medway EDGE Hub	KMEP 4	6.120	100%	1.224	9.536	2020/21				
	Mercury Rising	SEB 4	1.000	100%	0.228	9.764	2020/21				
	Southend Airport Business Park Part A	OSE 4	23.090	87%	0.600	10.364	2021/22				
	Southend Airport Business Park Part B	OSE 5	23.090	87%	0.500	10.864	2021/22				
	Southend Airport Business Park Part C	OSE 6	23.090	87%	0.500	11.364	2021/22				

Band	Project name	Federated Area and ranking	Existing LGF allocation (£m)	% of LGF allocation spent to date	Additional LGF requested (£m)	Cumulative total (£m)	LGF spend end date	Strength of case for LGF funding	Impact on project benefits	Estimated Value for money	Barriers to project delivery
	Maidstone East Station Access Improvements (West Kent LSTF programme)	KMEP 5	1.246	80%	0.153	11.517	2020/21				
	A127 Essential Maintenance/ The Bell Part B	OSE 8	6.600	50%	0.393	11.910	2021/22				
3	A13 Widening Part B	OSE 7	80.000	79%	1.0	12.910	2021/22				
	Dartford Town Centre Improvements	KMEP 6	4.300	74%	1.0	13.910	2021/22				

* Note: The East Malling Advanced Technology Horticultural Zone project was placed on the original LGF project pipeline seeking an LGF allocation of £1.75m. However, as limited LGF funding was available at the time of award of funding to the project this was subsequently reduced to £1.6836m.

4.13. As set out above, projects in Bands 2a and 3 have identified deliverability or value for money risks.
A brief summary of these risks is set out in Table 2 below on a project by project basis.

Table 2: Identified project risks

Project	RAG rating	Identified Risks
A13 Widening	Value for money	The updated BCR report presented to Accountability Board in February 2020 showed a Benefit Cost Ratio (BCR) of 2.1:1 for the core scenario (i.e. the A13 alone), rising to 3.1:1 when the Lower Thames Crossing was factored in. In light of the decision by Highways England to withdraw the Development Consent Order application for the Lower Thames Crossing on 20 th November, whilst acknowledging the importance of this project, a value for money risk has been identified.
Skills and Business Support for rural businesses post Brexit	Barriers to delivery	A full procurement process is yet to be undertaken, which presents a risk to the expected total project cost.
Parkside Phase 3	Barriers to delivery	In light of the COVID-19 pandemic there is uncertainty regarding specific market demands, which in turn raises the possibility that changes in scope will be required to ensure the building meets the needs of potential tenants. Changes in scope could negatively impact on the project cost and delivery programme. A full procurement process is yet to be completed, which presents a further risk to the expected total project cost.
M11 Junction 8	Value for money	The BCR offered by the project at the point of the original decision by Accountability Board to award LGF funding to the project was 3.21:1. Whilst this is comfortably above the 2:1 threshold, there is a risk that the BCR could potentially fall to around 2:1 as a result of the additional public sector investment in the project. Essex County Council's financial contribution has increased by approximately £5.3m since the submission of the original project business case.
	Barriers to delivery	The revised funding breakdown for the project includes a £6.245m contribution from Essex County Council. This funding is still subject to formal approval processes and is therefore not yet committed to the project. A procurement process was underway at the start of the COVID-19 pandemic; however, due to the pandemic the necessary negotiations could not be completed. Therefore, the project needs to be re-tendered. The procurement process is expected to conclude in March 2021, which gives very limited time for reallocating the funding should the tenders received be higher than anticipated.

Eastbourne Fisherman's Quay	Value for money	The BCR offered by the project at the point of the original decision by Accountability Board to award LGF funding to the project was 2.18:1. It is expected that the BCR would potentially fall to around the 2:1 threshold as a result of additional LGF investment.
	Barriers to delivery	<p>It is unclear whether the full funding package for the project is in place. The business case considered by Accountability Board detailed a contribution of £270,000 from the scheme promoter. This contribution is not referenced in the funding package outlined in the application for additional LGF funding.</p> <p>The fishing industry has been severely impacted by the COVID-19 pandemic, and this has raised viability concerns regarding the project. Various options for project delivery are currently being considered, with the objective of minimising the debt held by the fisherman in the coming years whilst also maximising the project benefits wherever possible.</p> <p>In light of the COVID-19 pandemic and the implications of Brexit, there is a risk that the project benefits stated in the original business case may not be realised.</p>
Dartford Town Centre Improvements	Value for money	The BCR offered by the project at the point of the original decision by Accountability Board to award LGF funding to the project was 2.2:1. It is expected that the BCR would potentially fall to around the 2:1 threshold as a result of additional LGF investment.

- 4.14. The indicative LGF project pipeline has been structured to offer two potential approaches to agreeing the final pipeline, dependent upon the risk appetite of the Board.
- 4.15. The first approach supports the prioritisation of those projects ranked most highly by the Federated Boards, i.e. those in Bands 1 and 2a (as set out in Table 1). Whilst acknowledging the importance of the Federated Board prioritisation, it should be noted that the projects in Band 2a have been assessed as being subject to deliverability or value for money risks.
- 4.16. It is expected that a number of the risks identified could be satisfactorily addressed in a relatively short timeframe, however, it is recommended that those projects with an identified risk are considered on a case by case basis to minimise risk of non-delivery. This is particularly important in light of the Board's agreement to transfer the remaining LGF balance to the relevant local authority prior to the end of 2020/21 when a project is reporting LGF spend beyond 31 March 2021.
- 4.17. In Q4 2020/21, the Accountability Board will be asked to consider the certainty of delivery of each project reporting LGF spend beyond 31 March 2021. Should the risks identified in this report remain, the Accountability Board may choose to reallocate both the original LGF allocation and the additional funding prioritised by the Board to the next project on the LGF pipeline.
- 4.18. The second approach available to the Board supports the prioritisation of those projects assessed as having a lower deliverability or value for money risk, i.e. those in Bands 1 and 2b. Whilst this

approach would prioritise those projects which are perceived to be more deliverable, the final LGF project pipeline would show greater deviation from the prioritisation undertaken by the Federated Boards.

- 4.19. This route would offer greater certainty regarding project deliverability and would potentially minimise the risk of the Accountability Board choosing to reallocate the funding to the next projects on the pipeline in Q4 2020/21. However, Federated Boards are best placed to identify those projects which have the ability to offer the greatest support to and have the biggest impact on local economic recovery post COVID-19, particularly in the context of Brexit.

5. Decision 2: Agree LGF spend beyond the 30 September 2021, as applicable, for those projects which have been prioritised for additional LGF funding

- 5.1. The Board has previously agreed the extension of LGF spend beyond 30 September 2021 for a number of ongoing projects.
- 5.2. As shown on the indicative LGF project pipeline, ten of the projects seeking additional LGF investment are forecasting LGF spend in 2021/22 or beyond. At this stage, detailed quarterly spend forecasts have not been provided for these projects and therefore it is not possible to accurately quantify the level of LGF spend beyond 30 September 2021. This level of detail will be required to support Accountability Board consideration of the award of additional LGF funding to those projects prioritised by the Board.
- 5.3. Table 3 sets out those projects seeking additional LGF investment which are forecasting LGF spend beyond 31 March 2021. Whilst detailed spend forecasts have not yet been provided for these projects, it is expected that a number of them will continue to spend LGF funding beyond 30 September 2021.

Table 3: Projects seeking additional LGF investment which are forecasting LGF spend beyond 31 March 2021

Project	Additional LGF investment requested	Financial year in which LGF spend will be completed
Dover TAP (Kent Strategic Congestion Management Programme)	£0.1m	2021/22
A127 Essential Maintenance/The Bell, Southend	£0.6m	2021/22
Southend Town Centre	£0.125m	2021/22
A13 Widening, Thurrock	£2.5m	2021/22
Skills and Business Support for Rural Businesses post Brexit, East Sussex	£1.495m	2021/22
Parkside Phase 3, Essex	£1.65m	2023/24
M11 Junction 8, Essex	£1.0m	2022/23
Eastbourne Fisherman's Quay, East Sussex	£0.36m	2021/22

Southend Airport Business Park	£1.6m	2021/22
Dartford Town Centre, Kent	£1.0m	2021/22
Total	£10.43m	

- 5.4. With consideration of the project specific risks outlined within this report, the Board are asked to agree LGF spend beyond the 30 September 2021, as applicable for those projects set out in Table 3 subject to the Board prioritising the projects for additional LGF funding. Noting that if project completion dates are delayed by more than 6 months the Board will be asked to confirm its continued support for LGF spend beyond the Growth Deal period.

