

Report title: SELEP Operations Update	
Report to Accountability Board	
Report author: Suzanne Bennett Chief Operating Officer	
Meeting Date: 11 February 2022	For: Information
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SELEP Partner Authority affected: Pan-LEP	

1. Purpose of Report

- 1.1. The purpose of this report is for the Accountability Board (the Board) to be updated on the operational activities carried out by the Secretariat to support both this Board and the Strategic Board. The report includes an update on the Annual Performance Review, risk management, compliance with the Assurance Framework and performance against governance KPIs.

2. Recommendations

- 2.1. The Board is asked to:
 - 2.1.1. **Note** the proposed changes to the Assurance Framework as highlighted at Appendix A.
 - 2.1.2. **Note** the update on Assurance Framework compliance monitoring at Appendix B and Governance KPIs at Appendix C; and
 - 2.1.3. **Note** the changes to the Risk Register at Appendix D.

3. General Operations Update

- 3.1. At time of writing the Levelling Up White Paper has not been published. The continued delays to any indication as to the future role for LEPs, and funding associated with that role, is having a material impact on planning for the activities of the forthcoming year. This inability to forward plan is likely to have a knock-on effect on the operations of the Secretariat in the next financial year as management will have to be reactive rather than proactive.
- 3.2. Following the setting of a budget for the year by the Board at the last meeting, planning is underway on those activities that are known to be required during 2022/23, including the management of the Capital Programme. Other activities will need to be actively managed as the future for LEPs hopefully becomes clearer in the first quarter of the year.
- 3.3. The Annual Performance Review (APR) of SELEP is planned to take place on 9 February 2022. The APR is conducted by the Cities and Local Growth Unit and an assessment of each LEP across three categories (delivery, governance

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and strategic impact) is made. As in 2021/22 the assessments will be on a binary met/not met basis for each category. A verbal update on the APR will be given at the meeting of the Board.

- 3.4. During the last the few months the number of requests for information from members of the public with regard to SELEP funded projects in East Sussex, has increased significantly. These requests are made in line with the Freedom of Information (FOI) Act and are responded to accordingly, complying with the requirements of the Act.
- 3.5. The rights enshrined in the FOI Act are an important part of transparent government however the increased workload has an impact on both the Secretariat and Accountable Body resource. This will be further exacerbated by the resize of the team and other changes to personnel. It may become necessary to prioritise the resource available to respond to these requests to the detriment of other activities that are not statutory requirements. The Board will be informed should this course of action be needed.
- 3.6. There has been some slippage on the delivery of the Covid-19 Funds as detailed in the Finance Update, Agenda Item 19. This slippage needs to be considered in conjunction with the future resourcing of the support of these contracts, including the evaluation of the impact of the investment as required by the Assurance Framework. The Management Team will be considering how this aligns with the plans for the LEP beyond March 2023 when the details of the Levelling Up White Paper are available.

4. Changes to the National Assurance Framework

- 4.1. The SELEP Framework Agreement requires all changes to the Assurance Framework to be consulted on with Accountability Board before being presented to Strategic Board for consideration. Therefore, the changes set out below are presented to this Board for comment but not decision. The decision on changes to the SELEP Local Assurance Framework (LAF) will be presented to Strategic Board in March 2022.
- 4.2. There are two further changes that need to be put into place to ensure completeness and accuracy. These are listed below:
 - 4.2.1. The addition of the Freeport East Board as an external group to be resourced by SELEP, sharing one LEP representative seat with New Anglia LEP (NALEP). It was agreed at the June 2021 Strategic Board meeting that as the Freeport Board will be unincorporated in the initial phase, an officer should be appointed to this role. Chris Starkie, Chief Executive of NALEP, was appointed as the LEP representative and Adam Bryan, Chief Executive of SELEP, appointed as an alternate.
 - 4.2.2. The addition of details regarding the management of project slippage within the Getting Building Fund as agreed by Strategic Board on 16 July 2020.

4.3. Please see Appendix A for the full details of these changes.

5. Assurance Framework Monitoring

5.1. It is the role of the Accountability Board to oversee the implementation of the requirements of the LAF. To receive grant funding from central Government, SELEP must have in place a LAF which demonstrates full compliance with the National Assurance Framework, published by central Government in January 2019.

5.2. An assessment has been made of compliance to the requirements of the current Assurance Framework. The following action is required:

Increasing gender diversity to 50/50 by the beginning of 2023	This has been indicated by Government as a target in the National Assurance Framework.
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5.3. The Federated Boards are currently appointing or reappointing Strategic Board representatives for 2022/23 and have been asked to keep this target in mind wherever possible. Given the uncertainties regarding future role of the LEP, some Federated Boards have extended terms on a 12 month basis. This will allow for renewed approach to increasing diversity when recruitment is instigated at the end of those terms.

