



SOUTH EAST
LOCAL ENTERPRISE
PARTNERSHIP

STRATEGIC BOARD AGENDA PACK

Friday 18th March 2022
Zoom Video Conference



Agenda

Item 1	10:00	Welcome	Chris Brodie	
Item 2	10:05	Minutes from 10 December 2021 meeting Declarations of Interest Matters arising: • Freeport East update	Chris Brodie and Adam Bryan	Pg. 3
Item 3	10:15	Assurance Framework Updates and New Directors Decisions: • Minor updates to Assurance Framework • Entering into Power of Attorney • Filing of Confirmation Statement	Adam Bryan	Pg. 7
Item 4	10:25	Levelling Up & SELEP Decisions: • To not make any new SSF awards • To adopt the Delivery Plan	Adam Bryan	Pg. 11
Item 5	10:55	Capital Programme Update Decision: • Agree LGF spend beyond Sept 2021 • Agree GBF spend beyond March 2022	Helen Dyer	Pg. 19
Item 6	11:10	Sector Support Fund Update Decision: • Endorse change request	Helen Dyer	Pg. 32
Item 7	11:20	Growth Hub Update Decision: • Agree re-purposing of ERDF Legacy Funding	Jo Simmons	Pg. 37
Item 8	11:35	COVID-19 Recovery Funds Update	Jo Simmons	Pg. 43
	11:45	AOB & Close		

Future Strategic Board meeting dates:
24th June 2022, 7th October, 9th December

Minutes of Strategic Board: 10 Dec 2021

Attendees

Chris Brodie	Chair
Sarah Dance	Deputy Chair
Adam Bryan	CEO
David Sheppard	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 Graham Butland	Essex District/Borough/City Councils representative
Cllr Lesley Wagland	Essex County Council
Cllr Mark Coxshall	Thurrock Council
Cllr Rodney Chambers	Medway Council
Cllr Ron Woodley	Southend Borough Council
Cllr Rupert Simmons	East Sussex County Council
Cllr Trevor Bartlett	Kent District/Borough/City Councils representative
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
Perry Glading	Opportunity South Essex
Matthew Arnold	Kent and Medway Economic Partnership
Miles Adcock	Success Essex
Prof Karen Cox	Higher Education Representative

Apologies: Cllr Keith Glazier (substituted by Cllr Rupert Simmons), Ana Christie (substituted by David Sheppard), Cllr Kevin Bentley (substituted by Cllr Lesley Wagland), Cllr Roger Gough, Penny Shimmin, Aideen Sadler

Other attendees:

Alex Riley	SELEP Secretariat	Lorna Norris	Essex County Council
Amy Bernardo	Essex County Council	Louise Aitken	SELEP Secretariat
Amy Ferraro	SELEP Secretariat	Michael Neumann	Essex County Council
Brian Horton	SELEP Secretariat	Paul Chapman	Essex County Council
Claudia McKibbin	Essex County Council	Richard Dawson	East Sussex County Council
Dave Evans	East Sussex County Council	Richard Longman	Greater North Kent
Ellie Clow	SELEP Secretariat	Robert Willis	Essex County Council
Emma Lindsell	Southend Borough Council	Sarah Nurden	KMEP
Esme Yuill	Transport East	Sharon Spicer	SELEP Secretariat
Helen Dyer	SELEP Secretariat	Stephanie Ennis	Essex Legal Services
Helen Russell	SELEP Secretariat	Stephanie Mitchener	Essex County Council (S151)
Howard Davies	SELEP Secretariat	Stephen Taylor	Thurrock Council
Ian Lewis	Opportunity South Essex	Sunny Ee	Medway Council
Iwona Bainbridge	SELEP Secretariat	Suzanne Bennett	SELEP Secretariat
Jessica Jagpal	Medway Council	Vivien Prigg	SELEP Secretariat
Jo Simmons	SELEP Secretariat		



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

Item 1: Welcome and introduction

- 1.1. Chris Brodie welcomed the Board to the meeting and asked them to introduce themselves individually.

Item 2: Minutes of last meeting, declarations of interest, matters arising (6'10" timestamp on video)

- 2.1. Chris Brodie gave an update to the Board regarding the LEP Review.
- 2.2. The Board agreed the minutes of the last meeting.
- 2.3. The following interests were declared:
- 2.4. Clive Soper has updated his interests to include land at Polegate and is a Director of Aylesham and District Bid Ltd.
- 2.5. Adam Bryan informed the Board that the following decisions were successfully taken by written procedure, following the loss of quorum at the last meeting:
- i) the Board has endorsed the revised GPF repayment mechanism outlined in the report for the Centre for Advanced Engineering project, subject to Accountability Board approval in November 2021; and
 - ii) the Board has endorsed the request to extend the delivery timetable end date for the SELEP Creative Open Workspace Master Plan and Prospectus project from July 2021 until March 2022.
- 2.6. Chris Brodie thanked Geoff Miles for his considerable contribution to the SELEP since its conception and for his personal support, professionalism, and skills.
- 2.7. Chris Brodie thanked Suzanne Bennett for her many years of invaluable work with the LEP and wished her well in her new role.

Item 3: Evolution of SELEP for 2022/23 (19'32")

- 3.1. Adam Bryan presented to the Board.
- 3.2. The Board noted the work underway to move SELEP to an effective operating model for the 2022/23 financial year and noted that a more detailed Delivery Plan will be provided to the Board for its consideration at the March 2022 meeting.
- 3.3. The Board noted the summary line to take for conversations with partner organisations as follows:

SELEP is currently working to refine its strategic focus for the 2022/23 financial year and to build on its strong record of delivery while proactively responding to the requirements of the area's economy and the direction offered from Government post the resolution of the LEP Review.

There is an active process underway to streamline the operation of SELEP within a tighter funding envelope and to maximise its impact across a smaller and more regionally focused sets of activities. Please contact the SELEP CEO, Adam Bryan, if you wish to discuss the next step in the evolution of SELEP.

- 3.4. The Board agreed that there are no specific areas of focus for financial year 2022/23 to be considered by the organisations and groups nominating the co-opted Board members for the year and those groups should be asked to put forward their nominations now.

Item 4: Assurance Framework & Policy Updates (34'32")

- 4.1. Suzanne Bennett presented to the Board.



- 4.2. The Board agreed the updated Local Assurance Framework.
- 4.3. The Board agreed the new Expenses Policy.
- 4.4. The Board agreed the new Hospitality Policy.
- 4.5. The Board agreed the updated Recruitment Policy.
- 4.6. The Board agreed to the exemptions to policy regarding the appointment of private Directors. These exemptions will be in place for appointments made before 31 March 2022.

Item 5: Succession Planning (38'48")

Chris Brodie was placed into a virtual waiting room for the discussion relating to the Chair appointment.

Sarah Dance chaired this section.

- 5.1. Suzanne Bennett presented to the Board.
- 5.2. The Board agreed that Chris Brodie should be appointed as Chair of SELEP Ltd for the period 1 March 2022 to 28 February 2023, pending a Special Resolution of the Membership of SELEP Ltd.

Chris Brodie returned to the call and Sarah Dance was placed into a virtual waiting room for the discussion relating to the Deputy Chair appointment.

Chris Brodie resumed chairing the meeting.

- 5.3. Suzanne Bennett presented to the Board.
- 5.4. The Board agreed that Sarah Dance should be appointed as Deputy Chair of SELEP Ltd for the period 1 March 2022 to 28 February 2023, pending a Special Resolution of the Membership of SELEP Ltd.

Sarah Dance returned to the meeting.