6. Next Steps

- 6.1. As set out in the LGF COVID response fund process note (Appendix A), which was circulated to the Senior Officer Group in October 2020, the award of the £6.693m LGF funding currently available will need to be considered by the Accountability Board in Q4 2020/21. Accountability Board meetings are scheduled for 12th February and 12th March 2021.
- 6.2. There are two potential routes to securing Accountability Board approval of the additional LGF funding allocated to those projects prioritised on the project pipeline. The first route allows a project change request to be brought forward for consideration by the Independent Technical Evaluator (ITE). This route will only be available for those projects where there is no change to the project benefits, where there is expected to only be a minor change to the projects BCR as a result of receiving additional public sector funding and where the original BCR for the project was not close to the 2:1 threshold. Assuming the assessment by the ITE concludes that the project continues to present high value for money, it is expected that these projects will be considered by Accountability Board in February 2021.
- 6.3. The second route, which will be suitable for those projects where the project BCR was previously close to 2:1 or where it is expected that the BCR may drop to or below 2:1 as a result of receiving additional public sector funding, will require an updated business case. It is anticipated that these projects will be considered by the Accountability Board in March 2021, following a single gate review of the business case by the ITE.
- 6.4. For those prioritised projects forecasting LGF spend beyond the 30 September 2021, as part of the Accountability Board's consideration of the award of the additional LGF funding, each project will be required to demonstrate how it complies with the 5 conditions for spend beyond the Growth Deal period as agreed by Accountability Board in February 2019.
- 6.5. Following the approval of Accountability Board, the Service Level Agreements (SLA) with the relevant Upper Tier Local Authorities will be updated and, as a minimum, the transfer of the LGF funding to Local Authorities will be accounted for in 2020/21. Where possible the LGF funding will be transferred prior to the end of 2020/21.
- 6.6. As outlined above, there are a number of high-risk projects which are due to be considered at the February 2021 Accountability Board meeting. Should the Accountability Board decide that all or part of the LGF funding allocated to these projects needs to be returned to SELEP for reallocation, this funding will be available to the next projects on the prioritised pipeline. If this unallocated funding is insufficient to support the next project on the pipeline, the Accountability Board can agree to consider the next two projects on the pipeline in order to identify a project with a



funding ask which aligns with the amount of funding available. Accountability Board will consider the award of funding to these projects in March 2021.

7. Comments from the Accountable Body

- 7.1. The recommendation to agree a prioritised LGF project pipeline consisting of current LGF projects that have a funding gap, would support deliverability of Projects previously supported by the Board and should therefore support deliverability of the Growth Deal. Any additional allocations of funding through this approach would need to meet the requirements of the assurance framework, including value for money and independent technical evaluation.
- 7.1. It is government's expectation that LGF should be used to secure the outcomes set out in the Growth Deal agreed between the Government and SELEP. Further, it is expected that SELEP uses the freedoms and flexibilities it has to manage its capital budgets between programmes.
- 7.2. Under the terms of the LGF grant conditions, there is no requirement to spend the grant by March 2021; there remains a reputational risk for SELEP Ltd, however, to ensure delivery of the Growth Deal and in respect of the assurances provided to Government of LGF spend, to secure the remaining third of LGF in 2020/21.
- 7.3. It is an expectation of the Assurance Framework that SELEP maintains a prioritised pipeline / pipelines for investment aligned to delivery of the SELEP Economic Strategy. All allocations of funding against a pipeline must ensure the conditions of the respective funding stream can be met. It is a responsibility of the Accountable Body to ensure that funding is spent in line with the specified conditions.

8. Appendices, Supporting Documents and Previous Decisions

- 8.1. Appendix A: LGF COVID-19 Response Fund process note
- 8.2. Appendix B: Completed LGF COVID-19 Response Fund assessment spreadsheet
- 8.3. Previous decision: Decision report to Strategic Board in October 2020 to agree approach to developing LGF project pipeline
- 8.4. For further information please contact Helen Dyer, Capital Programme Officer (Helen.Dyer@southeastlep.com)



Item 6: Amendments to the Growing Places Fund Project Pipeline

Executive Summary

1. Overview

- 1.1. The Strategic Board (the Board) is asked to consider and agree amendments to the Growing Places Fund (GPF) project pipeline.
- 1.2. The GPF project pipeline was developed to facilitate swift investment in new projects, with a key part of the rationale for prioritisation being the role that the proposed projects could play in supporting local economic recovery.
- 1.3. The pipeline needs to be updated to reflect changes in project deliverability that have arisen since the GPF project prioritisation was agreed by the Board in June 2020.

2. Decisions: Board is recommended to:

- 2.1. **Agree** the proposed amendments to the Growing Places Fund project pipeline, as set out in Section 4, which will allow the available GPF funding to be invested in projects which can progress now whilst retaining the Leigh Port Quay Wall (Cockle Wharf) project on the pipeline for future GPF investment.
- 2.2. **Agree** that if a project cannot proceed within 6 months that it remains on the Growing Places Fund project pipeline, but that Accountability Board can award funding to the next project on the pipeline in order to facilitate swift investment of the GPF funding.

3. Rationale for Decisions

- 3.1. In June 2020 the Board agreed a prioritised GPF pipeline of projects. The Leigh Port Quay Wall (Cockle Wharf) project was prioritised by the Board with the expectation that the project would be in a position to seek funding approval from the Accountability Board within 6 months of the agreement of the project pipeline.
- 3.2. Due to unforeseen issues it has not been possible for Southend-on-Sea Borough Council to bring the project forward for funding approval within the expected timeframe. The Board are therefore asked to consider amendments to the GPF project pipeline which will allow the £3.5m of funding currently allocated to the project to be reallocated to the next projects on the pipeline, whilst retaining Leigh Port Quay Wall on the project pipeline for future investment. This approach will ensure timely investment of the GPF funding, whilst acknowledging the continued strategic importance of the Leigh Port Quay Wall project.
- 3.3. As the SELEP wide local economy seeks to recover from the impact of the COVID-19 pandemic, it is imperative that the funding is invested in new projects at the earliest possible opportunity. To this end the Board are asked to agree that, should other projects with a provisional GPF funding allocation be unable to come forward for funding approval within a six month period, that the project remains on the pipeline but that Accountability Board can award funding to the next project on the pipeline, in line with the approach set out in this report for the Leigh Port Quay Wall project.

Further Information

4. Decision 1: Agree the proposed amendments to the Growing Places Fund project pipeline, which will allow the available GPF funding to be invested in projects which can progress now whilst retaining the Leigh Port Quay Wall (Cockle Wharf) project on the pipeline for future GPF investment.

- 4.1. In June 2020, following an open call for GPF projects, the Board considered the submissions received and agreed a prioritised project pipeline to support the reinvestment of the GPF funding repaid to date. The Board agreed that projects prioritised for funding should be brought forward to Accountability Board for formal funding approval within 6 months of the prioritisation decision.
- 4.2. One of the GPF project submissions considered by the Board was the Leigh Port Quay Wall (Cockle Wharf) project, which was submitted by Southend-on-Sea Borough Council. This project was seeking £3.5m GPF investment to construct a new quay wall frontage, deliver improvements to site access and re-surfacing of the wharf to make the port a safe place to work and visit. The wharf provides boat access and houses 16 cockle sheds where cockles are cooked, processed and sold, as well as offering a small amount of light industry. Delivery of the project will safeguard the cockle industry in Leigh on Sea, will protect the wider economic benefits that stem from the cockle industry and will lead to the creation of 23 new direct jobs and 144 new indirect jobs. The project was prioritised for funding by Opportunity South Essex.
- 4.3. The Board placed the project fifth on the prioritised project pipeline and agreed a provisional GPF allocation of £3.5m. The funding allocated was available for immediate reinvestment and it was therefore expected that the project would be presented to Accountability Board for formal funding approval within 6 months of prioritisation.
- 4.4. The project is not yet ready to seek Accountability Board approval due to a number of factors including: increased project costs; the need to review the wider Southend-on-Sea-Borough Council capital programme in light of COVID-19 impacts; and the ongoing uncertainty regarding the potential implications of a no-deal Brexit on the cockle/fishing industry. The project remains a strategic priority and therefore work is ongoing to address these issues, however, the project will not be in a position to seek Accountability Board funding approval until at least Q1 2021/22.
- 4.5. The agreed GPF project pipeline agreed by the Board is set out in Table 1.

