

Attendees

AB	Adam Bryan	South East LEP	JHv	Jo Havers	University of Brighton
AC	Ana Christie	Sussex Chamber of Commerce	KG	Cllr Keith Glazier	East Sussex CC
AE	Alan Elder	EBS Consulting	KT	Katy Thomas	East Sussex CC
BH	Ben Hook	Rother DC	MA	Marwa Al-Qadi	East Sussex CC
BS	Cllr Bob Standley	Wealden DC	ME	Martin Ellis	Recruitment South East
CB	Cllr Christine Bayliss	Rother DC	MS	Martin Searle	FSB
CE	Christina Ewbank	ACES	PJ	Philip Johnson	Locate East Sussex
CS	Clive Soper	FSB	PSm	Penny Shimmin	Sussex CDA
DE	Dave Evans	East Sussex CC	PSp	Peter Sharp	Lewes DC / Eastbourne BC
DSp	David Sheppard	D-RisQ Ltd	RD	Richard Dawson	East Sussex CC
DSy	Dan Shelley	East Sussex College Group	RM	Rhiannon Mort	South East LEP
DT	Cllr David Tutt	Eastbourne BC	RS	Cllr Rupert Simmons	East Sussex CC
GP	Graham Peters (CHAIR)	ES Rural Partnership	SB	Sue Baxter	University of Sussex
IF	Ian Fitzpatrick	Lewes DC / Eastbourne BC	SD	Stewart Drew	De La Warr Pavilion
IG	Isabel Garden	Wealden DC	TL	Tony Leonard	Rother DC
IS	Ioni Sullivan	East Sussex CC	VC	Victoria Conheady	Hastings BC
JHa	James Harris	East Sussex CC	ZN	Cllr Zoe Nicholson	Lewes DC

Apologies

None

All of the papers and any presentations delivered at the meeting can be viewed on the following page of the ESCC website: www.eastsussex.gov.uk/business/eastsussex/selep/tesminutes/tes200608

1. Welcome & introductions

- 1.1. **GP** welcomed everyone to the meeting and ran through the apologies.
- 1.2. **GP** asked the group for any specific conflicts of interest with today's agenda items and for any additional interests not already held on record. **AC** declared an interest in the SEED project which will be seeking endorsement for Sector Support Funding at agenda item 6, and agreed to withdraw from discussions/decisions for that agenda item. No additional interests were declared.

2. Previous TES minutes, 19 May 2020

- 2.1. **GP** ran through the actions of the previous TES meeting and noted that all had been completed. The minutes were approved by the group as an accurate record of the meeting.

3. East Sussex Economy Recovery Plan

- 3.1. **AE** provided a progress update on the Economy Recovery Plan, noting that the Phase 1 Context Report has been revised and updated, and following extensive engagement with partners, the Phase 2 Discussion Report setting out the overarching 'ambitions' has been completed, along with a first draft 'Headline' Action Plan.
- 3.2. The Headline Action Plan is currently split into eight ambition themes setting out the initial ambitions along with a number of actions to be achieved. For each ambition we'll firstly need to decide who is leading the work, what we want to achieve over the next 12-18+ months, and then what resources will be required. The role of TES will be to oversee the work, provide leadership and coordination, lobbying, and help the development of any funding bids.
- 3.3. The deadline for final comments is this Friday lunchtime. **AE** requested that any specific/detailed feedback be emailed to him directly (outside of this meeting) but also invited general comments now. The key comments made by TES are as follows:
 - Much will depend on whether the Government offers any further support in the coming weeks/months, and what form that support will take, so the Action Plan will continue to be a work in progress – it needs to be flexible and evolve over time.
 - There are currently a lot of actions, some of which crossover so could be rolled together to cut down the number.