- 5.5. The Board noted that both appointments would be on the same basis as current, including the payment of an allowance of £20,000 per annum for the Chair and £10,000 per annum for the Deputy Chair.
- 5.6. The Board extended their thanks to Chris Brodie and Sarah Dance for agreeing to extend their terms for a further year.

Item 6: Transport East (46'50")

- 6.1. Perry Glading introduced this item and gave an overview of the Transport East Transport Strategy.
- 6.2. Esme Yuill, Communications Lead for Transport East, presented to the Board.
- 6.3. The Board agreed that the Board should make a formal response to the Transport East Transport Strategy consultation
- 6.4. The Board agreed to delegate authority to Perry Glading to approve the consultation response on behalf of SELEP Strategic Board to be submitted by the end of January 2022

Item 7: Capital Programme Update (1h28'17")

- 7.1. Helen Dyer presented an overview of the update to the Board.
- 7.2. The Board agreed LGF spend beyond 30 September 2021 for the Southend Central Area Action Plan project – expected completion December 2021
- 7.3. The Board agreed GBF spend beyond 31 March 2022 for the following five projects:
 - i) Jaywick Market and Commercial Space – expected completion September 2022



- ii) Better Queensway – expected completion January 2033
 - iii) No Use Empty South Essex – expected completion of GBF spend September 2022
 - iv) Acceleration of full-fibre broadband deployment in very rural or very hard to reach areas – expected completion March 2023
 - v) Extension of the full-fibre broadband rollout in Essex to reach rural and hard to reach areas – expected completion March 2023
- 7.4. The Board noted the cancellation of the Fast Track Business Solutions for the Hastings Manufacturing Sector Project from the GBF programme. A new call for projects would be required for this project to re-join the project pipeline.
- 7.5. Ron Woodley clarified that the Better Queensway project end date of 2033 is the completion of the entire project and the GBF funding will be spent by 2022/23.
- 7.6. The Chair queried whether a letter should be sent to the Department for Transport requesting that a decision on the A127 Fairglens Project business case be prioritised given the lengthy delay to this sign off. Suzanne Bennett agreed that the Secretariat would discuss this matter with Essex County Council officers to agree the best approach

Item 8: South East Creative Economy Network (SECEN) (1h39'33")

- 8.1. Sarah Dance presented to the Board.
- 8.2. The Board endorsed the SECEN Statement of Intent.

Item 9: Sector Support Fund Update (1h59'25")

The Board was no longer quorate for this item.

- 9.1. Adam Bryan presented to the Board.
- 9.2. The Board members indicated endorsement for the change request for the Building Back Better project in Appendix B, which includes an extension to the project delivery programme, from March 2022 until February 2023 and a reduction to the planned benefits.
- 9.3. As the quorum was lost, this decision will be taken by written procedure at a later date.

Item 10: AOB & Close (2h0'40")

- 10.1. Chris Brodie closed the meeting.



Item 3: Assurance Framework Updates and New Directors

Executive Summary

1. Overview

- 1.1. The Strategic Board (the Board) is asked to agree two non-material changes to the Assurance Framework. These changes relate to previously agreed decisions and are to ensure accuracy and completeness of the Framework.
- 1.2. As SELEP Ltd (the Company) reaches its second anniversary, there are some seats on the Board that require appointment or reappointment.
- 1.3. The existing Power of Attorney has expired due to the resignation of one of the Attorneys.
- 1.4. It is necessary for each limited company to file a Confirmation Statement to Companies House each year. This year's statement is presented to the South East LEP Ltd Board of Directors for approval.

2. Decisions: Board is recommended to:

- 2.1. **Agree** to the changes to the Assurance Framework as detailed in Appendix A.
- 2.2. **Resolve** to enter into the Power of Attorney (Appendix B) for a period of 12 months.
- 2.3. **Approve** the filing of the Confirmation Statement in Appendix C to the Registrar of Companies.
- 2.4. **Note** the appointment/reappointment of:
 - 2.4.1. Claire Lewis and Miles Adcock as Directors representing Success Essex for a period of 12 months from 1st March 2022.
 - 2.4.2. Ana Christie, Clive Soper and Graham Peters as Directors representing Team East Sussex for a period of 12 months from 1st March 2022.
 - 2.4.3. The Directors representing Opportunity South Essex and the Kent and Medway Economic Partnership (verbal update).
- 2.5. **Note** the resignation of Claire Lewis (effective 8th March) and Miles Adcock (effective 31st March).
- 2.6. **Note** the latest log of decisions made under the SELEP Ltd Power of Attorney (Appendix E).

3. Rationale for Decisions

- 3.1. It is important that the Assurance Framework is kept up to date. Two omissions have been noticed which need to be added for accuracy and completion.
- 3.2. SELEP Ltd (the Company) was formed as a company in February 2020, with the stipulation that SELEP Ltd Directors who represent Federated Boards have a 2-year term (for a maximum of 6 years). There are therefore 12 seats on the Board that are now due for appointment or reappointment.
- 3.3. The Power of Attorney expired on the 15th of February 2022 due to the resignation of one of the Attorneys, Suzanne Bennett, and the Board is therefore asked to agree a new Power of Attorney for 12 months.



Further Information

4. Decision 1: Changes to Assurance Framework

- 4.1. There are two changes that need to be put into place to ensure completeness and accuracy:
 - 4.1.1. 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.
 - 4.1.2. The addition of details regarding the management of project slippage within the Getting Building Fund as agreed by Strategic Board on 16 July 2020.
- 4.2. Please see Appendix A for the full details of these changes.

5. Decision 2: Resolve to enter new Power of Attorney

- 5.1. Entering a new Power of Attorney (PoA) will ensure that timely completion of legal agreements can be made. The Chief Executive Officer and the Business Engagement and Communications Manager are to be appointed as Attorneys of SELEP Ltd. The following provisions will be included in the PoA which would restrict signing on behalf of the company under the following circumstances:
 - 5.1.1. to implement SELEP Ltd.'s board decision to invest in projects following board/committee meetings once Accountability Board have agreed to the recommendations, including executing, delivering, sealing and signing any and all deeds, contracts, consents, letters or, certificates, instruments and other documents necessary; and
 - 5.1.2. to grant any executive letters of support, authorisations or consents which may be required by SELEP Ltd for projects/initiatives following the Attorney carrying out an assessment of the strategic fit of the project/initiative and ensuring it aligns with SELEP Ltd.'s strategies. Any request for support that requires the commitment of additional resources for SELEP Ltd. then approval of the Board will be required.
- 5.2. It is proposed that the PoA be put into place for a period of 12 months from the date of execution of the PoA, to automatically expire should either Attorney leave their respective posts. Should no PoA be in place, legal documents will require the signatures of one Director where the agreement is a simple contract and two Directors of the company where the agreement is a deed.
- 5.3. There are currently no plans to change the financial arrangements of the company and the approval of financial transactions will remain as per the Accountable Body's scheme of delegation.

6. Decision 3: Approve the filing of the confirmation statement

- 6.1. The South East LEP Ltd is required to deliver a statement to Companies House to confirm that the company information is up to date in relation to the confirmation period ending on 1 March 2022, this is known as a Confirmation Statement and is required to be delivered at least once a year.



- 6.2. Appendix D sets out the relevant details of the Company from 2 March 2021 to 1 March 2022, which the Confirmation Statement is based on. Since the Company was incorporated on 2 March 2020, there have been no changes to the principal business activities of the Company, which remains as 'other business support service activities not elsewhere classified'. The registered address remains the same. While there have been changes to the directors of the Company over the confirmation period, the Companies House file is up to date.
- 6.3. If the recommendation at 2.3 is approved, the Confirmation Statement (Appendix C) for the period ending on 1 March 2022 will be filed at Companies House to confirm that the information that Companies House holds is up to date.