Table 1: Agreed GPF prioritised pipeline of projects (agreed in June 2020)

Project	Federated Board	GPF ask (£)	GPF funding award agreed by Accountability Board?
Green Hydrogen	KMEP	3,470,000	Yes
Observer Building (Phase 1)	TES	1,750,000	Yes
Barnhorn Green (Phase 1)	TES	1,750,000	Due in February 2021
Wine Innovation Centre	KMEP	600,000	Yes
Cockle Wharf	OSE	3,500,000	No
Herne Relief Road	KMEP	3,500,000	Expected in February 2021
No Use Empty South Essex	OSE	1,000,000	No
No Use Empty Commercial	KMEP	2,000,000	Due in February 2021
Observer Building (Phase 2)	TES	1,616,500	No

Project	Federated Board	GPF ask (£)	GPF funding award agreed by Accountability Board?
Barnhorn Green (Phase 2)	TES	1,750,000	No
No Use Empty Residential	KMEP	2,500,000	No
Total		23,436,500	

- 4.6. In light of the ongoing deliverability issues faced by the Leigh Port Quay Wall project, it is proposed that the project relinquishes its provisional £3.5m GPF allocation and moves three places down the project pipeline. This will allow the newly available funding to be invested in the No Use Empty South Essex and No Use Empty Commercial (Kent) projects, which are currently in a position to seek funding approval from the Accountability Board. The proposed amended GPF project pipeline is set out in Table 2.

Table 2: Proposed revised GPF prioritised pipeline of projects (for Board consideration)

Project	Federated Board	GPF ask (£)	GPF funding award agreed by Accountability Board?
Green Hydrogen	KMEP	3,470,000	Yes
Observer Building (Phase 1)	TES	1,750,000	Yes
Barnhorn Green (Phase 1)	TES	1,750,000	Due in February 2021
Wine Innovation Centre	KMEP	600,000	Yes
Herne Relief Road	KMEP	3,500,000	Expected in February 2021
No Use Empty South Essex	OSE	1,000,000	No
No Use Empty Commercial	KMEP	2,000,000	Due in February 2021
Cockle Wharf	OSE	3,500,000	No
Observer Building (Phase 2)	TES	1,616,500	No
Barnhorn Green (Phase 2)	TES	1,750,000	No
No Use Empty Residential	KMEP	2,500,000	No
Total		23,436,500	

5. Decision 2: Agree that if a project cannot proceed within 6 months that it remains on the Growing Places Fund project pipeline, but that Accountability Board can award funding to the next project on the pipeline in order to facilitate swift investment of the GPF funding.

- 5.1. The GPF project prioritisation process was delayed as a result of the COVID-19 pandemic, with the process being put on hold in April 2020 to allow the Board more time to consider how to invest the available funding to offer the most effective support as the local economy seeks to recover from the impacts of COVID-19.
- 5.2. When the GPF process resumed, a key part of the assessment criteria was the role that each project could play in helping to support local economic recovery. It is therefore imperative that the prioritised projects seek Accountability Board funding approval at the earliest opportunity to allow project delivery and the realisation of the expected economic benefits.
- 5.3. If projects are in receipt of a provisional GPF allocation but are not in a position to seek formal funding approval in a timely manner, this delays investment of the available GPF funding and the realisation of the expected project benefits. In addition, whilst there is a provisional GPF allocation against a stalled project, it is not possible for projects further down the pipeline



which are ready to progress but are awaiting a funding allocation to move forward.

- 5.4. It is therefore proposed that if a project with a provisional GPF allocation, like Leigh Port Quay Wall, is unable to seek funding approval within a six month period as a result of deliverability issues, but remains a strategic priority, that the Accountability Board can award funding to the next project on the pipeline to facilitate accelerated investment of the GPF funding. The original project would remain on the project pipeline, at a lower position as agreed by Accountability Board, allowing time for the deliverability issues to be addressed.

6. Next Steps

- 6.1. If the Board agree that the proposed changes to the GPF prioritised project pipeline can be implemented, the Business Cases for the No Use Empty South Essex and No Use Empty Commercial (Kent) projects will be brought forward to Accountability Board to seek funding approval. It is expected that the No Use Empty Commercial (Kent) project Business Case will be considered by the Accountability Board in February 2021. The timetable for consideration of the funding award to the No Use Empty South Essex project is still subject to confirmation.
- 6.2. Based on forecast 2020/21 GPF repayments, it is expected that there will be sufficient GPF funding available to support the Leigh Port Quay Wall project from April 2021. Assuming the deliverability issues can be satisfactorily addressed, it is anticipated that the project will be in a position to seek Accountability Board funding approval in Q1 or Q2 2021/22.

7. Comments from the Accountable Body

- 7.1. A total of £15.167m GPF is expected to be available by the end of 2020/21 for reinvestment into the pipeline; this is on the assumption that GPF repayments are made in line with current expectations, and is following repayment reprofiling for some projects agreed at the November 2020 Accountability Board meeting.
- 7.2 There is a risk of further reprofiling requests to Accountability Board and repayment risks due to the impact of Covid-19, which may result in a delay in the amount of GPF repaid by existing projects and could reduce the amount of GPF available for reinvestment in 2021/22.

8. Appendices, Supporting Documents and Previous Decisions

- 8.1. Previous decision: Decision report to Strategic Board in June 2020 to agree Growing Places Fund project pipeline
- 8.2. For further information please contact Helen Dyer, Capital Programme Officer (Helen.Dyer@southeastlep.com)



Item 7: Getting Building Fund Update and Pipeline

Executive Summary

1. Overview

- 1.1. The Strategic Board (the Board) is asked to consider the inclusion of two new projects within the Getting Building Fund (GBF) programme. The unallocated GBF has become available due to the Grays Shopping Centre project, previously seeking £1.809m, being unable to proceed and due to the North Kent College project seeking £12.302m instead of the original allocation of £12.625m (leaving £2.132m unallocated in total).
- 1.2. The Board is asked to consider and agree the next steps in developing a pipeline for the GBF. The purpose of the pipeline is to enable timely and appropriate allocations of GBF funding if and when available.

2. Decisions: Board is recommended to:

- 2.1. **Agree** the inclusion of two new projects within the GBF programme, as follows:
 - 2.1.1. Laindon Place (£800,000 GBF ask); and
 - 2.1.2. St George's Creative Hub, Gravesham (£323,204 GBF ask)
- 2.2. **Agree** the approach and assessment criteria for the development of a pipeline of GBF projects (as set out under section 5).

3. Rationale for Decisions

- 3.1. In October 2020, the Board agreed a grace period until December 2020. During this period, any GBF project unable to proceed could be replaced by an alternative project, identified by the relevant Federated Board.
- 3.2. This report provides details of the proposed changes brought forward by the Kent and Medway Economic Partnership (KMEP) and Opportunity South Essex (OSE).
- 3.3. Beyond the end of the grace period, SELEP is required by Government to maintain a single pipeline of projects that can be considered for capital investment for each funding pot. A single prioritised list of projects needs to be agreed at the March 2021 Strategic Board to ensure that swift decisions can be made should any allocations be returned.
- 3.4. This report therefore sets out an approach to develop a short pipeline of GBF projects, which can be delivered at pace, if any GBF projects are unable to proceed and GBF becomes available for reallocation. There is currently £1.009m available for alternative investment.

Further Information

4. Decision 1: Approve the inclusion of two new projects within the GBF programme

- 4.1. The Grays Shopping Centre project was previously allocated £1.809m but has been withdrawn from the GBF programme due to a change of circumstance for the private sector lead development, owing to the potential sale of the site.
- 4.2. Opportunity South Essex have identified the Laindon Place project as an alternative project, seeking £800,000 GBF. The project will deliver a revitalised high street, environmental improvements and electrical vehicle recharging infrastructure. The project fits with the overall objectives of the funding stream, in supporting job creation and a green recovery.
- 4.3. Laindon Place project was previously included in the GBF long list of projects (Appendix B) and the outcomes that the project will be reporting against to Central Government include 20 new jobs, 2 construction jobs, 244 housing units delivered and 25,000sqm of commercial floorspace. Further information on this project can be found in Appendix A.
- 4.4. As Opportunity South Essex have not been able to identify any additional projects which are able to proceed and spend the remaining £1.009m GBF in full by 31 March 2022, there is now £1.009m unallocated GBF available for alternative investment in accordance with the proposed process set out in section 5 below.
- 4.5. In addition, the Board is also asked to agree the inclusion of the St George Creative Hub project, Gravesham, within the GBF programme. This project is seeking £323,204.
- 4.6. The £323,204 sought for the St George Creative Hub project has become available for alternative investment as a result of the North Kent College project only seeking £12,301,796, relative to the £12,625,000 originally allocated by the Board.
- 4.7. This project was previously included in the GBF long list of projects and the outcomes that the project will be reporting against to Central Government include 20 new jobs, 10 construction jobs, 9 safeguarded jobs, 471 sqm of commercial floorspace, 15 businesses/institutions assisted, 10 new super/ultrafast broadband connections and 80sqm of public realm or green space improved or created.
- 4.8. St George Creative Hub intends to become a catalyst for creative innovation, providing workspace to attract talent and a platform to 're-imagine' the post-pandemic High Street - its animation, design and physical development and will be a genuine Creative Estuary flagship for attracting young talent, to transform local economic prospects and provide a wider platform for recovery in the immediate future. Further information on this project can be found in Appendix A.
- 4.9. The inclusion of these projects will be subject to agreement by Government and they will need to bring forward a business case for consideration by the Accountability Board on 12 March 2021.

