



SOUTH EAST  
LOCAL ENTERPRISE  
PARTNERSHIP

# STRATEGIC BOARD AGENDA PACK

**Friday 25<sup>th</sup> June 2021**  
**Zoom Video Conference**



## Agenda

Item 1	10:00	<b>Welcome</b>	Chris Brodie	
Item 2	10:05	<b>Minutes from 29 January meeting</b> <b>Declarations of Interest</b> <b>Matters arising:</b> <b>Confirmation of APR rating and Internal Audit Outcome</b> <b>Update on Skills for Jobs white paper</b>	Chris Brodie and Adam Bryan	Pg. 3
Item 3	10:10	<b>Appointment of Directors and Diversity Champion</b> <b>Resolution:</b> <i>to appoint two new permanent Directors</i> <b>Decision:</b> <i>to appoint a Diversity Champion</i>	Suzanne Bennett	Pg. 7
Item 4	10:20	<b>Making better use of the River Thames</b> <i>Presentation by the Port of London Authority</i>	Alastair Gale, Director of Corporate Affairs. Port of London Authority	Pg. 10
Item 5	10:50	<b>Recovery and Renewal Update</b> <i>Update on SELEP Economy and delivery planning for Recovery and Renewal Strategy</i>	Helen Russell/Sharon Spicer	Pg. 11
Item 6	11:00	<b>LEP Review Update</b> <i>Update on latest position regarding the LEP Review by the Chair and CEO</i>	Chris Brodie and Adam Bryan	Pg. 13
Item 7	11:15	<b>Chair Recruitment and Board Effectiveness</b> <b>Decision:</b> <i>how to approach Chair Recruitment given LEP Review uncertainty and information on the launch of a Board Effectiveness Survey</i>	Suzanne Bennett	Pg. 16
Item 8	11:25	<b>Growth Hub Update</b> <i>Update on Growth Hub activity for 2021/22 and preliminary findings from Review</i>	Jo Simmons	Pg. 20
Item 9	11:35	<b>Freeport East</b> <i>Decision on representation on Freeport East Board</i>	Adam Bryan	Pg. 24
Item 10	11:45	<b>Sector Support Fund Update (including Accelerating Climate-Based Solutions Presentation/Q&amp;A)</b> <i>Decision on extension to delivery timetable for one project.</i> <i>Update on SSF projects with presentation and Q&amp;A on Accelerating Climate-Based Solutions Project</i>	Adam Bryan and Andy Arnold, Environment Team Manager. East Sussex County Council	Pg. 28
	11:55	<b>AOB &amp; Close</b>		

### For information item:

Delivery Plan Update

Covid-19 Recovery Funds Update

### Future Strategic Board meeting dates:

1 October, 10 December, 18 March 2022

## Minutes of Strategic Board: 19 March 2021

### Attendees

Chris Brodie	Chair
Sarah Dance	Deputy Chair
Adam Bryan	CEO
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 Roger Gough	Kent County Council
Cllr Ron Woodley	Southend Borough Council
Cllr Rupert Simmons	East Sussex County Council
Geoff Miles	Kent and Medway Economic Partnership
Graham Peters	Team East Sussex
Jo James	Kent and Medway Economic Partnership
Liz Gibney	Kent and Medway Economic Partnership
Matthew Arnold	Kent and Medway Economic Partnership
Miles Adcock	Success Essex
Prof Karen Cox	Higher Education Representative
Cllr Rodney Chambers	Medway Council
Perry Glading	Opportunity South Essex
Cllr Rob Gledhill	Thurrock Council
Penny Shimmin	Social Enterprise Representative

Apologies: Chris Brodie (for the first part of the meeting), Cllr Glazier (Cllr Simmons attended as substitute), Aideen Sadler

### Other attendees:

Alex Riley	SELEP Secretariat	Katharine Conroy	Kent County Council
Amy Bernardo	Essex County Council	Katherine Wyatt	SELEP Secretariat
Amy Ferraro	SELEP Secretariat	Kazadi Mwamba	Essex County Council
Carole Barron	University of Kent	Lorna Norris	Essex County Council
Charlotte Moody	Essex County Council	Louise Aitken	SELEP Secretariat
Christopher Seamark	Kent County Council	Louise Zandstra	Charleston Trust
Dave Evans	East Sussex County Council	Nathaniel Hepburn	Charleston Trust
David Smith	Kent County Council	Paul Chapman	Essex County Council
Eleanor Clow	SELEP Secretariat	Peter Shakespear	Essex County Council
Emma Lindsell	Southend Borough Council	Rhiannon Mort	SELEP Secretariat
Eve Calderbank	Essex County Council	Richard Dawson	East Sussex County Council
Gerard McCleave	Thurrock Council	Richard Longman	Thames Gateway Kent Partnership
Helen Dyer	SELEP Secretariat	Robert Willis	Essex County Council
Howard Davies	SELEP Secretariat	Sarah Nurden	Kent County Council
Iain McNab	Cities and Local Growth Unit	Sharon Spicer	SELEP Secretariat

Ian Lewis	Opportunity South Essex	Stephen Taylor	Thurrock Council
Iwona Bainbridge	SELEP Secretariat	Suzanne Bennett	SELEP Secretariat
James Harris	East Sussex County Council	Sylvana Jones	Kent County Council
Jo Simmons	SELEP Secretariat	Tristan Smith	Essex County Council
Joanne Cable	Medway Council	Victoria Conheady	Hastings Borough Council

*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. Sarah Dance welcomed the Board to the virtual meeting.

**Item 2: Minutes of last meeting, declarations of interest, matters arising (1'36" timestamp on video)**

2.1. The Board agreed the minutes of the last meeting.

2.2. Sarah Dance extended her congratulations for the two successful Freeport bids in the SELEP area.

2.3. The following interests were declared:

- i) Karen Cox declared an interest in Item 6 as the Docking Station, which the University of Kent is involved with, is on the project pipeline list.
- ii) Cllrs Finch and Butland both declared an interest in Essex County Council relating to Item 12 (declared at the beginning of Item 12).

2.4. Adam Bryan gave the Board an update regarding the new LEP Review.

2.5. Perry Glading reported the sad news of the passing on the 11<sup>th</sup> of March of David Marchant, the Chief Executive Office of Castle Point Borough Council; the Board expressed their sympathy to his family and friends.

**Item 3: Appointment of Directors and Confirmation Statement- Part 1 (22'38")**

3.1. This item has been split and will be continued at the end of the meeting.

3.2. Suzanne Bennett presented to the Board.

3.3. The Board resolved that Cllr Ron Woodley would be appointed as a permanent Director of South East LEP Ltd. Cllr Ron Woodley joined the meeting following this decision.

3.4. The Board approved the filing of the Confirmation Statement to the Registrar of Companies House.

3.5. The Board noted the resignation of Cllr Ian Gilbert.

**Item 4: Recovery and Renewal Strategy (26'26")**

4.1. Sharon Spicer presented to the Board.

4.2. The Board agreed to adopt the SELEP Economic Recovery and Renewal Strategy as the overarching strategy for SELEP. This strategy supersedes the existing Economic Strategy Statement, sets the LEP's strategic direction and focus and will be used as the basis for all future prioritisations of funding allocations.

4.3. The Board agreed, in addition to the recommendation stated in the report, that this Strategy will also support bids and proposals made by Local Authorities across the SELEP where they are promoting projects or funding sources aligned with the Strategy.