- At the moment the Headline Action Plan reads like a wish list; it needs to be more succinct and convey some of the immediacy/urgency – what are the priorities? Overall it comes across as a straightforward economic plan rather than an economic *recovery* plan.
- There needs to be a clear focus and clarity of purpose, and the focus must be on the *recovery* element. Short-term goals that are specific to the crisis. Aspirational goals are tricky to quantify as we genuinely don't know where the next few months/years will take us, but we are clear on the basic principles of recovery – to focus on *people* to ensure livelihoods are maintained and improved, and helping those made recently unemployed as a direct result of the crisis. By making rapid advances and achieving the immediate goals, we'll instil confidence in the rest of the plan.
- In a few months' time, once recovery is embedded, we'll be in a better position to consider the more aspirational goals and assess which will have traction.
- We don't want to over-promise and under-deliver the aspirations, so need those short-term deliverables that demonstrate partners' support to businesses and individuals.
- While there should absolutely be a focus on deliverability in the immediate/short term, plus things we can work to achieve in the medium term, the 'aspirational stuff' does not necessarily need to be measurable – simply *trying* will be enough.
- In developing and adapting the Action Plan in the longer term, we should try to ensure there's more intensive business involvement.
- The voluntary and community sector (VCS) needs to be properly recognised as an employer in the county.
- Consider who the plan is being written for – will the audience be ourselves, local businesses, LEPs, Government... we need to state that very clearly in a paragraph at the start of the document.
- We should recognise that we're seeing a fundamental change to the economy – the so called 'new normal' – so even as we're focussing on the immediate problems, we'll still need to look to the future to ensure our solutions are fit for the new normal.

3.4. **RD** clarified the timeline over the next few weeks: further comments on the current draft Action Plan should be fed back to **AE** by the end of this week (12 Jun); each ambition will then be assigned a project lead who will work with partners to hone their set of actions over the following two weeks (by 26 Jun); the overall Action Plan will then be further refined and shared with TES for discussion at the next TES meeting on 13 Jul 2020.

[Action: TES members to feed any further comments on the current draft ERP Headline Action Plan to AE by midday Friday 12 Jun 2020]

Post script: following this meeting the above timelines were revised and shared with TES on 23 Jun 2020; the updated timeline is now as follows: (i) each ambition will be assigned a project lead who will work with partners to hone their set of actions over the following three weeks by 10 Jul 2020; (ii) the overall detailed Action Plan will then be further refined and shared with TES in advance of the next TES meeting which has been rescheduled for 30 Jul 2020.

4. Local Growth Fund (LGF)

4.1. **AB** and **RM** summarised the current situation with SELEP's LGF capital programme, whereby the Government has chosen to hold back a third of this year's funding allocation, approximately £26m. It's critical that we put the strongest case forward to obtain that funding by strengthening our contractual commitments and proving we can spend, which is tricky as some projects are profiled to spend beyond the growth deal period. We've also got a number of approved projects that are ready to come forward for funding, and which the Accountability Board wants to press ahead with, but those projects are at risk if the Government decides not to award the final third of the LGF allocation. A number of options to mitigate/offset the risk and continue delivering the capital programme through 2020/21 are presented in the papers for this week's SELEP Strategic Board meeting.

4.2. TES members discussed the various options proposed in the paper and agreed that Option C – "*Proceed with all LGF projects due to receive funding decisions by identifying existing LGF projects to the same value to absorb the risk if the remaining third of LGF is not secured*" – is the most viable choice as it allows the LGF programme to continue on-track for 2020/21 with any risk minimised by being offset

between other projects/authorities. This is SELEP's recommended option and also means that Exceat Bridge (£2.1m) and Eastbourne Fisherman's Quay (£1.08m) can move forward.