5. Decision 2: Approve the approach and assessment criteria for the development of a pipeline of GBF projects

- 5.1. In March 2021, the Board will be asked to agree a single pipeline of GBF projects, which identifies Federated Board priority projects which are deliverable within a short timeframe. The single pipeline will identify the project next in line for the reinvestment of £1.009m GBF which is

currently unallocated and any further GBF which becomes available for alternative investment through the duration of the programme.

- 5.2. Due to the short timescales to develop the pipeline and spend the grant in full by 31 March 2022, it is proposed that only projects previously considered by the Board in June 2020 will be eligible for inclusion on the pipeline.
- 5.3. Government have also advised that LEPs can only substitute a project into the GBF programme if it was included on the long lists of projects previously considered by Central Government. To substitute in a project not included on the long list of projects previously considered by SELEP and Central Government would likely require Ministerial approval. This additional level of approval would add considerably to the time required to agree the change and as such, it is recommended that the process focuses on the 132 projects previously considered by the Board in June 2020 only.
- 5.4. Those projects previously included on the long list of 132 projects will be required to pass seven pass/fail questions to be eligible for inclusion on the GBF pipeline. These pass/fail questions are intended to test the deliverability of the project to ensure that only projects with a high degree of certainty of spending the grant in full by 31 March 2022 are included on the pipeline.
- 5.5. The pass/ fail eligibility questions include:
 - 5.5.1. Does the project meet the objectives set by Government for the funding stream?
 - 5.5.2. Will the project be able to spend their full GBF allocation by March 2022?
 - 5.5.3. Has the full funding package (bar any additional GBF ask) been confirmed?
 - 5.5.4. Do you expect the project have a BCR of 2:1 or greater or meet VfM Exemption 1 of the Assurance Framework?
 - 5.5.5. Has planning permission been granted, if required?
 - 5.5.6. Are there any outstanding decisions that need to be made by either the scheme promoter or other external partner organisations?
 - 5.5.7. If the project is at the top of the priority list, are the scheme promoters happy to develop a business case at risk of not receiving funding?
- 5.6. For projects that pass the eligibility test, additional information will be sought from the scheme promoters about the deliverability and case for investment, to support the prioritisation exercise.
- 5.7. The responses to the questionnaire will be submitted to Federated Board leads and the Federated Boards will be asked to provide a view on the priority projects for inclusion on the pipeline.
- 5.8. No high risk GBF projects have been identified to date and only £1.009m GBF is currently available for reallocation. It is expected that the pass/fail questionnaire will help narrow down the list of potential projects to be included on the pipeline, to avoid extensive abortive work if no further GBF becomes available.
- 5.9. Federated Boards are required to submit their prioritised lists by **12 February 2021**, to enable the Board to approve the ranked list of projects at its meeting on the 19 March 2021. A full timeline ahead of the Board can be found in Appendix D.
- 5.10. To develop the single pipeline of projects across the SELEP area, the SELEP Secretariat will prepare a draft ranked list for prioritisation by the Board based on the Federated Board prioritisation and a 1-5 score for the following criteria:



5.10.1. fit with SELEP priorities and objectives, as set out under agenda item 3;

5.10.2. expected project completion date;

5.10.3. pace of benefit realisation;

5.10.4. date the construction contract is due to be awarded;

5.10.5. Federated Board ranking.

5.11. Further guidance on the proposed scoring is set out in Appendix C

5.12. Consideration will also be given to the latest date that GBF can be awarded by the Accountability Board and still be spent in full by 31 March 2021. Once that date has passed, the project will automatically be removed from the GBF pipeline.

6. Next Steps

- 6.1. Government have been informed of the intention to introduce two new GBF projects into the programme and have been provided with the relevant information for the two new projects. At this point in time, the changes have not yet been formally agreed by Government. A verbal update will be presented to the Board on 11 December 2020 to confirm the latest position.
- 6.2. Should the Board and Government agree to the inclusion of the Laindon Place and St Georges Creative Hub project in the GBF programme, the scheme promoters will be required to develop business cases for consideration by the Accountability Board in March 2021.
- 6.3. The approach and timescales for the development of the GBF pipeline are set out in detail in Appendix C and D. Should the approach be agreed by the Board, the supporting documents will be made available to local partners following the meeting.

7. Comments from the Accountable Body

- 7.1. Of the £85m GBF awarded to SELEP, the Accountable Body has received half of this allocation, to support delivery in 2020/21; the remaining £42.5m is an indicative allocation only and remains subject to confirmation by the MHCLG.
- 7.2. All funding allocations approved, therefore, remain subject to receipt of the outstanding £42.5m, which is expected in April 2021.
- 7.3. It is not currently clear if the allocation of the remaining £42.5m will be subject to any additional grant conditions, however, it is anticipated that assurance of spend of the grant by 31st March 2022 will be required, in addition to the commitment to realise the stated benefits and outcomes.
- 7.4. MHCLG require that any changes to the agreed list of GBF projects must be confirmed in writing with MHCLG via the change request process.
- 7.5. Any GBF allocations remain subject to approval from the SELEP Accountability Board, in line with the requirements of the Assurance Framework. Following approval, the funding will be transferred to the lead authority through the grant agreement in place with SELEP Ltd and the Accountable Body.

8. Appendices, Supporting Documents and Previous Decisions

- 8.1. Appendix A – Projects for Approval
- 8.2. Appendix B – Long List of GBF Projects



- 8.3. Appendix C – GBF Pipeline Eligibility Questionnaire
- 8.4. Appendix D – Timeline to agree GBF Pipeline
- 8.5. For further information please contact Katherine Wyatt, Capital Programme Officer SELEP
(Katherine.wyatt@southeastlep.com)



Item 8: Operations and Governance Report

Executive Summary

1. Overview

- 1.1. This update includes a consideration of the operational priorities for next financial year and the approval of the approach to co-opted Strategic Board (Board) members for 2021/22.
- 1.2. Some further information on operational matters, including those legal agreements entered into on SELEP Ltd's behalf under the Power of Attorney, is also provided in the report.

2. Decisions: Board is recommended to:

- 2.1. **Agree** the operational priorities for 2021/22 as set out in Table 1 below.
- 2.2. **Discuss** and **agree** what guidance should be given to organisations and groups nominating co-opted members of the Board for 2021/22.

3. Rationale for Decisions

- 3.1. Ahead of the development of the full Delivery Plan for 2021/22, proposed operational priorities for next year have been developed. Agreeing these priorities will allow for resource planning when considered in conjunction with the operational budget for the Secretariat which was agreed by Accountability Board in November. Details of the agreed budget can be found in Appendix A.
- 3.2. Following the agreement of the strategic priorities to be considered under Item 3 and the operational priorities set out in this report, it is necessary for the Board to consider which organisations, sectors or locales should be represented on the Board as Co-opted Board Members during 2021/22.
- 3.3. As the Board are aware, there are five Board Members who are appointed on a co-opted basis for a period of 12 months. The [SELEP Assurance Framework](#) sets out the process for appointing the co-opts in each year.
- 3.4. The process works on the assumption that a Delivery Plan for the forthcoming year will be drafted for the December meeting of the Strategic Board in each given year. However, this year there are large amounts of uncertainties at this point and the exceptional workload has meant it has not been possible to draft a full Delivery Plan. The operational priorities have been identified and are presented and a full Delivery Plan will be presented in March 2021. It is the view of the Secretariat that the operational priorities, alongside the strategic priorities agreed earlier, are enough to guide the requirements of the co-opted members of the Board for next year.
- 3.5. The Higher Education co-opted member will be nominated by the U9 Working Group, the Further Education co-opted member will be nominated by the Skills Working Group and the Social Enterprise co-opted member will be nominated by the Social Enterprise Working Group. Board can advise these groups as to specific skills or knowledge required that will align with the priorities for the year.
- 3.6. The process for the two Local Authority Co-opts is that Board will discuss which two of the three shire areas will be invited to put forward a representative for the forthcoming year. Again, these invitations should align with the agreed priorities for the year.