**Item 5: South East LEP Skills Report (39'55")**

- 5.1. Sarah Dance recognised the excellent work of Louise Aitken and the Skills Advisory Panel.
- 5.2. Louise Aitken presented to the Board.
- 5.3. The Board noted the update on the Skills activities of the LEP and progress against the Skills Strategy.
- 5.4. The Board approved the SELEP SAP Skills Report for submission to the Department for Education (DfE) by the 31<sup>st</sup> March 2021 deadline.

**Item 6: Getting Building Fund Pipeline Decision (58'48")**

- 6.1. Rhiannon Mort presented to the Board.
- 6.2. The Board agreed the prioritised Getting Building Fund (GBF) project pipeline.

**Item 7: LGF Update and Spend Beyond the Growth Deal Period (1h09'40")**

- 7.1. Rhiannon Mort presented to the Board.
- 7.2. The Board agreed to LGF spend beyond 30 September 2021 for the following two projects:
  - i) Grays South, Thurrock
  - ii) Colchester Grow on Space, Essex
- 7.3. The Board noted the cancellation of the Basildon Innovation Warehouse Project from the LGF programme.

**Item 8: SSF Endorsements (1h19'29")**

- 8.1. Chris Brodie joined and chaired the meeting from this item.
- 8.2. Adam Bryan presented to the Board.
- 8.3. The Board endorsed investment in the Accelerating Nature-Based Climate Solutions (£135,000) Project, on the basis that the questions posed by Opportunity South Essex are answered.

**Item 9: Delivery Plan and Update (1h25'48")**

- 9.1. Suzanne Bennett presented to the Board.
- 9.2. The Board agreed to adopt the Delivery Plan 2021/22 for the forthcoming financial year.

**Item 10: SLA with Accountable Body (1h32'48)**

- 10.1. Suzanne Bennett presented to the Board.
- 10.2. The Board agreed to enter into the Service Level Agreement with Essex County Council for the provision of the Accountable Body services.

**Item 11: Appointment of Directors and Confirmation Statement- Part 2 (1h36'00")**

- 11.1. This item is a continuation of Item 3.
- 11.2. Board members nominated for co-opted positions stepped out of the meeting for the following decisions.
- 11.3. The Board resolved that Cllr Trevor Bartlett will be appointed as a Director of South East LEP Ltd for the period of 12 months from 1 April 2021.
- 11.4. Graham Peters expressed the importance of port representation in Essex and the expectation that East Sussex will have a position for 2022-23.

- 11.5. The Board resolved that Cllr Graham Butland will continue as a Director of South East LEP Ltd for another 12 months from 1 April 2021.
- 11.6. The Board resolved that Professor Karen Cox will continue as a Director of South East LEP Ltd for another 12 months from 1 April 2021.
- 11.7. The Board resolved that Angela O'Donoghue will continue as a Director of South East LEP Ltd for another 12 months from 1 April 2021.
- 11.8. The Board resolved that Penny Shimmin will continue as a Director of South East LEP Ltd for another 12 months from 1 April 2021.
- 11.9. Board members nominated for co-opted positions rejoined the meeting.

**Item 12: AOB and Close (1h47'52")**

- 12.1. Chris Brodie expressed thanks to both Cllr Finch and Cllr David Monk for their contributions to the SELEP, due to Cllr Finch not standing for re-election this year and Cllr Monk stepping down as the co-opted member for Kent.
- 12.2. Chris Brodie recognised Rhiannon Mort who is moving on to a new role, and the Board gave thanks for her work and professionalism managing the Capital Programme.
- 12.3. Chris Brodie gave an update from the LEP Review meeting he attended earlier in the day.
- 12.4. Chris Brodie closed the meeting.

## Item 3: Appointment of Directors and Diversity Champion

### Executive Summary

#### 1. Overview

- 1.1. South East LEP Ltd was registered with Companies House on 28 February 2020 and in line with the Articles of Association adopted at that time, it is necessary for the South East LEP Ltd Board of Directors to appoint new Directors via resolution and register them with Companies House.
- 1.2. Following Councillor David Finch's decision to not stand in the recent local elections, he was no longer eligible to be a Director of South East LEP Ltd which has created a vacancy on the Board. The selection of a Director for that seat lies with Essex County Council and they have informed the Secretariat that Councillor Kevin Bentley has been nominated to be their Public Sector Director. This nomination complies with the requirements of the Articles of Association.
- 1.3. Due to a change in responsibilities within the Cabinet, Thurrock Council's current Public Sector Director, Councillor Rob Gledhill, has resigned as a Director of the South East LEP Ltd. Councillor Mark Coxshall has been nominated by Thurrock Council to fill this vacancy.
- 1.4. The Chair and Deputy continue to show strong leadership on the diversity agenda and on that basis the Chair has requested that the Deputy Chair be appointed as the Diversity Champion for SELEP.

#### 2. Decisions: Board is recommended to:

- 2.1. Resolve to appoint Councillor Kevin Bentley as a permanent Director of the South East LEP Ltd.
- 2.2. Resolve to appoint Councillor Mark Coxshall as a permanent Director of the South East LEP Ltd.
- 2.3. Agree to appoint Sarah Dance as the SELEP Diversity Champion for a period of 12 months.
- 2.4. Agree to form a Diversity Working Group, Chaired by the Diversity Champion.
- 2.5. Note that Councillor David Finch was no longer eligible to be a Director of the South East LEP Ltd as of 10 May 2021, and so has been removed from South East LEP Ltd records at Companies House.
- 2.6. Note Councillor Rob Gledhill's resignation from the Board.

#### 3. Rationale for Decisions

- 3.1. The Articles of Association state that each of the six county/unitary authorities will be represented on the South East LEP Ltd Strategic Board (the Board). Councillor David Finch is no longer eligible and Councillor Gledhill has resigned from the Board, and therefore new Directors must be appointed to fill these vacancies.
- 3.2. Included in the workplan for this year is the production of a Diversity Plan to increase both the representation on the Board and a wider engagement in this agenda across all of the partnership's activities. Appointing the Deputy Chair to act as the Diversity Champion will ensure strong leadership as the plan is developed. Other Board members have expressed support for this important agenda and it is proposed that a working group of Board members is set up to support the Diversity Champion.

## Further Information

### **4. Decision 1: Resolve to appoint Councillor Kevin Bentley as a permanent Director of the South East LEP Ltd**

- 4.1. It was agreed at the October 2019 meeting that each county/unitary authority will have one permanent Director on the South East LEP Ltd Strategic Board. There is currently a vacancy on the Board for Essex County Council.
- 4.2. Councillor Kevin Bentley has been confirmed as the new Leader of Essex County Council. Essex County Council have confirmed that they nominate Councillor Bentley to be the representative on the South East LEP Ltd Strategic Board.

### **5. Decision 2: Resolve to appoint Councillor Mark Coxshall as a permanent Director of the South East LEP Ltd**

- 5.1. It was agreed at the October 2019 meeting that each county/unitary authority will have one permanent Director on the South East LEP Ltd Strategic Board. There is currently a vacancy on the Board for Thurrock Council.
- 5.2. Thurrock Council have confirmed that they nominate Councillor Coxshall to be the representative on the South East LEP Ltd Strategic Board.

### **6. Decisions 3 and 4: Agree to appoint Sarah Dance as the SELEP Diversity Champion and form a Diversity Working Group.**

- 6.1. As set out above, the Chair has been clear in his expectations regarding the diversity agenda and the appointment of the Deputy Chair as the Diversity Champion would ensure that this work is pushed forward, despite the uncertainties of SELEP future state.
- 6.2. The Diversity Champion is an informal role and has no specified responsibilities.
- 6.3. A number of other Board members have expressed an interest in this area of work and have invaluable experience that can be shared. It is therefore proposed that those board members become an informal working group that supports the Diversity Champion.
- 6.4. A key role for the Champion and the working group will be to provide leadership and challenge on the production of a Diversity Plan which is due to be developed by the Secretariat over quarters 1 and 2 this year.
- 6.5. This will ensure that the principles set out in the Plan will be enshrined in the construction of the new LEP model and operating procedures.
- 6.6. The Diversity Plan will set out how the Board will take responsibility for ensuring diversity, including the ongoing role of the Diversity Champion.