- 4.3. The SELEP Board paper goes on to describe a set of scenarios for identifying which projects will bear the risk should the final third not be made available (i.e. existing funding commitments for which the funds will only be defrayed if the remaining £26m is confirmed by Government). TES members again discussed this in detail and agreed that Scenario 3 – *"a hybrid of the first two scenarios combining high-risk projects and those projects spending beyond the Growth Deal period"* – offers the greatest level of flexibility in choosing which projects absorb the risk, thereby minimising the overall risk we're exposed to.
- 4.4. It was also agreed that Scenario 4, where local authorities share the risk on a percentage basis, is definitely not an option we would want to pursue as it would mean ESCC underwrites almost £6m of the risk, some 28%, which is way too high. This option is flawed as it's based on 'forecasted spends' from this point onwards to Mar 2021, and we are not clear whether other areas have been truly open and honest (as we have) in undertaking a forensic review of individual projects and their spending patterns/deliverability for this year and following years.
- 4.5. **GP** noted that discussions are continually taking place behind the scenes on the above mitigation measures and it's possible that additional options may end up being presented at the SELEP Board meeting, so asked that our SELEP Directors be permitted a degree of flexibility at the meeting to choose the options that do the 'least harm' to East Sussex. **TES members agreed.**

[Action: TES members attending the SELEP Strategic Board meeting on 12 Jun 2020 to choose LGF mitigation options that do the 'least harm' to East Sussex, keeping in mind TES's preferred choices of 'Option C' and 'Scenario 3']

- 4.6. **TL** flagged an inaccuracy in the Board Paper in regard to risk mitigation for Bexhill Enterprise Park North (where Rother DC offered to pay for a masterplan and appoint consultants, and as the offer still stands it should offer more assurance). **TL** requested that this be raised at the SELEP Board meeting.

[Action: TES members attending the SELEP Strategic Board meeting on 12 Jun 2020 to raise the inaccuracy in the LGF paper, as flagged by TL, in regard to risk mitigation for Bexhill Enterprise Park North]

5. Growing Places Fund (GPF) and Covid-19 Recovery

- 5.1. **AB** summarised the two GPF papers going to this week's SELEP Strategic Board meeting. The first paper seeks to approve a prioritised ranking for the GPF Round 3 projects currently in the pipeline (originally due to be concluded in Apr 2020 but put on hold when the Covid-19 crisis began). The second paper proposes a threshold for how much of the recycled GPF funding should be retained by the pipeline and how much is repurposed for other 'recovery support' options.
- 5.2. In the first paper, the indicative prioritised list has two East Sussex projects at positions 2 and 7 – *Observer Building* in Hastings (£3.37m) and *Barnhorn Green* in Bexhill (£3.5m). However, if a portion of the GPF pot is repurposed for recovery support, then only one of these projects is likely to be funded. *TES has the option to indicate its preference ahead of the Strategic Board meeting* so that the final prioritised list presented to the Board has our two projects in the order we specify.
- 5.3. TES members discussed the two projects at length, with **VC** and **TL** presenting strong cases for why each should be funded. Given the importance of the decision, it was argued that more time is needed for TES members to properly consider the projects, and so **VC** and **TL** agreed to draft a short summary paper for each project, to be shared with TES the following morning, such that an *electronic vote* could take place midweek.

[Action: VC and TL to draft a short summary paper for the Observer Building and Barnhorn Green GPF projects; DE to share the summary papers with TES members on 9 Jun 2020 and arrange for TES members to vote on their preferred project by electronic procedure by 5pm 10 Jun 2020]

- 5.4. The second paper describes various options for utilising the £22m GPF pot. The recommended approach is to split the funding so that GPF Round 3 is part-funded to a value of £12m, and the remaining £10m is repurposed to other recovery activities – £1m revenue support for the secretariat; £1m 'extended' Sector Support Fund programme; £2m Covid-19 Skills Fund; £2.4m Covid-19 SME

Business Support Fund; and £3.6m LGF contingency. TES members discussed the options and agreed to support the proposals described in the paper, but also made the following points:

- While we agree with the overall division of funds, it does mean that only a small amount is being used for 'recovery' (£5.4m, so around 25%) – is it possible to bolster this? Perhaps the £3.6m assigned as LGF contingency could be ringfenced for discrete Covid-19 recovery projects in the short term rather than going back to the GPF pot. Similarly, if a lower amount is taken up from the £12m allocated to GPF Round 3 projects, the balance could go directly into the Covid-19 recovery funds now (e.g. to Sector Support Fund which is particularly flexible) rather than stay held for the GPF future pipeline, as it will take some time to bring forward the next GPF pipeline project.
- For the business support and skills funds, we would like to offer support to the SELEP team and propose that delivery can best be accomplished locally through existing mechanisms at federated and upper-tier local authority levels, thus making the funds more agile, flexible and allowing them to be taken up much quicker with our established governance, support and approval processes. This would also help demonstrate to Government how effective and efficient SELEP's federated structure is in responding to business needs.