Further Information

4. Decision 1: Agree the operational priorities for 2021/22

- 4.1. As set out above, it has not been possible to draft a full Delivery Plan for 2021/22 given the other pressures on the Secretariat and uncertainties currently inherent due to the COVID-19 Crisis. However, there are activities that are already committed to or are clear priorities for next year regardless of the pandemic. A full Delivery Plan will be presented at the meeting planned for 19 March 2021.
- 4.2. These activities (in no order of priority) are set out in Table 1 below. These activities will be delivered by the Secretariat, supported in many cases by officers in partner organisations. The Board should note that there is a risk that Local Authority partners may not be able to continue resourcing support activities at the same level in next and future years given the huge impact of COVID-19 on their finances.
- 4.3. The Secretariat activity is based on the resources funded through the operational budget agreed by Accountability Board at their meeting in November, which can be seen at Appendix A. There is sufficient resource identified for the activities in Table 1 but any additional activity is not funded and the Secretariat is at 100% workload capacity. There is an ongoing workload/well-being risk that the Chief Executive Officer and Chief Operating Officer are managing on a daily basis, but without additional funding or resources this risk cannot be fully mitigated.

Table 1 – Proposed Operational Priorities for 2021/22

Development of an Economic Recovery and Renewal Strategy Action Plan and potential project pipeline ahead of investment/funding announcements	Evolution of the Growth Hub service including impact of national business support reform
Delivery of capital programme including LGF, GBF and GPF and benefit's tracking	Supporting Town Boards to deliver against Towns Investment Plans (7 in SE)
Programme end review of LGF and lessons learned	Working with Catalyst South on positioning the region well and making case for future investment
Recruit new Chair	Working with LEP Network to make the case for future investment in LEPs
Supporting our businesses through the period following end of EU Transition	Development of a Diversity Plan
Continued work on understanding joint impact of COVID-19 and EU Exit on SE economy and what the new normal will look like	Continuation of the Skills Advisory Panel and Digital Skills Partnership subject to Government grants
Delivery and assessment of effectiveness of COVID-19 Recovery Funds	Freeports – key stakeholder for any successful bids

5. Decision 2: Discuss and agree what guidance should be given to organisations and groups nominating co-opted members of the Board for 2021/22

- 5.1. It is necessary for the Board to consider, given the priorities above, whether any advice should be issued to those groups that nominate co-opted Board members. It is recommended that the Board issues some general advice that SELEP is committed to ensuring that diversity, in all its forms, is reflected on the Board. Nominating organisations should be mindful of that fact.
- 5.2. Whilst the LEP Review requirement was that co-opted Board members would serve for 12 months; it did not preclude an incumbent co-opted Board member being reappointed for a further 12 months. Similarly, our own governance allows for a further 12-month appointment.
- 5.3. The Secretariat is not aware of any particular organisation from the Higher Education, Further Education or Social Enterprise groupings that would be better placed to further next year's agenda than any other and therefore have no recommendations to the Board for these positions.
- 5.4. Given the potential impact of the end of the EU Transition on our region, the Secretariat would recommend that the Board considers requesting a district/city/borough representative from a Council most likely to be hit hardest by these changes. For example, a representative from East Kent may be well placed to keep the Board abreast of the impacts expected in that locale.
- 5.5. A key Government policy for next year will be the development of the Freeports and the Board may wish to invite a local authority representative that will have a Freeport within their borders, or any area set to benefit from a Freeport in close proximity.
- 5.6. Should the Board choose to pursue the options set out above it is likely that the local authority co-opted members will be drawn from the Essex and Kent shire areas again. If this is the case, it is suggested that Board should commit now to having a co-opted member from the East Sussex shire area in 2022/23.

6. Other Information

- 6.1. Following the adoption of the Delivery Plan at the September Board meeting, quarterly reporting on progress was introduced. The first quarter covered by the plan runs 1 October to 31 December and the quarterly report will be provided at March's meeting.
- 6.2. A resolution was taken by the Directors of SELEP Ltd give Power of Attorney (PoA) to the Chief Executive Officer and the Chief Operating Officer. These powers must be executed jointly. The purpose of the PoA was to allow efficient completion of legal agreements pertaining to the project within the capital programme and other grants, of which SELEP Ltd is now a party to in accordance with the Framework Agreement.
- 6.3. The PoA is only used where Board has previously taken a decision to support the project. A list of the agreements completed on behalf of SELEP Ltd can be found at Appendix B. No additional obligations on SELEP Ltd have been created as a result of entering these agreements.

7. Next Steps

- 7.1. Following the agreement of the priorities for 2021/22, a full Delivery Plan will be developed and presented to Board at their meeting in March 2021.



- 7.2. Secretariat will pass on any advice from Board to the groups who nominate individuals to be co-opted members. The Secretariat will also work with those groups to ensure nominations are submitted in a timely manner. Following nominations, resolutions will be put to Board in March 2021 to appoint Directors for a 12-month period and these will be the co-opted Board members for that year.
- 7.3. Current co-opted Board members who are not nominated for renewal will cease to be Directors at the end of their 12-month period and the necessary changes will be registered with Companies House.

8. Comments from the Accountable Body

- 8.1. The activities of the Secretariat and operational priorities in Table 1 are subject to Core Funding being secured and received from Government for 2021/22. At this time this funding is not confirmed.
- 8.2. It is a requirement of the Assurance Framework that the Board comprises of 25 members including 5 co-opted members, appointed on a 1-year rolling term. The Co-opted members are as follows; 2 representatives from District/Borough/City Councils; further education representative; a higher education representative; and a social enterprise representative.

9. Appendices, Supporting Documents and Previous Decisions

- 9.1. Appendix A – SELEP Secretariat Operational Budget 2020/21
- 9.2. Appendix B – list of legal documents signed under of Power of Attorney
- 9.3. For further information please contact Suzanne Bennett, Chief Operating Officer (Suzanne.bennett@southeastlep.com)

Item 9: Evolution of the Growth Hub and Business Support

Executive Summary

1. Overview

- 1.1. An overview of the SELEP Growth Hub model and wider business support landscape was presented to the June 2020 Strategic Board (the Board) meeting.
- 1.2. The need to support Small and Medium Sized Enterprises (SMEs) across SELEP is now greater than ever because of the impacts of COVID-19 and EU transition, and businesses resilience and growth is a new Strategic Opportunity in our emerging Economic Recovery and Renewal Strategy (see item 3). Focused discussions on these topics were facilitated during a Board Workshop in November 2020.
- 1.3. Moving forwards, the Growth Hub service and the business support landscape that sits around it needs to be as effective, efficient and adaptable as possible, to meet business needs.

2. Decisions: Board is recommended to:

- 2.1. **Agree** to the objectives, activities and timeline to evolve the SELEP Growth Hub service, as outlined in Appendix A.

3. Rationale for Decisions

- 3.1. LEPs have been made aware, by the Department for Business, Energy and Industrial Strategy (BEIS) of an emerging Business Support Reform Plan driven by them to improve the Government's business support system nationally. BEIS has indicated the need to operationalise key aspects of the reform from April 2021 onwards.
- 3.2. This financial year, LEPs are receiving Supplementary Growth Hub Funding from BEIS of £234,000 to SELEP (as part of a £10 million uplift across all LEPs), to help strengthen the Growth Hub offer and ensure a greater level of coordination, flexibility and adaptability. Accordingly, a portion of this funding has been allocated to an appraisal of the SELEP Growth Hub model, associated data collection and online presence. These activities need to complete by end March 2021.
- 3.3. The SELEP Recovery and Renewal Strategy (see item 3) is also planned to be presented for approval in March 2021, which is likely to include business support objectives to help build resilience and growth.
- 3.4. The Cities and Local Growth Unit (CLGU), which sits across BEIS and the Ministry for Housing, Communities and Local Government, has recently commissioned a national Growth Hub evaluation exercise to take place throughout 2021.
- 3.5. These multiple workstreams are indicative of the need for changes and improvements in the Growth Hub and wider business support space and reflect the need to ensure business support provision remains effective and sustainable for economic recovery, resilience and growth.
- 3.6. A roadmap of objectives and activities is required to ensure the SELEP Growth Hub has a clear and strategic direction, and to integrate, align and improve its operations to meet national obligations, regional objectives and local needs in the coming months and years.