5.4. The Board will be updated on progress at each meeting. There are ongoing actions that involve keeping deadlines relating to publishing or maintaining up-to-date information, which will continue to be reviewed. More detail can be found at Appendix B.

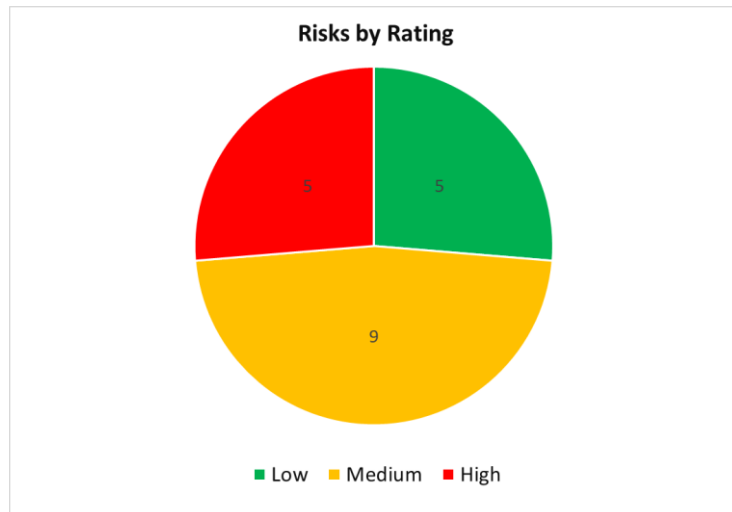
6. Key Performance Indicators

6.1. We are tracking a number of KPIs to ensure there is compliance with the governance requirements in the Assurance Framework. These can be found at Appendix C.

6.2. Generally all KPIs are delivering in line with targets. There have been improvements regarding meeting the deadlines for the publication of Federated Board papers, and the Secretariat will continue to work with officers to improve this further.

7. Risk Register

7.1. The recent activities to reduce the cost base of the Secretariat and the actions of the Strategic Board to extend the terms of the Chair and Deputy Chair of SELEP has meant that some risks have been downgraded. However, these risks have only been mitigated on a temporary basis and without confirmation of the future role of LEPs and funding these risks will become more likely to occur as the financial year progresses. There are currently 19 risks in total. The breakdown in the rating of those risks can be seen below:



- 7.2. The Management Team are now managing five risks rated high and nine rated medium. Changes to ratings and additions to the Register are set out below.
- 7.3. The risk related to the workload and wellbeing of the Secretariat (risk number 9) has been downgraded somewhat but continues to be rated as a high risk. The download is as a result of the mitigations that have been put into place to map the workload to the revised team size and the prioritisation approach agreed with Strategic Board. However, there is still a risk that further key members of the Secretariat will chose to leave given the ongoing uncertainties facing LEPs and potential change in scope and/or role. The impact of losing team members is likely to impact severely on the operations of the partnership; especially as the team is reducing in numbers and therefore has less resilience.
- 7.4. Similarly, the risk associated with the recruitment and retention of Board members (risk number 10) has been downgraded. The recent decision by Strategic Board to extend the terms of the Chair and Deputy and consequent Special Resolution has provided a period of stability. Federated Boards are currently in the process of extending and/or recruiting but in most cases members look likely to increase their terms for a further 12 months. As already highlighted, this risk is only temporarily mitigated due to temporary extensions of terms.
- 7.5. Risk 19, the non-achievement of outcomes/outputs of the capital programme has been increased slightly and is now a medium risk. This is because there are a number of concerns about the validity of the output and outcome data that is being reported by delivery partners. A focus on improving this reporting will be made over the next few months, but this will require a commitment from our delivery partners.
- 7.6. The Growth Hub future model risk has been downgraded to low as no further information about the national business support reform piece has been forthcoming, therefore it is assumed that the 'as-is' model will continue for a further 12 months, pending confirmation of funding. However, this risk will be

reassessed if and when further information on reform is published by HM Government.