### **7. Next Steps**

- 7.1. Councillor Kevin Bentley and Councillor Mark Coxshall will be registered as Directors of the South East LEP Ltd at Companies House. Councillor Bentley and Councillor Coxshall will be able to join the meeting after this decision is taken.
- 7.2. Strategic Board members that are interested in becoming a member of the working group should email [hello@southeastlep.com](mailto:hello@southeastlep.com) to express their interest by 16 July 2021.



## **8. Comments from the Accountable Body**

- 8.1. The recommendations are appropriate and are in line with the Assurance Framework.
- 8.2. The Company will comply with company law requirements in filing the relevant information at Companies House in order to give effect to the recommendations set out in this report. Appointment of directors will be notified to Companies House within 14 days of appointment.

## **9. Appendices, Supporting Documents and Previous Decisions**

- 9.1. Please contact [Suzanne.bennett@southeastlep.com](mailto:Suzanne.bennett@southeastlep.com) for further details.

## Item 4: Making Better Use of the River Thames

### Executive Summary

#### 1. Overview

- 1.1. This agenda item is intended to update the Board on the work around maximising the River Thames as an economic asset and to consider the plans of the Port of London Authority, ahead of upcoming engagement with Thames Estuary Growth Board.

#### 2. Summary of update:

- 2.1. The Port of London Authority have agreed to update the SELEP Board on their view on the current and future use of the Thames as an economic asset at a time when a number of interventions relevant to the river are being planned – whether this relates to the London Resort proposals, the establishment of the Thames Freeport or the wider work of the Thames Estuary Growth Board and the plans articulated in their Action Plan ‘The Green Blue’.

#### 3. Rationale for update

- 3.1. Given the changing focus for SELEP instigated by the LEP Review, we anticipate that a closer working relationship with Thames Estuary Growth Board and other partners in the Estuary will be important as we determine where the LEP can add most value by working in tandem with them.
- 3.2. The Growth Board’s Action Plan highlights the importance of better utilisation of the river. To support a better understanding across Board members for these upcoming conversations, we consider that some background from the Port of London Authority (PLA) is both timely and essential.
- 3.3. Alistair Gale, Director of Corporate Affairs at the Port of London Authority will look at its growth prospects and the challenges and opportunities ahead. He will consider all the impacts of Brexit, aspirations around achieving Net Zero and will talk about the open consultation on the refresh to the PLA’s Thames Vision document; a refresh that will more closely align the work of the PLA with the Thames Estuary’s Green Blue Action Plan. It will be important for SELEP Directors to take good account of the alignment of organisations across the Estuary as we step into our post-LEP Review role.

#### 4. Comments from the Accountable Body

- 4.1. The Accountable Body has no further comments to add to the report.

#### 5. Appendices, Supporting Documents and Previous Decisions

- 5.1. For more information contact [adam.bryan@southeastlep.com](mailto:adam.bryan@southeastlep.com)

## Item 5: Recovery and Renewal Strategy Update

### Executive Summary

#### 1. Overview

- 1.1. The Strategic Board (the Board) endorsed the new SELEP Economic Recovery and Renewal Strategy (the Strategy) in March 2021. This report provides a summary of the activities that have been progressed since that Board meeting.

#### 2. Summary of update:

- 2.1. An executive summary of the Strategy has recently been published on the SELEP website and circulated to partners, this can be seen at Appendix A.
- 2.2. Delivery plans and activities are being developed to support the priorities and objectives set out within the Strategy. This update includes information on potential performance indicators and the proposed approach to monitoring progress against the strategy.

#### 3. Rationale for update

- 3.1. Delivery plans for the Strategy will continue to evolve throughout 2021 in response to ongoing economic intelligence regarding the impacts on the SELEP economy as well as the LEP review, wider policy and funding developments. This and subsequent updates will keep the Board apprised of the development of these plans throughout 2021/22.

### Further Information

#### 4. Update 1: Publication of Strategy

- 4.1. The full strategy document was published on the SELEP website following endorsement. It will continue to support decision-making and to inform and influence Government and stakeholders regarding the most critical issues within the SELEP economy. Efforts have subsequently been focused on communications, ongoing engagement with partners across SELEP and the development of delivery planning.
- 4.2. The production of an executive summary (Appendix A) will increase the reach and accessibility for a wider business audience. This summary was published alongside a press release and supporting video on 6 May 2021, circulated in the SELEP Newsletter and shared on social media and with stakeholders. It is available alongside the full strategy [on the SELEP website](#).
- 4.3. Further communications will take place throughout the year to provide more details on each of the specific strategic priorities and areas of focus.

#### 5. Update 2: Economic Intelligence

- 5.1. Economic intelligence relating to COVID-19 is monitored and published [on the SELEP website](#). The data is regularly reviewed alongside wider economic performance indicators and work is underway to identify appropriate indicators and measures to support our ongoing implementation and monitoring of the Strategy.
- 5.2. A verbal update on key headline data will be provided to the Board at the meeting.

## **6. Update 3: Delivery Planning**

- 6.1. Delivery planning of the Strategy is concentrated initially on identifying areas of focus which can be progressed in the short-term with existing resources and support from SELEP partners and stakeholders.
- 6.2. The delivery plans will be structured around the four strategic priorities recognising that there will be cross-over between these priorities as well as between the objectives and guiding principles set out in the strategy.
- 6.3. The plans will include work that is already planned or underway, as well as identifying gaps and areas where new activity or focus is required to effectively deliver against the strategic priorities and objectives and potential opportunities and/or the resources required to progress these. This will include working with our existing SELEP partners and working groups to support initiatives that will directly contribute to the delivery of the Strategy.
- 6.4. The delivery plans will continue to evolve throughout 2021 as further details emerge regarding the LEP review and wider policy and funding developments. However, plans will include initial metrics and timelines to enable the Board to monitor progress against the strategy.

## **7. Next Steps**

- 7.1. Further updates on the Strategy delivery plans, progress against key activities and performance monitoring reports will be provided at future Board meetings during 2021.

## **8. Comments from the Accountable Body**

- 8.1. 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 (replacing the ESS), will be subject to receipt of additional funding from Government to support this work. At this time this funding is not confirmed.
- 8.2. The Recovery and Renewal Strategy references the Getting Building Fund (GBF) to deliver many key capital projects by March 2022. The second tranche of GBF funding is confirmed and the funding has now been received. The funding is conditional on the outcome of the Annual Performance Review, the outcome of which is Met, which is the highest possible outcome to achieve from a binary Met/Not Met assessment.

## **9. Appendices, Supporting Documents and Previous Decisions**

- 9.1. Appendix A – Economic Recovery and Renewal Strategy: Executive Summary
- 9.2. For more information please contact: [Sharon.spicer@southeastlep.com](mailto:Sharon.spicer@southeastlep.com) or [helen.russell@southeastlep.com](mailto:helen.russell@southeastlep.com)

## Item 6: LEP Review Update

### Executive Summary

#### 1. Overview

- 1.1. In March 2021 HM Government (HMG) announced that a review would be undertaken to develop the future role of Local Enterprise Partnerships (LEPs). This review, the LEP Review or the Review, is beginning from a position that this is an evolution of LEPs to ensure that their forms and functions support recovery, productivity, growth and business resilience.
- 1.2. The Review is to be conducted in a collaborative manner, and officials have been working closely with the LEP Network and representatives of LEPs across the country.
- 1.3. This report will provide a summary of information as known at time of publication and the Chair will provide the latest position via a verbal update at the Board meeting.