Further Information

4. Decision 1: Agree to the objectives, activities and timeline to evolve the SELEP Growth Hub service

- 4.1. The emerging national Business Support Reform Plan is driven by the Department for Business, Energy and Industrial Strategy (BEIS) and by the perception that the business support landscape is fragmented, poorly accessible and lacking end-user trust.
- 4.2. BEIS have a preferred option for reform, with broad business and stakeholder support and aligned to the delayed Local Devolution White Paper. This is: to deliver business support locally, led by LEPs through their Growth Hubs, and under a national framework of governance arrangements to administer, deliver and enforce key functions locally. These would include strategy and standards, branding and campaigns, data collection, monitoring and evaluation. Support should be tailored to meet the demands of three business base segments: pre-starts and start-ups; productivity and growth; and high growth and scale-ups.
- 4.3. Key objectives of the reform are to increase the number of businesses accessing support, provide a more consistent core offer across the geographies, and ensure a minimum quality standard for all Growth Hubs.
- 4.4. The reform proposals are not yet Government policy, although there is an indication that BEIS would like to operationalise some aspects of them from April 2021 onwards. The overarching principles largely reflect the way in which the Growth Hub service and wider support landscape already operate in SELEP.
- 4.5. In parallel with the emerging national system reform, LEPs have received Supplementary Growth Hub Funding from BEIS this financial year to help strengthen the Growth Hub service and build flexibility into current delivery models, to be adaptable to current and future policy priorities. It has been agreed with national Growth Hub leads that a portion of the Supplementary Growth Hub funding shall be used to appraise the current SELEP Growth Hub delivery model and make recommendations for positive change. Also, that work shall be undertaken to improve the data collection tools used by the hubs for Customer Relationship Management and reporting purposes, and to modify the Growth Hub websites as the platform for an enhanced digital offer.
- 4.6. The current SELEP Growth Hub model provides a strong, local service and recognises the intrinsic value of both local partnerships and regional collaboration; the appraisal and associated recommendations to improve effectiveness and adaptability will be undertaken in consultation with partners. Areas to consider include, for example, undertaking certain operational activities once on behalf of all three area Growth Hubs to benefit from economies of scale, sharing of best practice and local approaches to generate consistency, better marketing and awareness raising of the Hub offer, and a stronger digital offer to increase the number of businesses that can be supported.
- 4.7. Three work packages are being proposed to strengthen Growth Hub delivery, which will need to complete by end March 2021. These are: to engage on and appraise the delivery model, improve data collection tools, and modify the websites. Recommendations generated by the appraisal of the delivery model will likely take longer to implement and will be brought to Board in June 2021.
- 4.8. Consideration will also need to be given to the adaption of the service to any requisite changes cascaded by the national reform and look to recommendations coming from the CLGU evaluation



of Growth Hubs that will run from January to December 2021. The service must also be mindful of yet-to-be-seen changes to the wider landscape, including support relating to COVID-19 and the end of EU Transition, and the anticipated UK Shared Prosperity Fund (UKSPF) to replace European Regional Development Funding that ends in December 2020 and provides several large-scale sector-specific support programmes.

- 4.9. SELEP anticipates a continuation in the medium term of limited year-on-year funding to deliver the core Growth Hub service. The replacement of this year's Comprehensive Spending Review with a one-year Spending Review will likely defer the national case for both longer-term (e.g. 3 year) and increased core funding. Evolution of the Growth Hub will therefore take some time to play out, as longer-term and greater core funding is considered essential to deliver a sustainable and effective service.
- 4.10. A timeline for the activities and objectives that are within the gift of SELEP is presented in Appendix A. These activities sit against three complementary aims: to appraise and improve the current Growth Hub model within the limitations of the current funding model; to raise awareness of opportunities and challenges via Catalyst South; and to influence policy and decision makers through positive engagement with national reform and evaluation plans.

5. Next Steps

- 5.1. Subject to agreement from Board on the proposed objectives, activities and timeline, Q4 activities will be progressed, and updates and recommendations will be brought to the next Board meeting in March 2021.

6. Comments from the Accountable Body

- 6.1. The activities and objectives of the Growth Hubs in 2021/22 are subject to Core Funding being secured and received from Government. At this time this funding is not confirmed.
- 6.2. Growth Hub Activities carried out in 2020/21 in Appendix A, are funded by Uplift funding and Core funding.

7. Appendices, Supporting Documents and Previous Decisions

- 7.1. The following appendix is attached:
- 7.1.1. Appendix A – Proposed timeline for the evolution of the SELEP Growth Hub
- 7.2. This item has been previously discussed at the following meeting:

Board Meeting Date	Item Number(s)	Link to Pack
12 June 2020	6: Growth Hub Update and ERDF Legacy Funding	https://www.southeastlep.com/app/uploads/2020/06/SELEP-Strategic-Board-June-2020_Agenda-Pack.pdf

- 7.3. For further details contact:
Jo Simmons, Business Development Manager (jo.simmons@southeastlep.com)

Item 10: Sector Support Fund Endorsements and Update

Executive Summary

1. Overview

- 1.1. The purpose of this report is to seek endorsement from the Strategic Board (the Board) for the award of a revenue grant to five Sector Support Fund (SSF) projects.
- 1.2. The applications have passed the Independent Technical Review (ITR) (detailed in Appendix A) and meet the criteria for funding.
- 1.3. Currently there is £860,990 of SSF available to allocate. Should the Board endorse these bids and the Chief Executive Officer (CEO) approve the funding allocations then £261,729 of funds will remain for future projects.
- 1.4. Finally, the Board is asked to endorse a change to a further SSF project which has an underspend owing to a cancelled conference due to Covid-19.

2. Decisions: Board is recommended to:

- 2.1. **Endorse** the Building Back Better (£192,000) project, as detailed in section 4;
- 2.2. **Endorse** the SE Export Development (SEED) (£91,500) project, as detailed in section 5;
- 2.3. **Endorse** the Carbon Pathways (£99,061) project, as detailed in section 6;
- 2.4. **Endorse** the Catalyst for Culture (£181,700) project, as detailed in section 7;
- 2.5. **Endorse** the Gourmet Garden Trails (Extension) (£35,000) project, as detailed in section 8;
- 2.6. **Endorse that** the Good Food Growth project be allowed to spend the underspend of £8,646.12 as set out in section 9

3. Rationale for Decisions

- 3.1. SSF projects are clearly focussed revenue projects which deliver their objectives over a fixed 12-month timeline, securing funding swiftly is critical in order that projects can engage with the issue as quickly as possible and deliver their benefits.
- 3.2. An independent technical review of the project submissions has been undertaken by officers from the Accountable Body, based on the criteria agreed by the Board. The projects in section 2.1 through to section 2.5 have met the criteria in this assessment. Further details, including assessment criteria can be found at Appendix A.
- 3.3. The 5 SSF applications made total £599,261; Table 1 confirms that there is sufficient funding to support all of the bids should the Board choose to endorse them. This would leave a balance of £261,729 available to support future SSF projects.

Table 1: SSF Investment Summary 2020/21

	2020/21 £
Funding	
Covid-19 Recovery SSF	1,000,000
C/f 2019/20	206,500
Total 2020/21 funding	1,206,500
Approved projects 2020/21	
Buy Local South East	69,510
Skills Working Group	76,000
Visitor Economy	200,000
	345,510
Projects Seeking endorsement & approval Nov-2020	599,261
Balance SSF remaining for investment	261,729

Further Information

4. Decision 1: Building Back Better

- 4.1. Currently Social Enterprises struggle to receive consistent levels of quality business support, bespoke to their individual needs.
- 4.2. In order to increase the role of social enterprises it is proposed to employ specialist 'navigators', to be located within the Growth Hubs, to help support these new businesses and offer a high level of support across the LEP area for this sector.
- 4.3. The Navigators will direct social enterprises to access funding, allow networking of social enterprises, help with training and ensure information and data sharing is enabled. More information is available in Appendix B1.
- 4.4. £192,000 of SSF is being sought with £93,065 of match funding and in-kind resource. The breakdown of funding is shown in Appendix B1.
- 4.5. The key risks to the project are highlighted in Appendix B1.
- 4.6. This project is sponsored by East Sussex County Council.