7. Decision 4: Note new Business Representative Directors

- 7.1. According to the Articles of Association, the Directors that are Business Representatives are appointed by the relevant class of Members of the Company. There are four classes of Members, one for each of the Federated Boards.
- 7.2. Kent and Medway Economic Partnership, having refreshed their membership on 8th March, are due to nominate their Directors. A verbal update will be provided during the meeting.
- 7.3. Opportunity South Essex will be holding their vote to decide their Directors at a meeting on 9th March 2022. A verbal update will be provided during the meeting.
- 7.4. Success Essex have reappointed Miles Adcock and Claire Lewis as Directors on a 12-month term. Both Miles Adcock and Claire Lewis have since tendered their resignations, therefore there will be 2 vacancies from April 2022.
- 7.5. Team East Sussex have reappointed Ana Christie, Clive Soper and Graham Peters as Directors on a 12-month term.
- 7.6. It should be noted that regardless of term, Directors are able to step down from their position at any time in accordance with the Articles of Association.

8. Next Steps

- 8.1. If agreed, the Assurance Framework will be updated immediately with the proposed changes and published on the SELEP website.
- 8.2. If agreed, the PoA will be signed by Chris Brodie and Sarah Dance.
- 8.3. The SELEP Ltd Company records with Companies House will be updated as appropriate to remove Directors that are no longer active and to add new appointments.
- 8.4. New Directors will begin the SELEP induction process ahead of their first meeting in June.
- 8.5. The Confirmation Statement will be filed with Companies House along with the required payment of £13 filing fee.

9. Comments from the Accountable Body

Legal Implications

- 9.1. The filings for any change in directors and the Confirmation Statement will be made on Companies House.
- 9.2. In order to give effect to the decision proposed under this report in respect of the Power of Attorney, the PoA will be executed on behalf of SELEP Ltd by the Chair and Deputy Chair and,

also, by each Attorney.

10. Appendices, Supporting Documents and Previous Decisions

10.1. Appendix A- Changes to the Assurance Framework

10.2. Appendix B- Power of Attorney 2022

10.3. Appendix C- Confirmation Statement

10.4. Appendix D- Confirmation Statement Information

10.5. Appendix E- POA Log

For more information please contact amy.ferraro@southeastlep.com

Item 4: Levelling Up & SELEP

Executive Summary

1. Overview

- 1.1. As reported in the 'Evolution of SELEP' paper which was reported to the December meeting of the Strategic Board, the Levelling Up White Paper (LUWP), published on 2 February 2022, sets the future for the reshaping of the economy of the UK. The LUWP is focused on the structures and measures that will be put in place to identify and address regional disparities in the years to come.
- 1.2. LEPs are referenced on page 146 of the document as follows:

For the last decade, LEPs have acted as important organisational means of bringing together businesses and local leaders to drive economic growth across England. They have also been responsible for the delivery of a number of major funding streams. It is important to retain the key strengths of these local, business-oriented institutions in supporting private sector partnerships and economic clusters, while at the same time better integrating their services and business voice into the UK Government's new devolution plans.

*To that end, the UK Government is encouraging the integration of LEPs and their business boards into MCAs, the GLA and County Deals, where these exist. Where a devolution deal does not yet exist, **LEPs will continue to play their vital role in supporting local businesses and the local economy.** Where devolution deals cover part of a LEP, this will be looked at on a case by case basis. Further detail on this transition will be provided in writing to LEPs as soon as possible.*

- 1.3. While it does not completely remove the uncertainty that has recently affected us, this positive appraisal of LEPs has provided a welcome acknowledgement of our work over recent years. We now have a job to do with all local partners to establish the best way of organising our activities for the coming financial year and beyond, and, importantly, to see what can be done to put our operation on a more sustainable footing.
- 1.4. At the time of writing, we await further information from Government on the future funding arrangements and role of LEPs, the receipt of which will enable us to commence important conversations with partners around how we build on the work of SELEP to date whilst ensuring that we pivot to add value to other activities that are already instituted locally.
- 1.5. This paper explores the impact of the LUWP on SELEP and seeks the agreement of Board members on the first Quarter activities for 2022/23.

2. Decisions: Board is recommended to:

- 2.1. **Note** the impact of Government's Levelling Up White Paper on SELEP and the ongoing work to ensure that it remains fit for purpose in filling the policy space that has been created for it.
- 2.2. **Note** the current funding situation affecting the LEP and the operations of the Growth Hub across its three delivery arms.



- 2.3. **Agree** to not make any new Sector Support Fund awards, noting the challenges associated with completing projects before March 2023 and the opportunity to use that remaining funding to undertake work of strategic added value and central to the LEP's delivery plan for 2022/23 such as activities to support the housing and development agenda, including the function of the SELEP Housing and Development Group, and work to continue activities in view of Government and business such as the Skills Advisory Panel and the Major Projects Group's activities around skills.
- 2.4. **Agree** to adopt the first quarter activities of the Delivery Plan as detailed in Appendix A. A revised version of the document will be brought to the Board when more is known around the future role of LEPs,

3. Rationale for Decisions

- 3.1. The LUWP and the subsequent letter from Government has set the immediate direction of travel for SELEP and all other LEPs in the country. While there are no imminent moves around devolution in our area, we must now work closely with partners to ensure that our activities are commensurate with our funding envelope, the political direction of travel, the areas of work picked up by other local partners, and the expertise and capabilities that are still retained by SELEP.
- 3.2. The situation is likely to quickly evolve as all organisations involved in support post-pandemic economic growth interpret the LUWP and adjust their own operations accordingly. We therefore recommend that we agree our plan for the first quarter of 22/23 within the Delivery Plan and review the activities for quarter two when the Board meets in June.
- 3.3. Meetings with partners about establishing the right structures for SELEP to deliver against this important agenda are now being scheduled. It is therefore important to engage the Board Directors in this conversation both at this meeting and through subsequent bilateral meetings with the SELEP CEO.

4. Background

- 4.1. The well trailed LUWP was published on 2 February and confirmed that LEPs would continue to play a key role in supporting the levelling up agenda across England. While much more work is needed to flesh out the details of what the LEP role will look like, it is clear that the Government values many of the functions that were highlighted through the LEP Review, from strategic planning and convening partners through to business support and skills initiatives. This provides a solid platform upon which the LEP Network can lead their discussions and engagement with officials.
- 4.2. The full text from the LUWP reads as follows:

"For the last decade, LEPs have acted as important organisational means of bringing together businesses and local leaders to drive economic growth across England. They have also been responsible for the delivery of a number of major funding streams. It is important to retain the key strengths of these local, business-oriented institutions in supporting private sector partnerships and economic clusters, while at the same time better integrating their services and business voice into the UK Government's new devolution plans.
- 4.3. To that end, the UK Government is encouraging the integration of LEPs and their business boards into MCAs, the GLA and County Deals, where these exist. **Where a devolution deal does not yet exist, LEPs will continue to play their vital role in supporting local businesses and the local economy.** Where devolution deals cover part of a LEP, this will be looked at on a case-by-case



basis. Further detail on this transition will be provided in writing to LEPs as soon as possible.”