- 7.7. The risk of high levels of staff absences due to COVID19 (risk 34) has been reassessed as medium as the Omicron variant is driving case numbers higher across the country. The Secretariat continues to work from home and staff are encouraged to be vaccinated. Whilst the Omicron variant seems to have peaked in the southeast, further variants may occur and business continuity must be a priority of the Management Team on an ongoing basis.
- 7.8. Two new risks have been added to the Register as risk 46 and 47. Risk 46, rated as medium, is a reputational risk related to the increasing numbers of requests for information about projects and questions raised about the delivery of outputs and outcomes of some projects. Internal reviews have confirmed that SELEP policies and procedures have been followed and the capital programme continues to be managed and scrutinised by this Board. Despite this there is a risk that this attention has a detrimental impact on the reputation of the partnership as there may be an assumption of 'no smoke without fire'.
- 7.9. The Secretariat will continue to make timely and fulsome responses to requests for information where that information is held by us or the Accountable Body and we will work with our partners to ensure that their obligations under the SLA's are properly executed. Improvements to output and outcome reporting, as detailed above, will also ensure that any changes to outputs and outcomes against what is detailed in the business cases are managed in the correct way.
- 7.10. The second addition (risk 47 rated as medium) is a risk to the service delivery of the SELEP post the publication of the Levelling Up White Paper. As a direct result of the significant delays to the publication of the White Paper and the changed approach to funding such as the Levelling Up Fund and Community Renewal Fund, there has been a drop in engagement levels with some stakeholders.
- 7.11. If there is a role for LEPs contained within the White Paper, it will not be possible to effectively carry out that role without the appropriate levels of engagement from stakeholders and therefore a key priority post the publication of the White Paper will be actions to address this drop in engagement.
- 7.12. These risks will be flagged with the Cities and Local Growth Unit as part of the Annual Performance Review as many of the risks are dependent on the actions of HM Government.

8. Accountable Body Comments

- 8.1. It remains a requirement for SELEP to have an assurance framework in place that complies with the requirements of the National Local Growth Assurance Framework.

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- 8.2. The purpose of the Assurance Framework is to ensure that SELEP has in place the necessary systems and processes to manage delegated funding from central Government budgets effectively.
- 8.3. A requirement for the release of Getting Building Fund tranche 2 (GBF) grant to SELEP for 2021/22, was that the S151 officer of the Accountable Body had to provide the following confirmation to the Government:
 - 8.3.1. That all the necessary checks have been undertaken to ensure that the SELEP has in place the processes to ensure the proper administration of their financial affairs and that they are being properly administered; and
 - 8.3.2. That the SELEP's Local Assurance Framework is compliant with the minimum standards as outlined in the *National Local Growth Assurance Framework (2019)*.
- 8.4. This confirmation was provided to the Government, by the S151 Officer on the 26 February 2021.
- 8.5. The S151 Officer of the Accountable Body is required to ensure that their oversight of the proper administration of financial affairs within SELEP continues throughout the year.
- 8.6. In addition, the S151 Officer is required to provide an assurance statement to Government as part of the Annual Performance Review; this must include information about the main concerns and recommendations about the arrangements which need to be implemented in order to get the SELEP to be properly administered.
- 8.7. At present, no significant issues are arising with regards to the administration of the financial affairs of SELEP for 2021/22, however, a number of risks to the future financial position of SELEP are noted in this report and considered further in the Finance update (Agenda Item 19)

9. Financial Implications (Accountable Body comments)

- 9.1. The full allocation of the 2021/22 Core funding has now been received by the Accountable Body from Government. The second half of funding for £250,000 was received in December 2021. This has means that reserves will not need to be so heavily called upon to support the current year's budget 2021/22 and provides additional options for delivery moving into 2022/23 as reflected in the Finance update (Agenda Item 19).
- 9.2. The current level of reserves is sufficient to support the SELEP budget for 2021/22. The Accountable Body will continue to work closely with SELEP to assess the possible outcomes of the LEP review and to plan for mitigating action to ensure the SELEP cost base remains within available funding. Currently there remains no assurance from Government of grant funding in 2022/23.

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- 9.3. The uncertainties of the outcome of the LEP review and the on-going funding risks undermines future planning and is counter-intuitive to the expectations of Government within the National Assurance Framework for planning and prioritisation of investment.
- 9.4. Essex County Council, as the Accountable Body for the SELEP, is only able to meet funding commitments made by the SELEP, where it is in receipt of sufficient funding to do so and any spend is in line with the requirements of the Local Assurance Framework and any conditions associated with individual funding allocations.

10. Legal Implications (Accountable Body comments)

10.1. There are no significant legal implications arising out of this report

11. List of Appendices

- 11.1. Appendix A – Assurance Framework Updates
- 11.2. Appendix B – Assurance Framework Monitoring
- 11.3. Appendix C - Governance and Transparency KPIs
- 11.4. Appendix D – Extract from Risk Register

12. List of Background Papers

12.1. None

(Any request for any background papers listed here should be made to the person named at the front of the report who will be able to help with any enquiries)

Role	Date
Accountable Body sign off Stephanie Mitchener (On behalf of Nicole Wood, S151 Officer, Essex County Council)	03/02/2022

Changes to Local Assurance Framework

Current wording

K.5. There are two groups external to, but critical to SELEP's successful discharge of its duties and will therefore continue to be resourced. These are:

- K.5.1. the European Structural and Investment Fund (ESIF) sub-committee, administered by Ministry for Housing Communities and Local Government for the discharge of European funding in the SELEP area;
- K.5.2. the Thames Gateway Strategic Group, which incorporates South Essex, North Kent and East London, continues to meet to progress the delivery of Government policy objectives in the area and continues to benefit from special ministerial attention.