5. Decision 2: SE Export Development (SEED)

- 5.1. A known barrier currently exists around exporting due to lack of international contacts and export knowledge and capacity.
- 5.2. The SEED project will address this issue through an innovative support programme aimed at SELEP-based companies in three priority sectors, including Health & Life Sciences, Food & Drink and Digital & Creative. More information is shown in Appendix B2.
- 5.3. £91,500 of SSF is being sought with £40,000 of match funding and in-kind resource. The breakdown of funding is shown in Appendix B2.
- 5.4. There is a risk to this project with continued uncertainty around procedure post EU Transition, but keen attention to Government guidance will help to mitigate this risk. Other

risks are highlighted in Appendix B2.

5.5. This project is sponsored by Kent County Council.

6. Decision 3: Carbon Pathways (C-Path)

- 6.1. The ongoing collection, collation and effective manipulation of data related to the Low Carbon and Energy Economy has been identified by stakeholders in the public sector as a fundamental need within growth-related action plans and strategies, yet adequate solutions to address this need are not yet in place.
- 6.2. C-Path will address this need by creating a dynamic cloud-based resource that will be used to design, facilitate, accelerate and monitor investment in the Low Carbon Energy Economy. This will include a data store with automated updates, a flexible build and appraisal tool, modelling and machine-learning to forecast a range of impacts, and automated programme appraisal to monitor and update a scheme which is in delivery mode.
- 6.3. £99,061 of SSF is being sought with £42,455 of match funding and in-kind resource. The breakdown of funding is shown in Appendix B3.
- 6.4. The key risks to the project are highlighted in Appendix B3.
- 6.5. This project is sponsored by Kent County Council.

7. Decision 4: Catalyst for Culture

- 7.1. The Covid-19 crisis has severely impacted performing arts institutions including the creative, production and technical workforce, as well as artists and freelancers across the SELEP region.
- 7.2. The Catalyst for Culture Programme is a new partnership between established performing arts institutions of national and international standing in the SELEP region. It aims to develop industry knowledge in the creation, presentation and dissemination of socially distanced performance to existing and new audiences, invests in talent development opportunities for young people and drives growth and productivity in the sector through a series of new regional productions.
- 7.3. £181,700 of SSF is being sought with £86,500 of match funding and in-kind resource. The breakdown of funding is shown in Appendix B4.
- 7.4. The key risks to the project are highlighted in Appendix B4.
- 7.5. The project is sponsored by Kent County Council.

8. Decision 5: Gourmet Garden Trails (Extension)

- 8.1. The visitor economy has been severely impacted by a reduction in economic activity due to Covid-19.
- 8.2. The Gourmet Garden Trails project aims to encourage visits to the region by; adapting products for and targeting the domestic market – focusing on local food, local produce, and local landscapes, geographical and product expansion with a focus on the South East, developing further seasonal content to expand the year-round offer, and supporting local businesses and jobs.
- 8.3. £35,000 of SSF is being sought with £49,000 of match funding and in-kind resource. The



breakdown of funding is shown in Appendix B5.

- 8.4. The key risks to the project are highlighted in Appendix B5.
- 8.5. The project is sponsored by Kent County Council.

9. Decision 6: Good Food Growth

- 9.1. This project was endorsed by the Board and approved by the Chief Executive Officer of SELEP in December 2018.
- 9.2. The Project commenced in March 2019 and was due to complete with a conference in March 2020, however Covid-19 meant the conference was cancelled and led to an underspend on the project of £8,646.12.
- 9.3. Rather than return this funding to the SSF pot the scheme promoters have put forward the following proposal, building on the good work of the project and re-energises the producers as the economy moves into 2021:
 - 9.3.1. with an acknowledged growing demand for local products, the scheme promoter, would like to meet that need by holding a physical/virtual Meet the Buyer event. With the loss of hospitality and events and a rise in local retail it is an opportune moment to matchmake at a local and national level, for the benefit of businesses across the SELEP region. Small, medium and large retailers are focussed on local, regional, British brands both because of COVID-19 and the end of the EU transition period.
- 9.4. The schemes promoter would need to consider the changing rules around Covid-19 and so would like to scope in more detail both a virtual and physical event that would be delivered in any scenario – ideally around March next year. This allows time for products to be instore and capitalise on sales in 2021 and beyond.
- 9.5. The Good Food Growth event would benefit from the increased number of businesses involved on the Buy Local South East (BLSE) project, and post-event buyers can be directed to BLSE as an ongoing resource.
- 9.6. The decision of KMEP will be reported to the Board by the chair of KMEP on the day of the meeting
- 9.7. If the Board endorses the change the SELEP Chief Executive Officer will need to formally agree to the change through his delegated decision making responsibilities.
- 9.8. Further detail can be found in the original Business Case [HERE](#)

10. Other Information:

- 10.1. Full details of the criteria for SSF bids are available on the SELEP website, [Guidance Note](#). This guidance has been updated to reflect the additional criteria agreed by the Board in June 2020; to ensure projects act to support the COVID-19 economic recovery and/or support the economy in the face of Brexit.
- 10.2. At the June 2020 meeting a further £1 million was allocated to the SSF programme and it was extended until 31 March 2022 or when the fund is exhausted, whichever is sooner.
- 10.3. To date the Board has endorsed 15 projects for SSF support to a value of £1,639,010. Summary information on the projects can be found at Appendices C and D.



11. Next Steps

- 11.1. If Board chooses to endorse the 5 projects for SSF funding, the Secretariat and Accountable Body will work to put into place funding agreements, pending a final decision from the CEO to allocate the funds.
- 11.2. All projects will provide quarterly updates to the SELEP Secretariat in order to provide updates to the Board.
- 11.3. Quarterly updates on progress and spend are set out in Appendix C and D

12. Comments from the Accountable Body

- 12.1. A total SSF fund of £1,206,500 was established for 2020/21; of this, successful funding applications of £345,510 have been awarded in year to date and should the projects in this report be endorsed and subsequently approved the balance of SSF funding available for investment will be £261,729.
- 12.2. The Independent Technical Review has confirmed that the criteria for funding have been met for each of the 5 projects; the following risks are noted, however:
 - 12.2.1. Catalyst for Culture Project - £20,040 of funding for the Project is unsecured currently as it is to be funded from Ticket Sales.
- 12.3. This grant is a fixed maximum contribution to the Project; any Project over spends incurred will be required to be addressed by the Project delivery partner.
- 12.4. Should the Board endorse the recommended SSF applications and the CEO approves the award of funding, the grants will be transferred to the respective lead authority via a grant agreement with the Accountable Body and SELEP Ltd; 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.

13. Appendices, Supporting Documents and Previous Decisions

- 13.1. Appendix A – ITE Assessment for projects submitted
- 13.2. Appendix B1 – Background on Building Back Better
- 13.3. Appendix B2 – Background on SE Export Development (SEED)
- 13.4. Appendix B3 – Background on Carbon Pathways (C-Path)
- 13.5. Appendix B4 – Background on Catalyst for Culture
- 13.6. Appendix B5 – Background on Gourmet Garden Trails
- 13.7. Appendix C – Summary of SSF Projects with Board Endorsement
- 13.8. Appendix D – Delivery Updates and RAG rating for current projects
- 13.9. Link to the Business Case for Building Back Better can be found [HERE](#)
- 13.10. Link to the Business Case for SE Export Development (SEED) can be found [HERE](#)
- 13.11. Link to the Business Case for Carbon Pathways (C-Path) can be found [HERE](#)
- 13.12. Link to the Business Case for Catalyst for Culture can be found [HERE](#)
- 13.13. Link to the Business Case for Gourmet Garden Trails can be found [HERE](#)



- 13.14. Sector Support Fund Guidance Note, including eligibility criteria [LINKED HERE](#)
- 13.15. For further information contact Howard Davies, SELEP Capital Programme Officer
(howard.davies@southeastlep.com)

Item 11: Update on National and Regional Initiatives

Executive Summary

1. Overview

- 1.1. This report provides Strategic Board (the Board) with an update on some important matters with which the SELEP Secretariat team are engaged, both in terms of government policy and next steps in the case of Freeport policy and the Towns Fund; and wider collaboration with neighbouring LEPs through Catalyst South.
- 1.2. The Freeport update is particularly important for Board members to note as all Freeport bids are advised to seek and acquire the endorsement of their LEP ahead of submission on 5 February 2021. We will look to arrange a special Board meeting to enable this discussion and decision.

2. Decisions: Board is recommended to:

- 2.1. **Agree** an additional Board meeting to be held at 10:00 on 29 January 2021 to consider Freeport bids for endorsement;
- 2.2. **Agree** that all known bidding consortiums should be invited to the meeting, ensuring commercial confidentiality is maintained where this is appropriate.