- 4.4. The LEP Network has highlighted the excerpt in dialogue with LEPs across the country and also highlighted the Government’s next steps in this area, with which we and our colleague organisations expect to be fully aligned:
- 4.5. The Government will put in place a comprehensive process of engagement and informal consultation to inform levelling up delivery and future policymaking. Some of the key elements of this process include:
 - 4.5.1. A structured process of visits, at ministerial level, across the whole of the UK in the months following publication of the White Paper, to discuss how levelling up can be successfully achieved in that area and to gather feedback
 - 4.5.2. An ongoing, long-term commitment for further ministerial visits across the whole of the UK, to update on progress on the policy programme and missions;
 - 4.5.3. Setting up local panels, drawn from a wide range of stakeholders, to service as a sounding board on levelling up delivery and implementation, working closely with the new Levelling Up Directors once established;
 - 4.5.4. Annual reports summarising the key messages from these local panels, which will feed into the UK Government’s Cabinet Committee on Levelling Up; and
 - 4.5.5. An online space where local ideas, proposals and initiatives around levelling up can be heard and coordinated, to spread knowledge and understanding of what has worked locally and to foster innovation and experimentation.
- 4.6. The LEP Network contends that the document provides many opportunities for LEPs, and given the fresh mandate, the LEP Network has commenced the next phase of discussions with officials on the role we can play in the Levelling Up agenda.
- 4.7. **Conversations with local partners**
 - 4.7.1. It is quite clear, however, that the correct approaches for SELEP to deliver against this new policy agenda need to be determined and agreed locally.
 - 4.7.2. It is a priority for quarter one for senior executive and non-executive members of SELEP to engage with local partners to determine how SELEP and its governance should adapt to the new policy environment. It will be vital to ensure that the operation of the LEP in whatever form is sustainable until such time as it becomes subsumed within the mechanics of a devolution solution.
 - 4.7.3. It will also, of course, be important to secure the wholehearted support and engagement of local partners moving forward. This would also have the impact of providing a more stable environment for the team and support the retention of the expertise built over the last few years, at least in the short term.
 - 4.7.4. The SELEP CEO has already started to pick up with local partners and will reach out to all members of the board, collectively and individually, over the coming weeks. A handful of Leaders have already indicated their willingness to take part in an informal ‘ideas sharing’ session and this will be organised for a Spring date.



4.8. Changes to the Board, the team and our governance arrangements

- 4.8.1. We might expect that Government continue the same requirements for the iteration of the SELEP Board. This will mean that there is the requirement to have a board which provides a 50:50 gender split by January 2023 – as stipulated by the most recent version of the National Assurance Framework. We will work with the federated boards over the course of this year and ensure that we meet this requirement, notwithstanding any other changes which might affect the individuals who constitute the Board such as resignations of Directorship.
- 4.8.2. Should new core funding be confirmed for 2022/23, this would allow us to bring in much needed support around the Capital Programme and to retain a stake in strategic conversations on important areas such as skills and housing. Our impact across both of these important areas, and the adjustments that we are making to our support for these agendas in light of reduced funding will be reported to the June Strategic Board alongside a broader presentation from the CEO which takes full account of the new direction from Government (yet to be received).
- 4.8.3. Beyond this, we would need to tread very carefully as we are running down all available funding during the financial year and should prudently have an eye on resourcing the continuance of SELEP into 2023/24. As a very minimum, there will be the ongoing requirement to monitor and report on the Capital Programme for a number of years.
- 4.8.4. It is difficult to ascertain what changes to SELEP's governance arrangements might be appropriate. Should the requirements of the Assurance Framework change or reduce, we will respond accordingly. We will also review the status of the SELEP Ltd company arrangement when the new guidance is in, as it could be the case that the company is closed given the changing role of SELEP, the fact that no money flows through it and the challenges with covering some of the overheads such as insurances and indemnities.

4.9. Project visits

- 4.9.1. One item of work for quarter one will be to visit projects which have been supported by SELEP through all of our funding programmes. The SELEP Chair and Deputy Chair and CEO are all equally keen to institute a series of visits which will have the dual purpose of both building a narrative around the legacy of the LEP's capital programmes and of making us aware of any issues which are impeding the delivery of projects at the tail end of the programme.
- 4.9.2. This will likely manifest as a series of half day visits during March and April. The Secretariat has identified projects of particular interest and will be in touch with partners in the federated areas over the coming weeks to establish a programme of visits.

4.10. Growth Hub

- 4.10.1. As reported in the Growth Hub paper on today's agenda, LEPs are typically notified early in Quarter 4 of every year that Growth Hub core funding will be granted for the forthcoming year, followed later in Quarter 4 by notional funding allocations in writing for every LEP. In the absence of any indication of funding to date, steps are now being taken by each Growth Hub Lead Authority to minimise liabilities in



2022/23, should core funding not be forthcoming, or if the funding envelope is reduced.

- 4.10.2. At this late stage, even if core funding is confirmed, there is a high risk of disruption to, or temporary break in, service delivery, due to the lead in times for business planning following notification of SELEPs notional allocation.
- 4.10.3. Growth Hub Lead Authorities may need to secure provisional alternative funding for service delivery, be prepared to underwrite the costs of service delivery from 1st April 2022, and/or ensure sufficient reserves to cover severance costs where redundancy notices have or may need to be issued to Growth Hub service staff due to current lack of confirmed funding.
- 4.10.4. Should funding to a sufficient level be confirmed for 2022/23, we will work closely with all partners engaged in delivering Growth Hub activities across SELEP to ensure that the service provided is in accordance with the revised instruction from Government and aligns with the wider LEP activities to the maximum extent possible.
- 4.10.5. Issues pertaining to the future operation of the Growth Hub are covered under a separate item on the agenda.

4.11. Sector Support Fund

- 4.11.1. Utilising revenue funding available to it and recognising a gap in the support available to its working groups, SELEP created the Sector Support Fund in 2018 and the scheme has been well received by partners, with almost £2.5m allocated to projects to date. In full view of the situation of reduced support from Government to the LEP the Board endorsed the reallocation of the remaining £126,736 back to support the SELEP budget due to the financial challenges experienced in the current and future years.
- 4.11.2. This endorsement was subject to the caveat that should the remaining Core Funding be received in 2021/22, that this decision would be revisited. It is the role of the Accountability Board to approve the reallocation of the funding and this decision was made at the meeting on the 19 November 2021. SELEP subsequently successfully applied for the second allocation of core funding.
- 4.11.3. The core funding now received has ensured support to the operational costs for 2021/22, in line with budget; this means that there is a reduced need to call on reserves to support activities in this financial year and that the reserves position moving into the 2022/23 are now expected to be £250,000 more than had been forecast in November 2021.
- 4.11.4. There is currently no confirmation from Government of any funding from 2022/23; should Core Funding be offered for SELEP to apply for, the value is likely to be lower than in previous years. Further, there are no capital balances remaining with SELEP upon which to earn interest receipts and there are no contributions agreed with local authorities, as the precise role for SELEP in 2022/23 remains undetermined. These factors contribute to a financial envelope within which it is very difficult to maintain the same levels of service.
- 4.11.5. It is therefore recommended that the Sector Support Fund is closed to further

applications and that the £126,736 is retained to support the SELEP revenue budget to further bolster the operation for 2022/23. Also, in the event that funding previously allocated to Projects from the Sector Support Fund is returned by partners under the terms of their funding agreements (e.g. where funding allocated exceeds the amount required), these amounts will be contributed to the Operational Reserves, in accordance with decisions of the Accountability Board.