Proposed update

K.5. There are **three** groups external to, but critical to SELEP's successful discharge of its duties and will therefore continue to be resourced. These are:

- K.5.1. the European Structural and Investment Fund (ESIF) sub-committee, administered by Ministry for Housing Communities and Local Government for the discharge of European funding in the SELEP area;
- K.5.2. the Thames Gateway Strategic Group, which incorporates South Essex, North Kent and East London, continues to meet to progress the delivery of Government policy objectives in the area and continues to benefit from special ministerial attention.
- K.5.3. the Freeport East Board where SELEP has an important advisory role in the operation of the Freeport which aims to be a significant driver of growth, jobs, and innovation in the region. SELEP representation on the Freeport Board will ensure the strategic priorities of the partnership and wider needs of local businesses are represented and considered.**

Y. MANAGING PROJECT SLIPPAGE
Y.1. Capital Grant Programme
Y.1.1. Through effective management...

Y. MANAGING PROJECT SLIPPAGE
Y.1. LGF
Y.1.1. Through effective management...

Y.3. GBF
Y.3.1. Funding cannot slip beyond the stated end date of 31 March 2022 unless agreed by the Accountability Board. The risk of clawback will be passed by SELEP and the Accountable Body to the upper tier authorities via a Grant Agreement, the risk will not be borne by SELEP or the Accountable Body.
Y.3.2. In July 2021, the Accountability Board agreed that GBF funding could be retained against projects subject to certain criteria and conditions being satisfied. The agreed criteria and conditions were as follows:

- i. The maximum extension offered to a GBF project is 6 months, to 30 September 2022.**
- ii. Only projects which have been delayed by external factors which could not have been foreseen at the time of Business Case development can be considered for retention of GBF funding beyond 31 March 2022. External**

factors could relate to the impact of external agencies (i.e., Network Rail or Central Government departments) or failure of suppliers/contractors to deliver in accordance with an agreed programme.

- iii. Projects must demonstrate that they meet the following six conditions before the Board will be asked to consider approving retention of GBF funding beyond 31 March 2022:
- iv. Provision of a clear delivery plan with specific delivery milestones and completion date to be agreed by the Board;
- v. Confirmation that all funding sources identified to enable delivery of the Project are in place and provision of an updated GBF spend profile;
- vi. Written confirmation that all planning requirements will be met by 31 December 2021;
- vii. Confirmation that contractual commitments will be in place with the construction contractor by 31 January 2022;
- viii. Confirmation that the total project cost and the project benefits remain unchanged ensuring that the Project continues to offer High value for money;
- ix. Endorsement from Strategic Board that the funding should be retained against the Project beyond 31 March 2022.
- x. Any projects which receive approval from the Accountability Board to retain their GBF funding beyond 31 March 2022 will provide updates at each subsequent Accountability Board meeting to demonstrate that the project remains on track to meet the agreed extended GBF spend deadline.

Y.3.3. It was recommended to the Board in July 2021 that, should any projects not meet the criteria outlined at Y.3.2. seek an extension to GBF spend beyond 31 March 2022, the Accountability Board agree that the funding be reallocated to alternative projects on the GBF pipeline which can meet the conditions and criteria at Y.3.2.



SOUTH EAST
LOCAL ENTERPRISE
PARTNERSHIP

ASSURANCE FRAMEWORK MONITORING

Updated January 2022



ONGOING ACTIONS

INCORPORATION

Requirement	Status
Maintain the records at Companies House and fulfil all legal requirements	COMPLETE/ONGOING (supported by the Accountable Body)

BOARD COMPOSITION

Requirement	Status
To improve the gender balance and representation of those with protected characteristics on the Board.	COMPLETE/ONGOING

DECLARING INTERESTS

Requirement	Status
To publish all Registers of Interest on the SELEP website for all Strategic Board, Accountability Board and Federated Board members, with signatures redacted.	COMPLETE/ONGOING
Declarations of interest must be noted at the outset of each meeting.	COMPLETE/ONGOING
All members of the Strategic Board, Accountability Board and Federated Boards are required to complete a Register of Interests form.	COMPLETE/ONGOING
All senior members of staff or staff involved in advising on decisions must also have a valid register of interests, reviewed the same as for board members.	COMPLETE/ONGOING

CAPITAL PROJECTS

Requirement	Status
To use the SELEP Business Case Template for all strategic outline business cases.	COMPLETE/ONGOING
To inform the Accountability Board where there are concerns around a project, including presenting the Board with legal options around recovering funding	COMPLETE/ONGOING
Implementing the monitoring and evaluation of projects including reporting on delivery of outputs and outcomes against the delivery of the ESS/Recovery and Renewal Strategy	ONGOING