#### 2. Summary of update:

- 2.1. An update was provided to the Directors of SELEP Ltd on 6 May and this can be found at Appendix A. The summary position and an assessment of the risks the Review creates can be found below.
- 2.2. The Chair will provide a full verbal update at the Board meeting and Board members will have the opportunity to discuss what the implications for SELEP may be. However, it should be noted that it is highly unlikely that any formal recommendations will be available to share by the date of the Board meeting as the current working deadline for recommendations is the rise of Parliament for summer recess (22 July).
- 2.3. Details of the recommendations will be shared with the Board members when they are received in the summer and implications for SELEP will be discussed at the next Board meeting on 1 October or at an earlier extraordinary meeting if calling such is considered necessary by the Chair.

#### 3. Rationale for update

- 3.1. It is important that Board members are kept abreast of the developing Review, as the changes set out thus far are likely to have a fundamental impact on the partnership, both in form and function.
- 3.2. This report also highlights some of the risks of the Review as assessed by the Secretariat.

## Further Information

### 4. Update 1: Summarised update and risks

- 4.1. The update shared with Board members can be found at Appendix A. The update includes information on the Terms of Reference that has been agreed with LEP Network, information on working groups and engagement with stakeholders, and current timelines for the Review.
- 4.2. As stated in the update, the Chair of SELEP is leading one working group and the Chief Operating Officer is a member of a second working group. The working groups have many interdependencies and it is expected that they will need to work closely in the period up to the production of recommendations in July.
- 4.3. At time of writing there is little more information than what is set out in Appendix A. There have been some delays to working groups meetings, but it is currently unknown why these delays have occurred and whether they will impact on the deadline for recommendations.
- 4.4. An assessment of the risks and the mitigations against those risks, where possible, are set out in Table 1 below.

**Table 1**

<b>Risk Description</b>	<b>Mitigations</b>
That a standardised model for the whole of England will be introduced that doesn't work for the SELEP region	The Chair as a director of the LEP Network has a strong position to make clear where proposals will not be acceptable/workable
That the geographical remits for LEPs are changed (most likely through much larger sub-national geographies), therefore superseding SELEP	The Chair and CEO working with key stakeholders and partners to make the case for our current geography
That the ongoing funding from HMG is not sufficient to support the delivery of the functions devised for LEPs	The Chair is leading the Funding working group and is clear on the levels of funding required. All other options of funding outside of direct HMG grant are being explored by SELEP and Catalyst South but the consensus is that there is limited opportunity
That timelines for implementation are unrealistic. This risk has increased as there have been delays to the original timelines., The levels of reserves will be much reduced by the end of the financial year and the current cost base cannot be supported into 2022/23. On this basis we may be forced to take action to reduce the cost base before recommendations are published if delays continue.	Continued pressure on officials from SELEP, in partnership with Catalyst South and with the LEP Network. Clear articulation of lead times needed to reduce cost bases and the impact of delays.



<p>That the ongoing uncertainty means that key members of the Secretariat and/or the Board chose to leave/step down, threatening the delivery of this year’s plans.</p> <p>Additionally, engagement with the wider set of stakeholders is at risk when a definitive model for the future can’t be given. It will take time and resource to rebuild these relationships</p>	<p>The CEO and COO are working to support the team wherever possible and they are supported by the Chair and Deputy Chair in this.</p> <p>The introduction of the SELEP Ambassadors communication approach will ensure that the wider stakeholder group is aware of the ongoing delivery that continues at pace, with the intention of continuing engagement.</p>
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- 4.5. These risks are being managed by the CEO and the COO, working closely with the Chair and Deputy Chair. They have been added to the risk register and will be reported on throughout the year. It is likely that there are further risks, but these cannot be quantified until further details on future state are available.

## 5. Update 2: Verbal Update

- 5.1. The Chair will provide a verbal update giving the latest position of the Review at the Board meeting. The meeting will be recorded, and the video recording will be available via the SELEP website for Board members and other interested parties who are unable to attend.

## 6. Next Steps

- 6.1. When recommendations are published they will be shared with the Board. Should the Chair wish an extraordinary meeting of the Board will be held following the publication of recommendations, otherwise the implications for SELEP will be considered at the next scheduled meeting on 1 October.
- 6.2. Any other major developments ahead of publication of recommendations will also be shared with the Board via email.

## 7. Comments from the Accountable Body

- 7.1. 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 additional grant funding beyond 2021/22.

## 8. Appendices, Supporting Documents and Previous Decisions

- 8.1. Appendix A – LEP Review 2021: Update to SELEP Ltd Board Directors (dated 6 May 2021)
- 8.2. For more information please [adam.bryan@southeastlep.com](mailto:adam.bryan@southeastlep.com)

## Item 7: Chair Recruitment and Board Effectiveness

### Executive Summary

#### 1. Overview

- 1.1. The purpose of this report is to recommend a proposed approach to replacing the current Chair when his term finishes in March 2022.
- 1.2. The report also provides information to the Strategic Board (the Board) on the launch of a Board Effectiveness survey and how the findings will be taken forward.

#### 2. Decisions: Board is recommended to:

- 2.1. **Agree** in principle to appoint the current Deputy Chair as Interim Chair for a period of 12 months, starting on 22 March 2022, immediately after the end of the current Chair's tenure, following the implementation of the required changes to the Assurance Framework.
- 2.2. **Agree** to the proposed changes to the Board Recruitment Policy as below and highlighted in Appendix A on page 4, at paragraphs 5.12-13:
  - 2.2.1. Insert 2 new paragraphs following paragraph 5.11 stating the following:
    - In exceptional circumstances (including, but not restricted to, an unexpected vacancy of the Chair role or where the circumstances are likely to prevent the successful appointment of a Chair via open process) the Board can choose to appoint one of its permanent Directors as Interim Chair for a period that will not exceed 12 months. The term of Interim Chair cannot be extended beyond 12 months, and an open recruitment process will be required to replace the Interim Chair at the end of their appointed term. The Interim Chair will be free to apply for the permanent position if they so wish.
    - The period of acting Interim Chair will be included in any assessment of the length of time served on the Board, e.g. they will not be able to extend their own continuous service beyond six years. The Interim Chair appointed must be private sector member of the Board and cannot be a serving member of a Federated Board whilst acting as Interim Chair.

#### 3. Rationale for Decisions

- 3.1. The current Chair's term ends on 21 March 2022. This is his third term, following two reappointments, one in 2018 and one in 2020. Therefore, he will have served a total of six years. There is a term limit set out in the Assurance Framework of six years for the Chair and Deputy Chair.
- 3.2. The original intention had been to run an open recruitment during this financial year to appoint a new Chair in March 2022, but the uncertainties created by the LEP Review mean that this timeline is no longer possible. It is still unclear what the remit and scope of LEPs will be post LEP Review. Without this information it is not possible to construct a robust job profile. For example, we do not know if specific knowledge in a particular activity such as business support might be desirable. This uncertainty is also likely to impact on the size and calibre of the pool candidates for the role.