[Action: TES members attending the SELEP Strategic Board meeting on 12 Jun 2020 to raise the above points in relation to the repurposing of the GPF pot, and to otherwise support the proposals described in the Board paper]

6. SELEP Sector Support Fund (SSF)

- 6.1. DE ran through the paper on the latest set of SSF submissions seeking federated board endorsement – *Buy Local Southeast* (bid for £69,510), *Teaching for Growth* (£74,000) and *South East Export Development* (SEED) (£129,860). As the total combined ask of these three projects is £273k, and the SSF pot has only £206k remaining, the fund is oversubscribed so it is not possible to approve all three projects at this time. As the SEED project has been assessed by SELEP as not meeting all the of the SSF criteria, the paper proposes that only the Buy Local and Teaching for Growth projects are endorsed.
- 6.2. TES members discussed this and agreed with the recommendations, endorsing the Buy Local and Teaching for Growth SSF projects (in that prioritised order). The TES Board did not endorse the SEED project.

[Action: TES members attending the SELEP Strategic Board meeting on 12 Jun 2020 to endorse the Buy Local and Teaching for Growth SSF projects]

7. SELEP Strategic Board, 12 Jun 2020

- 7.1. AB quickly ran through some of the other items (not already covered above) on the agenda for this week's SELEP Strategic Board meeting, including a Covid-19 Economic Intelligence update, a report on the impact of Covid-19 on the Higher Education sector, and a Growth Hub update with recommendations on how to utilise SEEDA legacy funding.
- 7.2. GP highlighted a paper shared with TES which recommends approving SELEP's proposal on the use of SEEDA legacy funding; ***TES members supported this recommendation.***

[Action: TES members attending the SELEP Strategic Board meeting on 12 Jun 2020 to endorse SELEP's proposals on the use of SEEDA legacy funding]

8. TES round table / AOB

- 8.1. DSy advised that East Sussex College is making a £1m commitment to improving skills in response to the Covid-19 pandemic, and is very keen to work with all TES members to develop the offer to meet the needs of businesses and local residents. A press release is available and will be circulated.

[Action: DSy to circulate the press release from ESCG on their £1m commitment to improving skills]

Summary of actions:

- 3.4 TES members to feed any further comments on the current draft ERP Headline Action Plan to **AE** by midday Friday 12 Jun 2020.
- 4.5 TES members attending the SELEP Strategic Board meeting on 12 Jun 2020 to choose LGF mitigation options that do the 'least harm' to East Sussex, keeping in mind TES's preferred choices of 'Option C' and 'Scenario 3'.
- 4.6 TES members attending the SELEP Strategic Board meeting on 12 Jun 2020 to raise the inaccuracy in the LGF paper, as flagged by **TL**, in regard to risk mitigation for Bexhill Enterprise Park North.
- 5.3 **VC** and **TL** to draft a short summary paper for the Observer Building and Barnhorn Green GPF projects; **DE** to share the summary papers with TES members on 9 Jun 2020 and arrange for TES members to vote on their preferred project by electronic procedure by 5pm 10 Jun 2020.
- 5.4 TES members attending the SELEP Strategic Board meeting on 12 Jun 2020 to raise the above points in relation to the repurposing of the GPF pot, and to otherwise support the proposals described in the Board paper.
- 6.2 TES members attending the SELEP Strategic Board meeting on 12 Jun 2020 to endorse the Buy Local and Teaching for Growth SSF projects.
- 7.2 TES members attending the SELEP Strategic Board meeting on 12 Jun 2020 to endorse SELEP's proposals on the use of SEEDA legacy funding.
- 8.1 **DSy** to circulate the press release from ESCG on their £1m commitment to improving skills.