POLICIES AND PROCEDURES

Requirement	Status
For each Federated Board to apply the prioritisation process as approved by the Strategic Board.	COMPLETE/ONGOING
To have a delivery plan in place for the year.	COMPLETE/ONGOING
To create and maintain a log of SELEP engagement activities.	COMPLETE/ONGOING
To hold Annual General Meetings open to the public to attend	COMPLETE/ONGOING
To collaborate across boundaries, with other LEPs and the LEP network, and be open to peer review	COMPLETE/ONGOING
Review of Assurance Framework to be a standing item on the last Strategic Board meeting of each calendar year.	COMPLETE/ONGOING
To ensure that all policies are refreshed annually according to the requirements in the Assurance Framework.	COMPLETE/ONGOING

ACCOUNTABLE BODY

Requirement	Status
The Secretariat to extend invitations to the Section 151 Officer or representative for all board meetings.	COMPLETE/ONGOING
The Secretariat should ensure that Business Case Templates include a section for assurance from the Section 151 Officer of the promoting authority that the value for money statement is true and accurate.	COMPLETE/ONGOING
For the Section 151 officer or their representative to review and comment on all board papers in advance of publication	COMPLETE/ONGOING

PUBLISHING INFORMATION

Requirement	Status
To publish Strategic and Accountability Board papers to agreed timescales	COMPLETE/ONGOING
To publish the Local Assurance Framework on the website	COMPLETE
To create, maintain and publish a register of all board member expenses and hospitality costs.	COMPLETE/ONGOING
To publish the Gate 2 outline business case at least one month in advance of Accountability Board meetings.	COMPLETE/ONGOING
To publish the Gate 4 and 5 full business cases for relevant projects at least one month in advance of Accountability Board meetings.	COMPLETE/ONGOING
To publish information around the process for applying for funding on the SELEP website, as agreed by the Strategic Board.	COMPLETE/ONGOING
To publish on the SELEP website a rolling schedule of projects, outlining a brief description of the project, names of key recipients of funds/contracts and amounts of funding designated by year.	COMPLETE/ONGOING
To publish on the SELEP website the Terms of Reference, calendar of dates and papers of the Working Groups.	COMPLETE/ONGOING
To use Government and SELEP branding on all marketing.	COMPLETE/ONGOING
To publish all key decisions of the Strategic and Accountability Boards on the Forward Plan, SELEP website and upper tier authority websites.	COMPLETE/ONGOING

Appendix C - Governance Key Performance Indicators

Forward Plan of Decisions

Is the Forward Plan of Decisions, including any associated business cases, published at least 28 days in advance of the Accountability Board meeting?

Meeting date	Met (Y/N)?
15/05/20	Y
03/07/20	Y
18/09/20	Y
16/10/20	Y
20/11/20	Y
12/02/21	Y
12/03/21	Y
02/07/21	Y
10/09/21	Y
19/11/21	Y

Publication of Papers

Are all papers published on the SELEP website 5 clear working days in advance of the meeting?

Board	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?
Accountability Board	12/03/21	Y	02/07/21	Y	10/09/21	Y	19/11/21	Y
Strategic Board	19/03/21	Y	25/06/21	Y	01/10/21	N	10/12/21	Y
SE	02/08/21	N	27/09/21	N	01/11/21	N	06/12/21	N
KMEP	19/05/21	Y	22/07/21	Y	16/09/21	N	25/11/21	Y
OSE	19/05/21	N	15/09/21	N			01/12/21	N
TES	19/07/21	Y	27/09/21	Y	01/11/21	Y	06/12/21	Y

Draft Minutes

Are all draft minutes published within 10 clear working days following the meeting?

Board	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?
Accountability Board	12/03/21	Y	02/07/21	Y	10/09/21	Y	19/11/21	Y
Strategic Board	19/03/21	Y	25/06/21	Y	01/10/21	Y	10/12/21	Y
SE	02/08/21	N	27/09/21	N	01/11/21	N	06/12/21	N
KMEP	19/05/21	N	22/07/21	N	16/09/21	N	25/11/21	Y
OSE	19/05/21	N	15/09/21	N			01/12/21	N
TES	19/07/21	Y	27/09/21	Y	01/11/21	Y	6/12/21	Y

Final Minutes

Are final minutes published within 10 clear working days following approval?

Board	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?
Accountability Board	12/02/21	Y	12/03/21	Y	02/07/21	Y	10/09/21	Y
Strategic Board	29/01/21	Y	19/03/21	Y	25/06/21	Y	01/10/21	Y
SE	12/04/21	N	01/06/21	N	02/08/21	N	27/09/21	N
KMEP	04/03/21	N	19/05/21	N	22/07/21	N	16/09/21	N
OSE	10/03/21	N	19/05/21	N	15/09/21	N		
TES	15/03/21	Y	14/06/21	Y	19/07/21	Y	27/09/21	Y

Registers of Interest- Board Members

Are registers of interests in place for all board members?