- 3.3. Given the extraordinary circumstances it is proposed that an interim Chair be appointed for a period of 12 months, covering financial year 2022/23 and a permanent Chair be appointed in March 2023. To ensure continuity and eliminate any 'learning curve' for the Interim Chair it is proposed that the Deputy Chair act as Interim during this period.
- 3.4. This will require changes to our Assurance Framework and the Board Recruitment Policy. Changes to the Assurance Framework are required to be consulted on with Accountability Board ahead of a decision in accordance with our Framework Agreement.
- 3.5. Should the current Deputy Chair be appointed as Interim Chair, then a new Deputy will need to be appointed as per the Articles of Association. A process for that will be presented at October 2021 Board.

## Further Information

### **4. Decision 1: Agree in principle to appoint the Deputy Chair as Interim Chair for a period of 12 months beginning 22 March 2022.**

- 4.1. As set out above, the current Chair's term ends in March 2022 and a new Chair must be appointed. The uncertainties of the LEP Review and the potential impact on SELEP make appointing a new Chair on this timeline very difficult. There is very little information as to the form or functions of LEPs generally and the final model of a revised SELEP is likely to be known too late to run an open and successful recruitment campaign.
- 4.2. Given this it is proposed that the Board might want to consider appointing the current Deputy to act as Interim Chair over the 12 months starting from March 2022, allowing for a process to recruit a permanent Chair during that period. This would ensure continuity of leadership from a proven senior member of the Board with good organisational and local knowledge.
- 4.3. Currently it is possible that the full process of the LEP Review will not be complete by March 2022 and appointing a new Chair at that juncture would come at a very sensitive time, and therefore appointing a Chair once the new LEP is in place would be a better option.
- 4.4. It is on this basis that it is recommended that the Deputy Chair be asked to act as Interim Chair for a period of 12 months.
- 4.5. It is proposed that the Interim Chair will have the same role, responsibilities and allowance as a permanent Chair.
- 4.6. The Articles of Association require a Chair to be appointed at all times (article 12.1) and that the Chair be appointed for a period of no longer than 2 years (article 12.4). Therefore, it would allow for an appointment of 12 months. The Articles refer to the Assurance Framework for the process for appointing the Chair.
- 4.7. There are however, changes to the Assurance Framework and associated policies required to allow this appointment to be made. The governance currently does not allow for a 12 month appointment to be made in this way. This is because it was not thought necessary at the time, however the current circumstances now do warrant a changed approach. It is also good practice from a business continuity point of view to allow for an Interim Chair to be appointed in extraordinary circumstances.
- 4.8. The Assurance Framework references a two-year term (paragraph I.1.4) and refers to the Board Recruitment Policy for the detail of how the Chair is recruited. It will be necessary to change the



Assurance Framework to allow for a term less than 2 years. It is proposed that paragraph I.1.4 be changed to read (changes in bold):

- The Strategic Board is made up of 25 members (including 5 co-opted members), and two-thirds of the Board is required to be from the private sector. All Board members including the Chair and Deputy Chair are appointed on a term **not exceeding 2 years**, up to a **maximum of 3 consecutive** terms or 6 years, whichever is greater

4.9. The SELEP Framework Agreement requires Accountability Board to be consulted on any changes to the Assurance Framework. If the agreement in principle to appointing an Interim Chair is agreed at the meeting of Strategic Board, Accountability Board will be consulted at their meeting on 2 July and the revised Assurance Framework will be brought back to Strategic Board for approval in October 2021.

4.10. The Board Recruitment Policy sets out the requirements for an open and transparent recruitment process of the Chair. This reflects the requirements in the National Assurance Framework. There is no suggestion to move away from this for regular appointments of the Chair, but the Secretariat believes that there should be scope to appoint directly for a limited and timebound period when extraordinary circumstances dictate. This will mean that our policy does not fully comply with the National Assurance Framework but given the circumstances, it is the opinion of the Secretariat and the Accountable Body that this is a reasonable approach and there is minimal risk.

4.11. The proposed approach has been discussed with our Area Lead in the Cities and Local Growth Unit and he is satisfied that it is a reasonable approach given the circumstances.

## **5. Decision 2: Agree to the changes proposed to the Board Recruitment Policy**

5.1. The proposed changes are set out above at paragraph 2.2.1. In addition to the current circumstances, the addition of these paragraphs would allow for the appointment of an Interim Chair should a Chair step down or be removed at short notice in the future.

5.2. As the policy currently stands, an Interim Chair could not be appointed without an open recruitment process which potentially could leave the Board without a Chair for a sustained period of time.

5.3. The proposed addition is clear that the appointment outside the standard process is only allowable in extraordinary circumstances and can only be made on a temporary basis for a period of no more than 12 months.

## **6. Board Effectiveness Review**

6.1. The Chair and Deputy Chair have asked that a Board Effectiveness Review be carried out. The review will take the form of a survey issued to all Board Directors.

6.2. The results of the Effectiveness Review will be shared with the Board and will be used when considering changes to how the partnership operates as part of the LEP Review. It will also be used to assess training needs.

## **7. Next Steps**

7.1. Should Board agree to appoint the Deputy Chair as Interim Chair in principle, Accountability Board will be consulted on the change to the Assurance Framework at their meeting on 1 July. There is

no requirement to consult with Accountability Board on the changes to the Board Recruitment Policy and those changes can be implemented immediately.

- 7.2. Following the consultation with Accountability Board, Strategic Board will be asked to approve the change to the Assurance Framework in October, and should that be agreed, Board will then be asked to appoint the Deputy Chair as Interim Chair from 22 March 2022.
- 7.3. A handover from the current Chair to the Interim Chair will then take place over the remainder of this financial year, supported by the Secretariat.
- 7.4. A proposal for the recruitment of a replacement Deputy Chair for the 12 months will also be presented to Board in October 2021, this will include considerations on the impact of changing the Chairs of Accountability Board.
- 7.5. The Board Effectiveness Survey will be launched in the next few weeks. A link will be sent to all Directors for the completion of an online survey. This will not be an onerous task for Directors to complete, there will be less than 15 questions.

## **8. Comments from the Accountable Body**

- 8.1. The Accountable Body agrees that the recommendations of this report are appropriate, given the current uncertainties of the future form of SELEP, pending the outcome of the LEP Review expected later in 2021. The Assurance Framework and recruitment policy do not currently provide for appointment of an interim chair and will need to be amended to accommodate the appointment, as outlined elsewhere in this report and subject to further discussions.

## **9. Appendices, Supporting Documents and Previous Decisions**

- 9.1. Appendix A- Strategic and Federated Boards' Recruitment Policy
- 9.2. Please contact [Suzanne.bennett@southeastlep.com](mailto:Suzanne.bennett@southeastlep.com) for further information.

## Item 8: Growth Hub Update

### Executive Summary

#### 1. Overview

- 1.1. The purpose of this report is to provide an update to Strategic Board (the Board) on the work undertaken so far to review the Growth Hub delivery model; the revisions to timelines as a result of the LEP Review; and background information on Growth Hub activities planned for 2021/22.

#### 2. Summary of update:

- 2.1. At the December 2020 meeting of the Board, it was agreed that a review of the Growth Hub delivery model would take place during Quarter 4 of 2020/21 with recommendations on the evolution of the model to be presented to Board in June 2021.
- 2.2. Following that meeting, an independent consultant was contracted to carry out a review of the Growth Hub model. The report and associated recommendations can be found at Appendix A.
- 2.3. The announcement of a new LEP Review in the spring of this year now means that any decision on the future shape of the Growth Hub service cannot be made until the recommendations of the LEP Review are made public, which are due before the start of the parliamentary recess in late July. It is currently understood that the national Business Support Reform project, led by BEIS, will align with the LEP Review and without further information on central direction of travel it is not possible to construct regional Growth Hub recommendations that confidently align with the requirements of the funding authority.
- 2.4. This report also provides a summary update on the activities the South East Growth Hub will be delivering throughout 2021/22, and the emerging findings of the national evaluation of Growth Hubs.