- 4.11.6. It might be added that there remains insufficient time and resource to invite new project applications given the on-going financial uncertainties of the LEP. Experience has proven that SSF projects take over a year to fully deliver and any projects which were looking to gain approval, notionally in June, may not be able to deliver and complete their evaluation before March 2023 - - this being the last date at which SELEP is likely to have the team resource in place to support the ongoing auditing, monitoring and reporting required for the good administration of the fund.
- 4.11.7. Mindful of the risk of reduced impact, there are a number of activities commensurate with SELEP's new strategic role, which *could* be undertaken should be £126,736 be retained to support the revenue budget. These activities include strengthening the team resource around the management of the capital programme; providing ongoing support to the strategic activities supporting the Housing and Development agenda; and providing a degree of continuance for some of our private sector collaborations such as the Skills Advisory Panel and the Major Projects Group – both of which having gone from strength to strength over the past 12 months.
- 4.11.8. Beyond this, we have to consider the longer-term requirements for funding to support the reporting and monitoring around the capital programme for a period of multiple years or until such points as Government advise that reporting can cease. The retention of this funding will be very helpful in this respect.

4.12. The Delivery Plan approach

- 4.12.1. The Delivery Plan attached at Appendix A demonstrates a focus on organising our activities for the first quarter of the year (Annex C within the document). Our intention is currently to return to the Board in June with a full programme of activities for the rest of the financial year.
- 4.12.2. To provide board members with a flavour of our current and ongoing activities, some of the Quarter One activities are as follows:
 - Review and refine our working agenda in light of the LUWP
 - Engagement activities around achieving a sustainable model
 - Leading role for **Catalyst South**
 - Lead the **Major Projects Group**, including the skills action plan and local supply chain activities
 - Support the two **Freeports** in their development
 - Refocusing of **Skills Advisory Group** and **Skills Working Group**, working with LSIPs and delivery and evaluation of CV19 programmes
 - Delivery of Digital Skills Partnership



- Delivery and reporting on **Capital Programme**
- Delivery and monitoring on the **CV19 funds**
- Continued support for SMEs through the **Growth Hub** and action on the Growth Hub in light of BEIS' new approach
- Continued reporting on delivery of strategy through dashboards to the Board
- Ongoing provision of **data and intelligence** to inform partnership activities, including to develop our understanding of key issues such as diversity and coastal deprivation
- **Communication and engagement plan to support SELEP Strategy network** model and inform future approach to engagement with partnership groups and boards

5. Next Steps

- 5.1. Meetings will continue between the SELEP Management Team, Chair and Deputy Chair, and local partners to establish views on how the LUWP should be applied in this context. The SELEP CEO will report back to the board in June. The SELEP CEO will approach all Board members individually to support this.
- 5.2. More broadly, the Delivery Plan will return to the agenda and plans for the subsequent three quarters of the year will be presented for agreement.
- 5.3. The SELEP CEO will take responsibility for keeping the Board apprised of key upcoming decisions from Government affecting SELEP and its wider family of activities, including the Growth Hub.

6. Comments from the Accountable Body

- 6.1. It is a requirement of the National Local Growth Assurance Framework (NAF) that LEPs publish a delivery plan as part of the assurance monitoring process. The delivery plan is expected to set out a well-developed understanding of the local economic evidence base to identify opportunities and obstacles to inclusive growth, prosperity and improved productivity. This will be considered as part of HMG's annual assurance process of LEPs, alongside the annual report, which is a retrospective review of the year.
- 6.2. The NAF confirms that a delivery plan is required to be published at the beginning of each financial year.
- 6.3. The costs associated with implementing the Delivery Plan for each respective year must be met within the SELEP annual operational budget approved by the Accountability Board.
- 6.4. Currently there remains no assurance from Government of additional grant funding beyond 2021/22. The approved revenue budget for 2022/23 is based on the assumption that no new funding will be received and that the operational reserves will be the primary source of funding.
- 6.5. The 2022/23 budget assumes full use of the operational reserves to fund the anticipated expenditure – on this basis, there would only be funding beyond March 2023 to support known financial and contractual commitments and risks, unless alternative funding opportunities become available. The overall position will continue to be monitored regularly and the budget will be revised, if required, during early 2022/23, once the status of future funding for SELEP is known.
- 6.6. The receipt of the remaining £250,000 core funding in December 2021 gives an opportunity to



improve the budgeted position for 2022/23; in determining the most appropriate application of this funding, consideration must be given to not increasing the financial commitment of the LEP beyond the known available resources.

7. Appendices, Supporting Documents and Previous Decisions

- 7.1. Appendix A – Delivery Plan 2022-23
- 7.2. For further information please contact Adam Bryan – adam.bryan@southeastlep.com

Item 5: Capital Programme Update

Executive Summary

1. Overview

- 1.1. This report provides the Strategic Board (the Board) with details of projects where Local Growth Fund (LGF) spend is expected to extend beyond the Growth Deal period and where Getting Building Fund (GBF) spend is expected to extend beyond 31 March 2022. The report also provides an update on the overall position of the LGF and GBF programmes and high risk projects within both programmes.
- 1.2. The Board is asked to approve the spend of any LGF beyond 30 September 2021, and the spend of any GBF beyond 31 March 2022. One LGF project is brought forward for consideration by the Board with regard to LGF spend beyond September 2021 at this meeting, increasing the total number of projects due to spend LGF beyond 30 September 2021 to 27. Seven GBF projects seeking retention of funding beyond 31 March 2022 are also brought forward for Board consideration, increasing the total number of projects due to spend GBF beyond 31 March 2022 to 14.

2. Decisions: Board is recommended to:

- 2.1. **Agree** LGF spend beyond 30 September 2021 for the Bexhill Creative Workspace project – completed January 2022
- 2.2. **Agree** GBF spend beyond 31 March 2022 for the following seven projects:
 - 2.2.1. Tendring Bikes and Cycle Infrastructure – expected completion September 2022
 - 2.2.2. Laindon Place – expected completion of GBF elements September 2022
 - 2.2.3. Discovery Park Incubator – expected completion August 2022
 - 2.2.4. Romney Marsh Employment Hub – expected completion May 2022
 - 2.2.5. ASELA LFFN – expected completion April 2022
 - 2.2.6. Seven Sisters Country Park Visitor Infrastructure Uplift – expected completion September 2022
 - 2.2.7. Techfort – expected completion by December 2022

3. Rationale for Decisions

- 3.1. All the LGF funding, excluding funding allocated to Department for Transport (DfT) retained schemes, has effectively been distributed to local partners to support delivery of the LGF programme. When the Accountability Board agreed the transfer of the remaining unspent LGF funding allocated to the Bexhill Creative Workspace project, it was expected that the LGF funding would be fully spent by the end of September 2021, in accordance with the extended Growth Deal period previously agreed by the Board.
- 3.2. It has now been reported that LGF spend on the Bexhill Creative Workspace project has extended beyond September 2021 and therefore Board endorsement is required, in line with the conditions for extended LGF spend as previously agreed by the Accountability Board. The project

has been considered by the Accountability Board, who have agreed that LGF spend can continue beyond 30 September 2021 subject to Board endorsement.

- 3.3. If Board endorsement is not received, it will not be possible to action the decision by Accountability Board to allow LGF spend beyond 30 September 2021 for the Bexhill Creative Workspace project. As a result, it is likely that the return of some of the LGF funding allocated to the project will be required which will impact on project delivery.
- 3.4. At the outset of the GBF programme, there was a clear expectation from Central Government that the GBF funding would be spent in full by 31 March 2022. This expectation was a key factor when the Board considered the prioritisation of the GBF project submissions and led the Accountability Board to carefully consider any risks to project delivery when taking the final funding decisions.
- 3.5. Subsequently, it has been indicated by local partners that a number of GBF projects are no longer able to fully spend their GBF allocations by 31 March 2022 due to the occurrence of unforeseen complications or delays during project delivery. In July 2021, Accountability Board agreed that GBF funding could be retained against projects beyond 31 March 2022 in exceptional circumstances, subject to compliance with a number of conditions and criteria.
- 3.6. The seven GBF projects outlined in this report were considered by Accountability Board in February 2022 and it was agreed that GBF funding could be retained against the projects beyond March 2022, subject to Board endorsement.
- 3.7. If Board endorsement is not provided, the projects will be removed from the GBF programme and the funding will be reallocated to alternative projects, as the projects are no longer able to deliver by 31 March 2022 as originally expected.