Board	Percentage completed	Comments
Accountability Board	100%	In place for all Board members. There is a 28-day grace period for all new Board members (must be before attending a meeting).
Strategic Board	100%	As above
Investment Panel	100%	As above
SE	100%	As above
KMEP	100%	As above
OSE	100%	As above
TES	100%	As above

Registers of Interest - Officers

Are registers of interest in place for all officers?

Category	Percentage completed
SELEP Secretariat	100%
Accountable Body	100%
Federated Board Lead Officers	100%

Declarations of interests in meetings

Are all interests declared and recorded in the meetings as a standing item with a note of any actions taken?

Board	Met (Y/N)?
Accountability Board	Y
Strategic Board	Y
Investment Panel	Y
SE	Y
KMEP	Y
OSE	Y
TES	Y

Business Case Endorsement

Have all new and amended projects/business cases been endorsed by the respective Federated Board in advance of submission to any of the SELEP boards?

Board	Met (Y/N)?	Comments
LGF	Y	Through prioritisation process for LGF3b
GPF	Y	Through prioritisation process
SSF	Y	Applications are considered by Federated Boards in advance of being brought forward for Strategic Board endorsement.

Publication of Business Cases

Are all business cases published 1 month in advance of funding decisions at Accountability Board meetings?

Meeting date	Met (Y/N)?
15/05/20	Y
03/07/20	Y
18/09/20	Y
16/10/20	Y
20/11/20	Y
12/02/21	Y
12/03/21	Y
02/07/21	Y

Date	Percentage of female board members (excluding co-opted)
24/05/19	18%
05/08/19	21%
28/01/20	25%
16/04/20	35%
01/02/21	35%
10/06/21	35%
22/10/21	35%

Appendix D - Extract from Risk Register

South East LEP**Risk Register - medium and high risks only**

Ref	Risk Title and overview	Likelihood	Impact	Score	Rank	Description	Mitigation	Risk Owner	Dates/ Deadlines
Risks Related to the Team/Service Delivery									
9	Workload/Team wellbeing Risk	4	5	20	High	The Levelling Up White Paper has been further delayed, but action has been taken to reduce the team. Whilst this has impacted on the morale of the team, there is now a budget set for 2022/23 financial year. The implications of a reduced team has been communicated to the Board and workload planning for next year is on the basis of available resource. There has however been the loss of key members of staff due to the uncertainties facing LEPs and this flight risk will continue to be an issue until a robust confirmation of a future role is provided	Planning for 2022/23 is being made on the basis of the resource available and communications to Boards and key stakeholders are being made, setting out those activities that can no longer be managed. The CEO is working closely with the management team and Accountable Body to pick up the work previously undertaken by the COO	All Man Team	Ongoing
10	Recruitment and Retention of Board Members Risk	2	5	10	Med	The Chair, Deputy Chair and a number of private sector Board members are reaching the end of their 2 year term as the anniversary of the establishment of the company approaches. The Chair and Deputy Chair have both agreed to serve a further 12 month term, which is currently being considered by the Membership of SELEP Ltd via a Special Resolution. A number of other private sector Board members have indicated that they too would be willing to serve a further 12 months which means this risk has reduced in the near term, but the risk still exists for the period beyond March 2023	A clear steer from HMG on the role for LEPs in future would eliminate this risk. When the role for SELEP has been articulated a clear plan to retain current Board members or recruit new directors can be put into place. Should a clear steer not be available by the mid point of next financial year this risk will again become highly likely to occur	CEO	31/03/2023
34	COVID-19 - Secretariat Risk	3	4	12	Med	Risk that the operations and activities of the Secretariat are impacted by members of the team being unwell and unable to work. The current wave of the Omicron variant of COVID-19 has meant that this risk is elevated. It seems likely that further waves of variants could impact on staffing levels in future	Remote working for the Secretariat is continuing for the foreseeable future. Team members have been encouraged to get vaccinated. Management Team to consider business continuity issues on a regular basis and ensure that safeguards on priority activities are put into place as far as possible	All Man Team	Ongoing
35	COVID-19- Board Risk	3	4	12	Med	Risk that business cannot be conducted at Board meetings because insufficient Board Members are available to meet quorate requirements. Whilst Strategic Board can meet virtually and virtual meetings are now well established, Accountability Board must meet in person to be to take decisions. A hybrid approach has been set up but the quorum for Accountability Board is small as a result of the limited numbers of voting members. If Accountability Board voting members do have to self isolate, there is limited resilience on the quorum	The Secretariat will work with Accountability Board members and their supporting officers to identify potential deputies for the meetings and ensure that DoI etc are in place and up to date for short notice replacements.	CEO	Ongoing
47	Risk to service delivery from lack of engagement by stakeholders	3	4	12	Med	As a direct result of the delays to publication of the outcomes of the widely publicised LEP Review there has been an appreciable move away from the LEP by some key stakeholders. Whilst this is understandable given the uncertainties, if there is an ongoing role for LEPs then the rebuilding of relationships with stakeholders will be key to ensuring outcomes	Following the publication of the long awaited Levelling Up White Paper, the CEO will oversee a programme of re-engagement with stakeholders based on the agreed role for the SELEP	CEO	Ongoing