#### 3. Rationale for update

- 3.1. This update is presented now to provide background information to Board on the current operations of the Growth Hub and the activities to be delivered through this financial year. These activities are mapped out in a revised timeline in Appendix B.
- 3.2. The update will also allow the Board an opportunity to discuss the findings of the appraisal of the South East Growth Hub in advance of recommendations being presented later this year.

## Further Information

### 4. Update 1: Growth Hub Activities 2021/22

- 4.1. The Department for Business, Energy and Industrial Strategy (BEIS) confirmed last year that a further year of funding would be made available to LEPs for the provision of Growth Hub services during 2021/22 and the Growth Hub Core Funding would be awarded at the same levels as previous years (£656,000 for SELEP).
- 4.2. As in 2020/21, BEIS has made clear that they are looking for Growth Hubs to evolve and become more flexible and responsive. As such a further tranche of Supplementary Funding would also be made available in 2021/22 but would be wrapped up with the Core Funding as a single grant for the year. As such SELEP has been allocated £890,000 in total for Growth Hub activities in the year and has provided detailed information to BEIS on how that funding will be applied. BEIS have confirmed that the detailed plans align with the requirements of the grant, and a grant offer letter has now been issued.
- 4.3. Given the combined core and supplementary funding offer, Growth Hub activities this financial year will comprise a combination of the core service offer - engaging with businesses to diagnose, signpost and provide specialist advice; and further regional work to evaluate and evolve the service (as agreed by Board in December 2020).
- 4.4. The bulk of the funding will service the salary and on-costs for the area Growth Hub teams, principally managers, navigators and advisors, Growth Hub Lead and central data support. Area Growth Hubs have also allocated funding for the marketing and advertising of forthcoming business campaigns, new business engagement, and other targeting campaigns.
- 4.5. Other ongoing activities include maintenance of the websites, the co-ordination and administration of communications and events, and staff training.
- 4.6. Regionally, projects will be progressed to optimise the Growth Hub websites and the Customer Relationship Management (CRM) data collection system. The review of the Growth Hub delivery model will conclude, and an external Evaluation and Impact Assessment of the service will be undertaken as required by BEIS.
- 4.7. A small allocation has also been made to a shared pot with Hertfordshire LEP and the Greater London Authority for cluster-level activities throughout the year, such as telemarketing, net zero related activities, and marketing.

### 5. Update 2: Growth Hub Evolution Report

- 5.1. Commercially Public Ltd were contracted in March 2021 to undertake an engagement and appraisal exercise of the SELEP Growth Hub delivery model. The objective of the project was to appraise the current model and make recommendations to create a more responsive, adaptive, forward-thinking, efficient, and operationally flexible service in the region.
- 5.2. The appraisal has considered options and opportunities for tangible and implementable improvements, as opposed to a radical overhaul, to increase the efficiency of the service itself. A particular focus has been the benefits of collaboration, standardisation and consistency across the locally devised structure.
- 5.3. Underpinning this work has been an engagement exercise with key Growth Hub delivery partners and stakeholders to pursue five lines of enquiry around strategy, engagement,

operations, finance and funding, and leadership and control.

- 5.4. The project undertook a desktop review of information, followed by stakeholder interviews and workshops, and was complemented by research of best practice elsewhere. This has generated the following seven recommendations:
  - 5.4.1. The Directors of SELEP Ltd should take a greater and more authoritative leadership role setting the strategic direction of the Growth Hubs service, to be underpinned by enhanced service level agreements and an overarching Growth Hub strategic action plan that links to SELEP's Economic Strategy.
  - 5.4.2. Develop and implement an operational playbook for the Growth Hubs, co-created and co-signed by SELEP and Growth Hub Lead Authorities.
  - 5.4.3. Create a central strategic function for Growth Hubs, with respect and authority to ensure delivery of the new strategic, intelligence-led action plan.
  - 5.4.4. Introduce unity and collaboration as an agreed and defined way of operational working.
  - 5.4.5. The historical formula for allocating SELEP's core Growth Hub funding between the area Growth Hubs should be refreshed such that the distribution of funding for the Growth Hub service across the region be intelligence-led, following the strategic action plan.
  - 5.4.6. Place a renewed focus on data intelligence and insight to drive strategy and demonstrate impact, supported by a central data intelligence function and an optimised or new CRM that is fit-for-purpose.
  - 5.4.7. Governance of the Growth Hub service needs to be better defined and differentiate between strategic oversight and decision making, and operational success.
- 5.5. The final report is presented in Appendix A and the Board is invited to discuss and provide feedback on the content of the report and its findings.
- 5.6. In parallel a survey is being undertaken with SELEP key stakeholders on Federated Boards on the key principles and themes relating to the evolution the Growth Hub delivery model. The findings will be collated and used to inform the recommendations for the Growth Hub Delivery Model that will be presented to Board later this year. Subsequent transitional steps to implement Board-approved recommendations will take place through Q3 and Q4, with full implementation next financial year.

## **6. Update 3: Headline findings of national Growth Hub evaluation**

- 6.1. In April 2021, Technopolis shared their national update to the Growth Hubs External Evaluation 2015-2020. This sought to improve understanding of Growth Hub activity, assess how well they provide easy and simple support, better understand the business customer journey, and the Growth Hubs' role in the wider support landscape.
- 6.2. Their emerging findings are that:
  - 6.2.1. Growth Hubs make positive contributions to addressing local policy and business needs, with the cluster model a useful coordination mechanism;
  - 6.2.2. They have the potential to simplify the business support landscape through business referrals and strategic stakeholder engagement;



6.2.3. They affect businesses through increased employment and turnover, and helping them to navigate the complex support environment; and

6.2.4. Key challenges are providing support in response to COVID19, lack of long-term/stable funding, and the need for consistent messaging and promotion.

6.3. Technopolis will produce a second stage report in the autumn.

## **7. Next Steps**

7.1. As soon as further information is available on the future model for both LEPs and Growth Hubs, work will continue to develop new potential options and recommendations for the Growth Hub delivery model, and these will be presented to Board at the earliest opportunity, currently anticipated to be October.

## **8. Comments from the Accountable Body**

8.1. The activities and objectives of the Growth Hubs are subject to Core and Supplemental funding being secured and received from Government for 2021/22. There has been a delay to the standard process however, the grant offer letter and grant conditions have now been received in June 2021.

8.2. A delay in receipt of the Core and Supplemental funding from Government impacts on delivery of activities from the Growth Hubs and presents a risk that not all activities will be completed in the grant period.