Further Information

4. Decision 1: Agree LGF spend beyond 30 September 2021 for the Bexhill Creative Workspace project:

- 4.1. The Board has previously agreed that LGF spend on 26 projects can extend beyond 30 September 2021. There is one further project, the Bexhill Creative Workspace project, for which LGF spend has extended beyond September 2021.

Table 1: Summary of the Bexhill Creative Workspace project

Summary of projects seeking approval for LGF spend beyond 30 September 2021 (£m)						
Project name	Total LGF allocation	LGF spend to end of 2020/21	LGF spend - Q1 and Q2 2021/22	LGF spend forecast - Q3 and Q4 2021/22	Expected completion date in Business Case	Updated expected completion date
Bexhill Creative Workspace	0.9600	0.5914	0.0000	0.3686	May-20	Jan-22

- 4.2. Delivery of the Bexhill Creative Workspace project has been delayed as a result of COVID-19 impacts on the delivery programme, which were exacerbated by poor weather conditions. These delays primarily impacted the first phase of the project but resulted in a delayed start to the second phase of works, which ultimately commenced onsite in Summer 2021. Delivery of the second phase of works was also slightly delayed due to complications in getting services to the site. However, construction of the project is now complete, and a period of snagging has commenced. It was expected that the remaining LGF funding would be claimed by the scheme promoter in January 2022, however, it is now expected that the claim will be submitted during

March 2022.

- 4.3. More details on this project and the reasons for the delay to project delivery are outlined in Appendix A.

5. Decision 2: Agree GBF spend beyond 31 March 2022 for the seven projects listed in 5.3 below:

- 5.1. In July 2021, the Accountability Board agreed SELEP's position on the retention of GBF funding against projects beyond 31 March 2022. As outlined at the October 2021 Board meeting, the Accountability Board agreed that GBF funding could be retained against projects subject to certain criteria and conditions being satisfied.
- 5.2. The Board has previously agreed that GBF funding can be retained against 7 projects beyond 31 March 2022. There are a further 7 projects, for which GBF spend is now forecast to extend beyond March 2022.
- 5.3. The Board are asked to approve GBF spend beyond 31 March 2022 for the following seven projects:
- 5.3.1. Tendring Bikes and Cycle Infrastructure
 - 5.3.2. Laindon Place
 - 5.3.3. Discovery Park Incubator
 - 5.3.4. Romney Marsh Employment Hub
 - 5.3.5. ASELA LFFN
 - 5.3.6. Seven Sisters Country Park Visitor Infrastructure Uplift
 - 5.3.7. Techfort

Table 2: Summary of projects seeking approval for GBF spend beyond 31 March 2022

Summary of projects seeking approval for GBF spend beyond 31 March 2022 (£m)						
Project name	Total GBF allocation	GBF spend to end of 2020/21	GBF spend forecast - 2021/22	GBF spend forecast - 2022/23	Expected completion date in Business Case	Updated expected completion date
Tendring Bikes and Cycle Infrastructure	2.300	-	0.800	1.500	Mar-22	Sep-22
Laindon Place	0.790	-	0.040	0.750	Mar-22	Sep-22
Discovery Park Incubator	2.500	-	0.200	2.300	Jul-21	Aug-22
Romney Marsh Employment Hub	3.536	-	1.887	1.649	Feb-22	May-22
ASELA LFFN	2.500	0.946	1.204	0.350	Feb-22	May-22
Seven Sisters Country Park Visitor Infrastructure Uplift	0.200	-	0.01	0.190	Sep-22	Sep-22
Techfort	1.009	-	-	1.009	By Dec-22	By Dec-22
Total	12.835	0.946	4.141	7.748		

Tendring Bikes and Cycle Infrastructure

- 5.4. Delivery of the improved cycle network infrastructure planned as part of this project has been delayed due to public consultation on the proposals resulting in a request to alter the intended route to place more of a focus on infrastructure enhancements in Jaywick Sands and on the sea front part of the cycle route which connects to Clacton. The requested changes to the design have been implemented, however, this has resulted in a delay to the

delivery programme. As a result, approval for retention of the GBF funding against the project beyond March 2022 for a maximum period of 6 months is sought.

- 5.5. Procurement of a construction contractor was underway prior to the changes being made to the cycle route and a preferred contractor had been identified. This appointment will stand; however, further procurement will need to be undertaken to appoint a contractor to deliver those elements of the route where changes have been made. It is anticipated that this procurement will be conducted over a short time period and will not therefore impact on the ability of the project to deliver by September 2022. However, ongoing procurement does present a risk to the total project cost, which will need to be monitored.
- 5.6. There are also identified potential risks with regard to availability of materials, the risk of an extended construction period and the risk of increased project costs due to rising materials prices.

Laindon Place

- 5.7. Delivery of the project has been impacted by a number of factors, including delays in securing the required technical approval for the Laindon High Road design from the Essex County Council Highways department. This approval is now in place, however, adaptations to several elements of the design were required by Essex County Council.
- 5.8. The changes to the Laindon High Road design need to be formalised through the planning process. A Section 73 Minor Material Amendment application was submitted in August 2021, and it was anticipated that the application would be determined in November 2021. However, determination of this application has been repeatedly delayed, and it is now not expected to be determined until March 2022.
- 5.9. Finally, delivery of the project has been delayed as a result of changes in building regulations and the introduction of the Fire Safety Bill (2021). The original design for the scheme complied with the old regulations but did not take account of new industry best practice and the new recommendations set out within the updated documents resulting in certain elements of the project having to be redesigned in line with updated guidance.
- 5.10. As a result of these factors, approval for retention of the GBF funding against the project beyond March 2022 for a maximum period of 6 months is sought.
- 5.11. There remains a risk that determination of the planning application could be further delayed which would apply extra pressure to the delivery programme and would impact on the ability of the project to spend the full GBF allocation by 30 September 2022. In addition, there is an identified risk regarding potential cost increases as a result of Brexit and COVID-19 on both labour and materials supply chains. If these cost increases are realised, there will be a need for additional funding to be secured in order to deliver the full package of works.

Discovery Park Incubator

- 5.12. Delivery of the Discovery Park Incubator project has been delayed as cost estimates derived from the initial technical design revealed that project costs were significantly higher than originally anticipated. This prompted a change in approach with the decision taken to utilise existing infrastructure where possible. In addition, the decision was taken to split the works into multiple tender packages, rather than procuring one main contractor, so as to reduce the level of cost risk attached to the project.
- 5.13. Project construction has been delayed as a result of the additional work required to implement



the change in approach outlined above and, as a result, approval to retain the GBF funding against the project beyond March 2022 for a period of 5 months is sought.

- 5.14. The procurement process is still underway for some works packages and therefore there remains a risk of further cost increases being identified, which may impact on the value for money offered by the project.