Risk Register - medium and high risks only

Ref	Risk Title and overview	Likelihood	Impact	Score	Rank	Description	Mitigation	Risk Owner	Dates/ Deadlines
Risks Related to Outcomes/Outputs of Programmes									
19	Non achievement of Outcomes/Outputs of the Capital Programme	3	4	12	Med	Given the impact of lockdown on the economy, there is now a risk that not all of the outcomes and outputs that were stated in the business cases for both GPF and LGF projects will be achieved. However the economy is recovering more strongly than originally thought. This recovery is not standard across all sectors so some projects may have more exposure than others but this will be managed within the normal risk management of the programme. This risk has been slightly elevated due to the lack of robust reporting on delivery of outcomes and outputs meaning that non-delivery may be occurring with no visibility	The capital programme continues to be closely monitored and the team work closely with delivery partners. The team is also providing regular updates to HMG. All known changes to GBF outcomes and outputs have been approved by CLGU. An exercise to rebase the outcomes of the programme will be undertaken this financial year. Further work on the robustness of monitoring and evaluation data is required during 2022/23. Quality of information provided from delivery organisations will need to improve	H Dyer	Ongoing
29	Uncertainty in application of LGF grant awarded to Hadlow College	5	4	20	High	£11m of LGF funding across 4 projects has been awarded to Hadlow College which entered into Education Administration in 2019. It is currently unclear whether the outputs and outcomes related to this funding will be delivered. Whilst the educational activities have resumed at the college, the grant agreements have not transferred to the new providers and therefore SELEP may be unable to recoup any monies that were not applied in line with the agreement. The Secretariat and the Accountable Body have responded to queries from the Education Administrators, BDO. There is a potential risk that monies weren't utilised in line with the grant agreement in place between the Accountable Body, on behalf of SELEP, and the college. If grant monies weren't correctly utilised, the outputs and outcomes in the business case will not be delivered or not delivered in full.	The Secretariat and the Accountable Body are in contact with BDO but the administration process is lengthy. Creditors have been raised with the administrators by the Accountable Body with respect to the investments made. We have made the MHCLG (LGF awarding body) aware of the position and responded to their queries in this respect. Consideration has been given, and an update provided to the Board, as to what protections can be put into place to prevent this situation occurring in future, recognising that any action needs to be proportionate and balance the risk against the resource impact.	CEO	Ongoing
40	Getting Building Fund Risk - programme delivery	4	3	12	Med	The original GBF programme required all funding to be spent by 31 March 2022 and all projects to be substantially delivered. Whilst a process has been agreed to allow projects come forward for limited extensions to project spend and delivery periods there are still tight deadlines to work to and there is a reputational risk should SELEP not be able to deliver the full programme. The likelihood of this risk occurring is increased by the delay to HMG providing the grant determination and the introduction of a time consuming change control process. However, HMG scrutiny of progress has decreased in recent months as their focus has shifted to new funding streams, not managed by LEPs	Programme slippage is being managed by both Accountability and Strategic Board. An agreed process has been introduced to manage delays to GBF projects, similar to that used by LGF. The Programme is being actively managed with funding being reallocated to other projects. Extensions to some projects has made	H Dyer	30/09/2022