## **9. Appendices, Supporting Documents and Previous Decisions**

9.1. Appendix A- Delivery Model Appraisal Report

9.2. Appendix B- 2021-22 Timeline

9.3. Strategic Board Agenda Pack (Item 6), Growth Hub Update and ERDF Legacy Funding:  
[https://www.southeastlep.com/app/uploads/2020/06/SELEP-Strategic-Board-June-2020\\_Agenda-Pack.pdf](https://www.southeastlep.com/app/uploads/2020/06/SELEP-Strategic-Board-June-2020_Agenda-Pack.pdf)

9.4. Strategic Board Agenda Pack (Item 5) Evolution of the Growth Hub and Business Support:  
[https://www.southeastlep.com/app/uploads/2019/11/SELEP-Strategic-Board-Agenda-Pack\\_Dec-2020.pdf](https://www.southeastlep.com/app/uploads/2019/11/SELEP-Strategic-Board-Agenda-Pack_Dec-2020.pdf)

9.5. For further information please contact Jo Simmons, Business Development Manager  
([jo.simmons@southeastlep.com](mailto:jo.simmons@southeastlep.com))

## Item 9: Freeport East

### Executive Summary Overview

- 1.1. This report provides the Strategic Board (the Board) with information on the role for the South East Local Enterprise Partnership (SELEP) in the governance arrangements for Freeport East, namely SELEP representation on the Freeport East Governance Board (the Freeport Board).
- 1.2. The Freeport Board has an allocated seat for one LEP appointee. As the Freeport covers both the New Anglia LEP (NALEP) and SELEP area, it is proposed that a joint appointment be made that is accountable to both NALEP and SELEP.
- 1.3. Given that the Freeport Board will be unincorporated in the initial phase it is proposed that an officer be appointed to this role. With Chris Starkie, Chief Executive of NALEP, appointed as the LEP representative and Adam Bryan, Chief Executive of SELEP, appointed as an alternate.

### 2. Decisions: Board is recommended to:

- 2.1. Agree to the appointment of Chris Starkie as the joint representative to the Freeport East Governance Board, with Adam Bryan as his alternate.

### 3. Rationale for Decisions

- 3.1. The Freeport Board has an important advisory role in the operation of Freeport East 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.
- 3.2. The governance arrangements for Freeports, including the Governance Body and membership of the Freeport Board, is required to be settled in advance of the development and completion of the Outline Business Case and official launch of Freeport East as set out in the Freeport Bidding Prospectus.
- 3.3. A seat on the Freeport Board has been allocated for a LEP representative, both the Board and NALEP Board should agree on a joint representative in a timely manner to ensure continued effective engagement with the development of Freeport East. The LEP representative will represent both LEPs at the Freeport Board meetings, including seeking views of the non-attending representative in advance of meetings and providing feedback post meeting.
- 3.4. Given the operational nature of the business of the Freeport Board as the Outline Business Case is prepared, it is suggested that an officer would be better placed to be the SELEP representative than a Board Member. This view is shared by NALEP and therefore the two CEOs are suggested to be the joint representative and alternate.
- 3.5. The representative will not be able to commit SELEP resources or funding without prior approval of the Accountability Board or, where appropriate, through the Scheme of Delegation as required by the Assurance Framework.
- 3.6. If or when the Freeport Board incorporates or there are other significant changes to either its objectives or governance; a further decision will be required to be sought from SELEP Board to confirm representation.



## Further Information

### **4. Decision 1: Agree to the appointment of Chris Starkie as the joint representative to the Freeport East Governance Board, with Adam Bryan as his alternate.**

- 4.1. Freeport East was selected as one of eight freeport locations in England and announced during the Chancellor's Budget 2021.
- 4.2. As part of the next stage of development, freeports are required to agree and establish a formal Governance Body. This Governance Body for Freeport East includes the Freeport Board which will comprise of ten members representing:
  - 4.2.1. the Chairperson
  - 4.2.2. the Freeport East Chief Executive Officer
  - 4.2.3. Port of Felixstowe
  - 4.2.4. Harwich International Port
  - 4.2.5. one County Council appointee
  - 4.2.6. one District Council appointee
  - 4.2.7. a commercial organisation appointee (Gateway 14 Limited)
  - 4.2.8. one higher education appointee
  - 4.2.9. one LEP appointee
  - 4.2.10. the Accountable Body for the Freeport
- 4.3. The Accountable Body for the Freeport Board is East Suffolk District Council.
- 4.4. Members of the Freeport Board must be authorised and empowered by the organisation/s they represent on all issues pre-advised in board papers. However, the joint representative will not have the authority to commit any funding or resources to Freeport East. This will continue to require formal authorisation as per the scheme of delegation. If decisions are brought to the Freeport Board without appropriate prior notice of at least five working days, the joint representative is not empowered to endorse the decision on behalf of SELEP.
- 4.5. The Freeport Board will be tasked with setting the strategic direction of Freeport East, monitor and hold to account the Freeport East Management Board for the effective delivery of the identified interventions and strategy, and for receiving assurance regarding the effective management of the physical and fiscal security aspects of Freeport East. As well as ensuring that appropriate mechanisms are in place for the application and management of public money through an accountable body which will hold all public money.
- 4.6. As there is one seat allocated for a LEP appointee, the advised approach was for NALEP and SELEP to agree on a joint appointment to be accountable to, and to represent, both organisations.
- 4.7. Given that the Freeport Board is unincorporated it was noted that a sensible approach was for the joint representative, and alternate, to be an officer for NALEP and SELEP. With a further decision to be taken to the Board and the NALEP Board should the legal status of the

Freeport Board change.

- 4.8. The joint representative and alternate will meet before and after every meeting of the Freeport Board and agree on the pertinent points of information that the Board and the NALEP Board will receive direct updates about.
- 4.9. The joint representative and alternate must use the pre-meeting to agree on decisions that will be taken at the Freeport Board, the joint representative is not empowered to endorse any decisions not agreed at the pre-meeting.
- 4.10. When established, the Freeport Board is expected to meet on a monthly basis during the set-up phase and quarterly thereafter, or as otherwise required.
- 4.11. In line with standard Board governance processes, it is planned that Freeport Board members will be informed of decisions and receive papers a minimum of five working days in advance of meeting. This will allow an opportunity for the joint representative to consult on any decisions that may be required to go through the scheme of delegation. Without sufficient notice of decisions and papers, SELEP may decide to instruct the joint representative that they cannot act on behalf of the partnership.

## **5. Next Steps**

- 5.1. A parallel board paper will be taken to the NALEP Board to agree on the joint appointment to the Freeport Board.
- 5.2. A Memorandum of Understanding between SELEP and NALEP will be agreed setting out the remit and responsibilities of the representative and alternate
- 5.3. Should the legal status of the Freeport Board change, a further decision will need to be made by the Boards of SELEP and NALEP on a joint representative.
- 5.4. The joint representative, if agreed, will be accountable to the Board and commit to regularly update the Board on pertinent matters regarding Freeport East, including any decisions made by the Freeport Board.
- 5.5. Following the establishment of a Freeport Board, Freeport East will be producing its Outline Business Case (OBC) during Summer 2021. This OBC will be used by Government to determine the share of £175 million in seed capital funding pot that each Freeport will receive. Operation of freeports are anticipated to commence, subject to agreement and legislation, in late 2021-early 2022.

## **6. Comments from the Accountable Body**

- 6.1. Any decisions made by the SELEP representative on the Board would be expected to be in line with the requirements of the SELEP Assurance Framework, including the requirements with respect to governance and transparency of decision making, particularly where this relates to public monies. Also, no decisions that require the commitment of SELEP funding may be made without prior agreement of the Accountability Board, or, where appropriate, through the Scheme of Delegation as set out within the Assurance Framework.
- 6.2. The Assurance Framework will need to be updated, at the first opportunity, to reflect the nature of the relationship between the Freeport East Board and SELEP, in line with the requirements of the National Assurance Framework (NAF).