3. Rationale for Decisions

- 3.1. The Government's deadline for applications for **Freeport** status is Friday 5 February 2021. If SELEP is to endorse one or more Freeport bids an additional Board meeting is required on a date which allows for all substantial and requisite work to have been completed.
- 3.2. The **Towns Fund** areas in the SELEP area are submitting their Town Investment Plans between now and January/February 2021. It is appropriate and timely to advise of good progress ahead of further work on our own Recovery and Renewal Plan.
- 3.3. **Catalyst South** and the strengthened collaboration with our neighbouring LEPs is starting to gather some momentum. Ahead of a fuller update to the Board, it is important to update on the items of progress made to date.

Further Information

4. Decision 1 & 2: Freeports

- 4.1. The UK Freeports Policy, published in early 2020, was developed with the aim to:
 - 4.1.1. Establish up to 10 Freeports as national hubs for trade and investment across the UK: intensifying the economic impact of ports by enhancing trade and investment and generating increased economic activity across the UK;
 - 4.1.2. promote regeneration and job creation: creating high-skilled jobs in ports and the areas around them, prioritising some of our most deprived communities to level-up the UK economy; and
 - 4.1.3. create hotbeds for innovation: creating dynamic environments, capitalising on new ideas and fostering the conditions that will attract new businesses, investors and innovations.



- 4.2. SELEP submitted a formal response to the consultation focused on the role of the LEP – requesting the removal of the expectation that LEPs/MCAs would lead the Freeport bids and that the single bid per LEP area limit be eliminated. These points were addressed in the Government’s response, with the bidding prospectus stating no expectation that LEPs would lead the development of Freeport bids and eliminating the single bid per LEP area limit.
- 4.3. The Government concluded its consultation on the proposed Freeports Policy, with a formal response to the consultation published in October 2020.
- 4.4. Subsequently, the Government has published its Bidding Prospectus for Freeports in England. This initial bidding process is expected to lead to the establishment of up to seven new Freeports in England, with the first expected to be given approval in Spring 2021. The prospectus is available here: <https://www.gov.uk/government/publications/freeports-bidding-prospectus>
- 4.5. Within the Bidding Prospectus, Government encourages LEPs to participate in bidding coalitions; implicitly states an application limit of two Freeports per LEP area; encourages LEPs to participate in Freeport Governance Bodies for individual bids; and notes the importance of formal endorsement by the LEP for submitted Freeport Bids.
- 4.6. Bidders have until Friday 5 February 2021 to submit their bids and these will be assessed by an MHCLG-chaired assessment panel in March 2021.
- 4.7. Given the prevalence of national and international ports within or adjacent to the SELEP area, we expect to see the emergence of strong Freeport applications across the geography. Reflecting this, the SELEP CEO is engaged on the development boards for multiple Freeport bids in the SELEP area in an advisory capacity.
- 4.8. In accordance with the Government’s timetable for the submission of bids, we are proposing to schedule a special SELEP Ltd Board meeting on Freeports on 29th January to give Board members the opportunity to formally endorse one or more of the bids which emanate from the SELEP area. We will ensure that Board members are fully informed on the bids ahead of the meeting, whilst following our policies around commercial confidentiality where this is required.
- 4.9. Board members with pecuniary interests that could be impacted by the endorsement of bids will be precluded from the discussion in line with policy.

5. Further information: Towns Fund update

- 5.1. Senior members of the SELEP Secretariat remain engaged with the Towns Fund Boards which are running across the area and we contribute from a SELEP-level perspective where it is appropriate and supportive to do so.
- 5.2. The Towns Fund Boards all have either just submitted or are in the final stages of preparing their Town Investment Plans which form the bid for the £25m of funding available to each selected town.
- 5.3. SELEP will remain engaged with the Boards, as per the guidance from Government. We should encourage synergies between Towns Fund interventions and existing investments from SELEP.
- 5.4. The Town Board areas across SELEP are:
 - 5.4.1. Colchester
 - 5.4.2. Grays
 - 5.4.3. Harlow



5.4.4. Hastings

5.4.5. Margate

5.4.6. Newhaven

5.4.7. Tilbury

5.5. Further background and guidance on the Towns Fund, dating back to Autumn 2019, is available here: <https://www.gov.uk/government/publications/towns-fund-prospectus>

5.6. The Secretariat will inform the Board of the outcome of the Town Investment Plan bidding processes in due course.

6. Further Information: Catalyst South update

6.1. Board members will be aware of 'Catalyst South', which is the effective brand name given to the collaboration of Southern LEPs who have come together over the past 12 months to identify areas of common interest, and to progress a collective LEP agenda where this is beneficial for the area.

6.2. The five other LEPs which constitute Catalyst South are:

6.2.1. Coast to Capital

6.2.2. Enterprise M3

6.2.3. Hertfordshire

6.2.4. Solent

6.2.5. Thames Valley Berkshire

6.3. The SELEP Chair is the incumbent Chair of Catalyst South and, through this link, the Chair also sits as a Director of the LEP Network Ltd, which has provided SELEP with access to national LEP level meetings for the first time.

6.4. LEP CEOs have been encouraged by the Cities and Local Growth Unit to work in supra-regional groups, the six LEP CEO and Chairs listed in 6.2 took the view that they would like to work together and have started the partnership accordingly. We all feel that an approach which married us with London would have the effect of masking the issues that we would like to emphasise to Government – coastal deprivation and the notion of levelling up being applicable across all areas of the country is the most obvious example of this.

6.5. To date, the work has been driven by the six LEP CEOs and has recently reached a point of maturity where responsibilities have been reviewed and support mechanisms have been put into place. The Enterprise M3 CEO has gained overall responsibility for Catalyst South and, supporting this, the SELEP CEO has agreed to lead the communications activities of the group. Further to this, a Project Officer is, at the time of the Board meeting, currently being recruited. This postholder will have the responsibility to coordinate and advance the group.

6.6. To support this, the SELEP CEO agreed a contribution of £20,000 from the SELEP Operational budget in 2020/21. A further contribution of £20,000 has been assumed in the Operational budget in 2021/22. The combined contribution from all LEPs is planned to cover the costs and on-costs of the Project Officer, communications activities and joint work around intelligence. Given the pressure on the SELEP operational budget, this is kept under constant review and we are looking to reduce costs wherever possible whilst still ensuring that our particular area gets maximum value from the activities of the group.



- 6.7. The Catalyst South communications group have recently agreed a 'Boilerplate' which offers a short description of the collaboration and its plans:

Catalyst South is a strategic alliance of six Local Enterprise Partnerships (Coast to Capital, Enterprise M3, Hertfordshire, South East, Solent and Thames Valley Berkshire) with a focus on championing an economic and business voice, promoting collaboration across boundaries and supporting issues of common importance to business, to stimulate growth and recovery.

Together we represent a globally connected economic region which collectively generates almost one fifth of the UK's GDP. We are the nation's major international gateway and our eco-system of innovative entrepreneurs, high-growth SMEs and world-leading international corporates includes a high proportion of businesses in the low carbon, digital, creative and knowledge-based industries on which the future economic success of the UK depends.

Our ambition is to unlock the South's economic power to supercharge the UK's recovery and growth. We will do this by:

- *Enhancing our impact and influence*
- *Boosting enterprise and innovation across the South*
- *Reigniting international trade, investment, and gateways*
- *Flexing skills and creativity within our current and future workforce*
- *Exploiting digital opportunities*
- *Delivering good, clean growth*
- *Levelling up and connecting all our places*
- *Supporting economies to recover and renew following the pandemic*
- *Support businesses prepare and navigate UK transition*

7. Next Steps

- 7.1. In respect of the Freeport bidding process, the SELEP Secretariat will approach the emergent Freeport consortia and speak to other partners locally to ensure that all bidding groups that are seeking engagement from SELEP are able to attend the meeting, if arranged for 29 January, and present their proposition for discussion and subsequent endorsement.
- 7.2. For Town Boards, the SELEP secretariat will report to the SELEP Ltd board when the outcomes of the Town Investment Plan processes are more widely known.
- 7.3. The progress of Catalyst South will be reported to the Board when there is significant progress made.

8. Comments from the Accountable Body

- 8.1. There are no comments from the Accountable Body on the recommendations made in this report.

9. Appendices, Supporting Documents and Previous Decisions

- 9.1. For more information please contact:

Adam Bryan, Chief Executive Officer, adam.bryan@southeastlep.com