Risk Register - medium and high risks only

Ref	Risk Title and overview	Likelihood	Impact	Score	Rank	Description	Mitigation	Risk Owner	Dates/ Deadlines
Risks Related to Funding/Financial Position									
12	GPF Project Repayments	4	3	12	Med	GPF projects are flagging where repayments are likely to be delayed and conversations with the Capital Programme Team are underway. All options are being explored and changes have been played through in planning and therefore the impact has reduced	Capital Programme Team are working with project leads to understand where projects are impacted. Future rounds of GPF allocations are currently held and assumptions about future repayments will be downgraded to take into account additional risks	H Dyer	Ongoing
15	Misadministration of grants	3	4	12	Med	Grants issued by HMG can potentially be clawed-back by HMG if SELEP cannot demonstrate that they have been used in line with the conditions and restrictions set at the time of award by the grant awarding body. Back to back agreements are in place but should HMG claw back we would be required to pay immediately whilst legal action to claw back from the recipient of the grant could take some time. The number and value of grants is decreasing so the likelihood of risk occurring has been reduced	Back to back agreements are in place and the Accountable Body provides advice on the correct application of grants by SELEP. A further review of the capital programme and assessment of application of grant funding was planned for 2020/21 but this has been put on hold due to social-distancing. Consideration will be given as to how oversight of the application of grants can be structured and in a virtual manner if necessary. Each Management Team member who has grant funded activity takes responsibility for ensuring that grant conditions are understood and met	All Man Team	Ongoing
38	Future viability of the operational budget	5	5	25	High	A balanced budget for 2022/23 has been set. However, the budget is entirely funded from reserves and this does not address the underlying issue. There will be no unallocated reserves available by March 2023 and at that point the Secretariat will have to be disbanded unless funding can be secured. Activities that are supported by specific funding are also at risk if these funding streams aren't confirmed in a timely manner, i.e. well in advance of the beginning of the next financial year, in particular no confirmation has yet been made on whether Growth Hub grants will be awarded in 2022/23	A further consultation with staff will be required early in the new financial year. It is hoped that by this time there will be greater clarity on the future of the LEPs, both nationally and regionally. This will then allow for a longer term resolution to the ongoing financial risks associated with the Secretariat. The risk of not receiving specific funding notifications late is being underwritten through deferred redundancies funded via the general budget and carried forward grant funding	CEO	Ongoing
43	LEP Review - insufficient future funding to support operations and/or interventions	5	5	25	High	HMG has made clear that, at least in the short term, no further capital investment monies will be awarded to LEPs. This will severely impact not only our ability to deliver interventions as set out in our Recovery and Renewal Plan but also will restrict the level of influence we can have in the region. This also further restricts our ability to support the operations of the Secretariat as no interest can be earned and there is no opportunity to charge administration fees for the management of capital schemes. The LEP Review includes a workstream on future funding but for operations and activities to continue at the current level, an increase of government funding would be required, this now seems unlikely given the changes in Core Funding to LEPs in 2021/22. HMG could require LEPs to be funded locally, which is not a workable model for SELEP	The Chair of SELEP is leading the LEP Review working group for funding and is clear on the requirement for governmental support. Discussions with Catalyst South have confirmed this is the case across the wider region and is likely to be true for the entire LEP community. The Chair and senior members of the Secretariat will continue to work with the LEP Network to lobby for more funding and clarity on funding for 2021/22	CEO	31/03/2023

Risk Register - medium and high risks only

Ref	Risk Title and overview	Likelihood	Impact	Score	Rank	Description	Mitigation	Risk Owner	Dates/ Deadlines
Risks Related to Service Design and Reputation									
42	LEP Review - HMG future model not workable in SELEP Region or not aligned to assumptions on next year's resourcing plan	5	5	25	High	Following the announcement of a further LEP Review, the Chair, CEO and COO have been working with the LEP Network and representatives of other LEPs to feed into the process. There is a risk that HMG wants to move to a standardised model that won't work for the SELEP region, be that geographically or functionally. If there isn't local buy-in for what is required by HMG, the revised LEP will not be able to deliver against their expectations. Delays to the LEP Review increase the likelihood of this risk as other partners start to operate in the gap left by the uncertainty. To address the ongoing high financial risk to the operational budget in next financial year changes to the team have had to be implemented ahead of confirmation on the future role for LEPs. There is a risk that the assumptions made won't align with HMG's requirements and the team will not have the specialist resource required to fulfil expectations	The Chair and senior members of the Secretariat are working closely with the LEP Network and will be flagging where proposals are not workable/acceptable. This includes making the case for our current geography. The impact of delays is being made clear to the LEP Network and HMG Officials. Officials have been updated on the changes to the team but there continues to be a lack of joint working across differing government departments. Potential impacts on the work related to other departments have also been raised with officials in the respective departments	CEO	31/03/2023
46	Risk of damage to SELEP reputation from delays or non-delivery of projects or perception thereof	3	4	12	Med	There has been an increasing number of requests for information and assurances concerning a number of projects being or having been delivered in East Sussex. Whilst internal reviews have found that SELEP policies and procedures have been complied with in regard to these projects; there is a risk that the reputation of the LEP will be impacted if continued requests are received against a background of perceived lack of transparency.	Responses to requests for information and public questions will continue to be answered fully and in compliance with statutory and internal policy. Linking to risk 19, improvements to the quality of output and outcome data reporting are required and will be worked on during 2022/23. Most importantly, compliance with the National Assurance Framework, Local Assurance Framework, local policy and other applicable regulations must continue, not just by SELEP but by all delivery partners. All delivery partners and third party recipients of funding will be referred to their contractual obligations in responding to requests for information in a timely, open and transparent manner. SELEP and the Accountable Body will take action where it can be evidenced that requirements of the SLA are not being met	CEO	Ongoing