Romney Marsh Employment Hub

- 5.15. The GBF funding was awarded to support the delivery of drainage, highway and utility works which were required to unlock the potential for commercial development on the site, alongside the delivery of a business hub. The drainage and highway works have progressed well, however, the delivery of the utility infrastructure has been delayed due to the statutory utility companies working to longer than expected timescales when considering requests for information or approvals for proposed works. To mitigate these delays, approval for retention of the GBF funding beyond March 2022 for a maximum period of 6 months is sought.
- 5.16. Approvals remain outstanding for the proposed designs for the gas main and high and low voltage cables which presents an ongoing risk to the delivery programme.

ASELA LFFN

- 5.17. Delivery of the LFFN project has been progressing well and it was anticipated that the works would be completed by the end of March 2022. However, in recent weeks, unforeseen duct blockages have meant that delivery of the project is now expected to extend into April 2022, with the final invoice to be paid in May 2022. As a result, approval for retention of the GBF funding beyond March 2022 for a maximum period of 2 months is sought.
- 5.18. Work is underway to address and resolve all the blockages identified, and Thurrock Council are working closely with the supplier to ensure that delivery of the project is not further delayed.

Seven Sisters Country Park Visitor Infrastructure Uplift and Techfort

- 5.19. The Seven Sisters Country Park Visitor Infrastructure Uplift and Techfort projects were placed on the GBF project pipeline in March 2021 and were only considered for funding award by the Accountability Board in February 2022, following the removal of the Fast Track Business Solutions for the Hastings Manufacturing Sector project from the GBF programme.
- 5.20. The GBF funding awarded to the Seven Sisters Country Park Visitor Infrastructure Uplift project is allowing elements of the original wider project scope which were removed to secure the necessary cost savings to be reinstated. As these elements were removed from the original project scope, they have not yet been subject to detailed design or procurement. As a result, approval for retention of the GBF funding beyond March 2022 for a maximum period of 6 months is sought.
- 5.21. The Techfort project is currently at a relatively early stage of development and there are outstanding planning and Scheduled Monument Consents which need to be secured before delivery of the project can commence. In addition, procurement still needs to be undertaken but this will not be progressed until all the required consents have been secured.
- 5.22. In order to secure timely delivery of the GBF programme, the award of GBF funding to the Techfort project was agreed by the Accountability Board subject to confirmation of receipt of all outstanding consents including planning and Scheduled Monument Consent by 20 May 2022.
- 5.23. Due to the timing of the funding decision and the current status of the project, approval for

retention of the GBF funding beyond March 2022 for up to 9 months is sought. This is not in line with the criteria previously agreed by the Accountability Board, which allowed retention of GBF funding beyond March 2022 for a maximum period of 6 months. However, Accountability Board took the decision to allow the retention of GBF funding against the project for a maximum period of 9 months as an exception.

6. Additional information

Financial position – LGF and GBF

- 6.1. As the Board will recall, SELEP was required to provide confirmation to Central Government that all the LGF funding would be contractually committed and spent by 31 March 2021 to secure receipt of the final tranche of the LGF funding. In reality, it was not possible to spend the full remaining balance of the LGF on the approved projects in 2020/21 and therefore the Accountability Board agreed that SELEP should use the 'freedoms and flexibilities' afforded by Central Government to transfer the unspent LGF to local partners' own capital programmes prior to the end of 2020/21. This would then allow partners to fund LGF projects in later years.
- 6.2. In accordance with this decision all the LGF funding, excluding funding allocated to DfT retained schemes, has been effectively distributed to local partners to support delivery of the LGF programme. Delivery of the ongoing LGF projects and spend of the funding transferred to local partners will continue to be monitored until all projects have reached completion.
- 6.3. Central Government awarded SELEP a GBF allocation of £85m - £42.5m of this was transferred to Essex County Council, as the Accountable Body for SELEP, in 2020/21 with the balance transferred in 2021/22. In accordance with Government requirements, the full £42.5m GBF allocation received in 2020/21 was transferred to local partners prior to the end of the last financial year. Delivery of the GBF projects has progressed more slowly than originally anticipated, and GBF spend on project delivery during 2020/21 totalled only £13.614m. A further £29.680m of the GBF funding was spent during Q1, Q2 and Q3 2021/22, leaving an unspent balance of £41.706m.
- 6.4. As at the end of Quarter 3 2021/22, the Accountable Body were still holding £20.731m of the GBF funding allocation. It is expected that the majority of the GBF projects will complete within the 2021/22 financial year as originally expected, with a number of projects seeking approval for retention of their GBF funding allocation beyond the end of March 2022 as set out in this report.
- 6.5. At SELEP's recent Annual Performance Review, Government expectations that the GBF funding should be fully spent by 31 March 2022 were reiterated and it was indicated that the outcome of the Annual Performance Review may be adversely impacted if this expectation was not met. In order to comply with this requirement, on 11 February 2022 the Accountability Board agreed that the remaining GBF funding should be transferred to local partners prior to the end of 2021/22 to support delivery of the GBF projects into 2022/23, similar to the approach adopted for the LGF programme.
- 6.6. The transfer of the remaining GBF funding will be subject to conditions for those projects which are considered to be High risk, or which have outstanding funding conditions. These conditions will be formalised through the completion of legal agreements which vary the terms of the Service Level Agreements between Essex County Council (as the Accountable Body for SELEP), SELEP Ltd. and the relevant local partner authorities, and no funding will be transferred until these agreements have been completed.
- 6.7. Delivery of the ongoing GBF projects and spend of the funding transferred to local partners will

continue to be monitored until all projects have reached completion.

Award of GBF funding

- 6.8. In December 2021, the Board were advised that the Fast Track Business Solutions for the Hastings Manufacturing Sector project had been removed from the GBF programme as it had not been possible for the two key delivery risks to be fully mitigated. This released £3.5m of GBF funding for reallocation to alternative projects on the GBF project pipeline. It was indicated at the last Board meeting that the initial £1.4m of this GBF funding had been awarded to the Amelia Scott project by the Accountability Board in November 2021.
- 6.9. The remaining £2.1m GBF was awarded in February 2022 to support the delivery of the following 5 projects: Food Street Eastbourne (£0.1m), Seven Sisters Country Park Visitor Infrastructure Uplift (£0.2m), Princess Alexandra Hospital – relocation of post-graduate medical training facility (£0.5m), Braintree – Active Travel (£0.291m) and Techfort at the Citadel, Dover (£1.009m).
- 6.10. Award of funding to these projects was subject to a number of conditions, including receipt of Government approval for project inclusion within the GBF programme. To date, approval has been received from Government for the inclusion of all projects other than Techfort, which is still under consideration.
- 6.11. Further details on these projects can be found within the February 2022 Accountability Board agenda pack.

High risk projects – LGF and GBF

- 6.12. There are 9 projects within the LGF programme which have been identified as High Risk, with a risk score of 5 out of 5. This risk score has been based on an assessment of deliverability, financial position and reputational risk, in line with guidance from Central Government.
- 6.13. Projects with a risk score of 5 are listed in Table 3 below and an individual update is set out in Appendix A.