## **7. Appendices, Supporting Documents and Previous Decisions**

7.1. For more information please contact:

Alex Riley, Sector Engagement Lead, [alexander.riley@southeastlep.com](mailto:alexander.riley@southeastlep.com)

## Item 10: Sector Support Fund Update

### Executive Summary

#### 1. Overview

- 1.1. There are no projects seeking endorsement from the Strategic Board (the Board) for the award of a revenue grant from the Sector Support Fund (SSF) at this meeting. One submission included insufficient information to progress through the Independent Technical Evaluator (ITE) process. The applicant was given feedback and may seek funding at a later date subject to SSF being available.
- 1.2. A project change request has been received in relation to the Accelerating Opportunities within the Newhaven Enterprise Zone project and the Board are asked to agree an extension to the project delivery programme.
- 1.3. The Board endorsed investment in the Accelerating Nature-Based Climate Solutions Project at the March meeting and asked the scheme promoter to attend this meeting to provide further information.
- 1.4. There is £126,729 of SSF still available to allocate to new projects, subject to agreement from the Accountability Board that this funding can be carried forward to 2021/22 to support new SSF investments.

#### 2. Decisions: Board is recommended to:

- 2.1. **Endorse** the request to extend the delivery timetable for the Accelerating Opportunities within the Newhaven Enterprise Zone project until September 2021.

#### 3. Rationale for decision:

- 3.1. In June 2017, the Board agreed to establish the SSF with the intention of offering revenue funding to support the pan-LEP sector-based activities of the SELEP working groups and the establishment of Enterprise Zones.
- 3.2. 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.
- 3.3. Whilst the effects of the COVID-19 pandemic have helped shape a number of recent SSF submissions, they have also resulted in previously unforeseen complications to the delivery of SSF projects endorsed pre-2020 meaning that some projects are unable to deliver within the 12 month window originally stated. As a result, the Board are asked to consider extending the delivery timetable for impacted projects as set out in this report.

## Further information:

### 4. Decision 1: Project extension request

- 4.1. The Accelerating Opportunities within the Newhaven Enterprise Zone project focuses on Avis Way, which is a key industrial estate within the Enterprise Zone. The project seeks to:
  - 4.1.1. Refine the Avis Way Estate Improvement Plan and deliver improvements to the estate which will encourage productivity, competitiveness and which will attract new investment to the area;
  - 4.1.2. Test and assess options for creating an Industrial Business Improvement District which will build on the business forum and create a sustainable model to continue investment in the estate and enhance the trading environment; and
  - 4.1.3. Deliver a creative and coherent marketing plan for the Newhaven Enterprise Zone.
- 4.2. The project directly responds to the coastal communities and growth hub agenda, whilst also indirectly delivering against infrastructure, skills and social enterprise.
- 4.3. The Board endorsed the allocation of £115,000 SSF to the project in December 2019, contributing towards a total project cost of £197,500. At this time, it was expected that the project would complete in December 2020.
- 4.4. The onset of the COVID-19 pandemic in March 2020 impacted on the ability to meaningfully engage with the business base in Newhaven as originally envisaged, delaying progress on the project. In addition, procurement of the improvement works to the Avis Way Estate has also caused some delay in project delivery.
- 4.5. A project extension to September 2021 has been requested to enable greater business engagement and input into the different aspects of the project, ensuring that the outputs reflect the needs and ideas of the business community.
- 4.6. The project extension will not impact on project costs, although it is noted that there is a possibility that the overall budget could be increased through alternative external funding sources. Any additional funding secured will allow the scope of the Project to be expanded and will support delivery of outputs and outcomes additional to those stated in the SSF application endorsed by the Board.
- 4.7. It is intended that the project extension will allow for the delivery of all outputs as stated in the original funding application, however, it is indicated that the ability to deliver all the expected benefits may be impacted by external factors, for example, impacts of COVID-19 on the economy and the ability of businesses to invest in new premises.
- 4.8. To date, none of the SSF funding has been drawn down as the SSF grant agreement remains outstanding.
- 4.9. The Board is asked to endorse the request to extend the delivery programme for this project until September 2021.

### 5. Accelerating Nature-Based Climate Solutions

- 5.1. This project was endorsed at the March Board meeting. The Board asked the scheme promoter to attend this meeting to give additional information and take questions from Board members.

- 5.2. Andy Arnold (Environment Team Manager at East Sussex County Council) will give the presentation and answer questions from the Board.

## 6. Update on existing Projects

- 6.1. All projects provide a quarterly update to the SELEP Secretariat in order to provide updates to the Board.
- 6.2. Quarterly updates on progress and spend are set out in Appendix A and B.

## 7. Other Information:

- 7.1. Full details of the criteria for SSF bids are available on the SELEP website, [Guidance Note](#). This guidance has been updated to reflect the criteria agreed by the Board in June 2020 to ensure projects support Brexit and/or COVID-19 economic recovery.
- 7.2. At the June 2020 meeting a further £1 million was allocated to the SSF programme which was extended until 31 March 2022 or when the fund is exhausted, whichever is sooner.
- 7.3. To date the Board has endorsed 21 projects for SSF support to the value of £2,373,271. Details of the allocations made this financial year can be found below at Table 1. Summary information on the projects can be found at Appendices A and B.

**Table 1: SSF approvals in 2020/21**

	<b>2020/21</b>
<b>Funding</b>	<b>£</b>
Covid-19 Recovery Fund	1,000,000
c/f 2019/20	206,500
<b>Total 2020/21 funding</b>	<b>1,206,500</b>
<b>Approved Projects 2020/21</b>	
BuyLocal South East	69,510
Skills Working Group	76,000
Visitor Economy	200,000
Building Back Better	192,000
SEED	91,500
Carbon Pathways	99,061
Catalyst for Culture	181,700
GGT (Extension)	35,000
Accelerating Climate Based Solutions	135,000
	1,079,771
<b>Balance SSF remaining for Investment</b>	<b>126,729</b>

## 8. Next steps

- 8.1. If the Board endorse the request for an extension to the delivery programme for the Accelerating Opportunities within the Newhaven Enterprise Zone project, the SELEP CEO will be asked to formally approve the extension.

- 8.2. The draft SSF grant agreement will be updated to reflect the extension to the delivery programme and steps will be taken to ensure that this agreement is finalised as soon as possible.

## **9. Comments from the Accountable Body**

- 9.1. A total SSF fund of £1,206,500 was established for 2020/21; of this, successful funding applications of £944,771 were awarded in 2020/21. The end of year balance of SSF funding remaining is £126,729 (subject to audit).
- 9.2. The SSF carry forward balance of £126,729 from 2020/21 is subject to the Accountability Board's approval of the 2020/21 final year position at the July 2021 Board meeting.
- 9.3. The Independent Technical Review has re-confirmed that the criteria for funding has been met for this project. The Benefit Cost Ratio (BCR) of the original SSF submission has reduced from 9.71:1 to 4.86:1 in the project change request (Appendix C) but remains in excess of the required 2:1 minimum for project applications. The outputs of the project in the project change request, remain aligned to the original application.
- 9.4. 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.
- 9.5. Should the Board endorse the recommended SSF change request and the CEO approves the award of funding, the grants will be transferred to ESCC as 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.
- 9.6. For all Projects included in appendices A and B, where a grant agreement is not yet in place, the funding will not be able to be transferred to the respective Lead Authority until the agreement has been finalised. The Accountable Body is supporting the Secretariat to finalise the outstanding agreements.

## **10. Appendices, Supporting Documents and Previous Decisions**

- 10.1. Appendix A – Summary of SSF Projects with Board Endorsement
- 10.2. Appendix B – Delivery Updates and RAG rating for current projects
- 10.3. Appendix C – Accelerating Opportunities within the Newhaven Enterprise Zone project change request form
- 10.4. Sector Support Fund Guidance Note, including eligibility criteria [LINK HERE](#)
- 10.5. For further information contact Howard Davies, SELEP Capital Programme Officer ([howard.davies@southeastlep.com](mailto:howard.davies@southeastlep.com))