Table 3: High Risk LGF projects

Project Name	Scheme Promoter	Total LGF allocation (£m)	LGF spend to end 2020/21 (£m)	LGF spend - Q1 and Q2 2021/22 (£m)	LGF spend forecast - Q3 and Q4 2021/22 and beyond (£m)	Main project delivery constraint
Queensway Gateway Road	East Sussex	10.00	10.00	-	-	Land acquisition required for several parcels of land to enable completion of the project
A127 Fairglan Junction Improvements, Essex	Essex	15.00	1.50	-	13.50	Awaiting DfT approval of the Business Case
A28 Chart Road, Kent	Kent	2.76	2.76	-	-	Awaiting release of S106 funding to enable the delivery of the project
Maidstone Integrated Transport Package	Kent	8.90	6.53	-	2.37	Complex programme of interventions with consent required for specific interventions within programme
A28 Sturry Link Road	Kent	5.90	1.109	-	4.791	Required land acquisition is ongoing
A289 Four Elms roundabout to Medway Tunnel	Medway	1.82	1.82	-	-	HIF funding is being used to deliver project and the HIF works are currently still at consultation stage
London Gateway/Stanford-le-Hope, Thurrock	Thurrock	7.50	7.50	-	-	Planning permission is outstanding for Phase 2. Increased costs and uncertainty regarding benefit realisation
A13 Widening, Thurrock	Thurrock	76.50	76.50	-	-	Project programme and costs have differed significantly from position set out in Business Case
Grays South	Thurrock	10.84	4.49	-	6.35	Project costs have increased significantly. Evidence required that project continues to offer High value for money

6.14. The A127 Fairglan Junction Improvements project is a DfT retained scheme which has been identified as High Risk due to the formal funding decision from the Secretary of State for Transport remaining outstanding. DfT have now indicated a requirement for additional obligations to have been met by Essex County Council before the funding decision will be taken. Essex County Council are working to meet these obligations as soon as possible. The Accountability Board have committed to providing support to Essex County Council as and when required to help progress the project.

6.15. The Accountability Board continue to receive regular updates on all projects identified above.

6.16. There are 9 projects within the GBF programme which have been identified as High Risk, with a risk score of 5 out of 5. The same criteria have been used to calculate these risk scores as was applied to the LGF projects.

6.17. Projects with a risk score of 5 are listed in Table 4 below and an individual update is set out in Appendix B.

Table 4: High Risk GBF projects

Project Name	Scheme Promoter	Total GBF allocation (£m)	GBF spend to end 2020/21 (£m)	GBF spend forecast - 2021/22 (£m)	GBF spend forecast - 2022/23 (£m)	Main project delivery constraint
Riding Sunbeams Solar Railways	East Sussex	2.528	-	1.097	1.431	Delivery of the project is subject to progression through the Network Rail GRIP process. Delays in obtaining information from utility providers has further delayed progress.
UTC Maritime and Sustainable Technology Hub	East Sussex	1.300	-	0.594	0.706	Work ongoing to resolve the complications encountered with securing the lease for the building
Jaywick Market and Commercial Space	Essex	1.972	-	0.5900	1.382	Project costs have risen significantly resulting in a funding gap and the need for development of an updated value for money assessment
Tendring Bikes and Cycle Infrastructure	Essex	2.300	-	0.800	1.500	Project is unable to spend full GBF allocation by 31 March 2022
Laindon Place	Essex	0.790	-	0.040	0.750	Project is unable to spend full GBF allocation by 31 March 2022
Romney Marsh Employment Hub	Kent	3.536	-	1.887	1.649	Project is unable to spend full GBF allocation by 31 March 2022
Discovery Park Incubator	Kent	2.500	-	0.200	2.300	Project is unable to spend full GBF allocation by 31 March 2022
Better Queensway	Southend	4.200	-	1.050	3.150	There is a need to understand the implications of the Regulator for Social Housing's decision to downgrade Swan Housing Association's viability and governance grades
ASELA LFFN	Thurrock	2.500	0.946	1.204	0.350	Project is unable to spend full GBF allocation by 31 March 2022

6.18. The challenges faced by the Tendring Bikes and Cycle Infrastructure, Laindon Place, Romney Marsh Employment Hub, Discovery Park Incubator and ASELA LFFN projects are already outlined within this report.

6.19. The completion of the Riding Sunbeams project is subject to progression through Network Rail GRIP Stages 1 to 8. The project is currently progressing through GRIP 1 to 4, with a programme for the later phases not available until GRIP 4 has been completed. In addition, receipt of required approvals from Network Rail have been further pushed back as a direct result of delays in the provision of required information from UK Power Networks (UKPN). Due to these factors, there remains an element of uncertainty around the timetable for construction and completion of the project. A further update on the anticipated delivery programme will be provided to the Accountability Board at their April 2022 meeting.

6.20. The delivery of the UTC Maritime and Sustainable Technology Hub project has been delayed as a result of complex and unforeseen land ownership matters which have taken longer than anticipated to resolve. Whilst the project has received approval for the retention of the GBF funding beyond March 2022 for a maximum period of 6 months, it continues to be classified as High Risk as the land ownership matters have not yet been fully resolved, although significant progress has been made. It is now expected that the land ownership matters will be fully resolved by the end of February 2022.

6.21. At the last meeting, the Board agreed that GBF spend against the Jaywick Market and Commercial



Space project could continue beyond March 2022 for a maximum period of 6 months. The report presented to the Board at the last meeting indicated that procurement of a lead building contractor was ongoing and therefore there remained a risk of further cost increases. The procurement process has now been completed and the tenders received were significantly higher than anticipated. Tendring District Council are in the process of seeking additional finance from partners to enable delivery of the project to continue and it is expected that details of the full funding package will be provided within the update to the Accountability Board in April 2022.

- 6.22. Due to the scale of the cost increase, there is a requirement for a revised value for money assessment to be completed to demonstrate that the project continues to offer High value for money. This value for money assessment has been supplied and is currently with the Independent Technical Evaluator for review in advance of the April 2022 Accountability Board meeting.
- 6.23. If a full funding package can be confirmed and it can be demonstrated that the project continues to offer High value for money, then the level of risk attached to the project will likely reduce in future updates to the Board.
- 6.24. There are a number of risks relating to the delivery of the Better Queensway project. These risks primarily stem from the fact that this is a major regeneration project, with the GBF funding playing a small part in supporting the initial enabling works. Approval has been given for the retention of the GBF funding allocation beyond March 2022 for a maximum period of 6 months and mitigation measures have been put in place to minimise the risk that the GBF funding will not be spent in full within this period.
- 6.25. Since the last Board meeting, it has been reported that the Regulator for Social Housing has taken the decision to downgrade Swan Housing Association's viability and governance grades. Swan Housing are acting as development partner for Better Queensway in a Joint Venture with Southend-on-Sea Borough Council. In addition, Swan have announced a partnership with Orbit, which is expected to complete in late 2022. Southend-on-Sea Borough Council is seeking assurances from Swan Housing about the future of the project and is actively seeking a meeting with Orbit. At this stage, indications are that the project will proceed as planned, however, discussions between all parties and Homes England (who provided £15m Housing Infrastructure Fund to support delivery of the project) continue. This risk will continue to be monitored by the Accountability Board.
- 6.26. The Accountability Board will continue to receive regular updates on all GBF projects identified as High Risk.

LGF and GBF project pipelines

- 6.27. The Board agreed a pipeline of LGF projects on 11 December 2020. This pipeline consists of existing LGF projects which have reported a funding gap, either due to cost increases or loss of local funding sources due to the impacts of the COVID-19 pandemic. Funding has been awarded to the first 12 projects on the pipeline and the remaining projects continue to be presented to the Accountability Board for consideration should any further funding be returned to SELEP for reallocation.
- 6.28. Following a review of the LGF projects remaining on the pipeline, confirmation has been provided by Kent County Council that the Maidstone East Station Access Improvements (West Kent LSTF) project no longer requires the additional LGF funding requested. As a result, the Board are asked to note the removal of the project from the pipeline.



6.29. The Board agreed a pipeline of GBF projects in March 2021. Following the award of funding to the projects outlined at section 6.9 of this report, a very limited GBF prioritised project pipeline remains in place and consideration will be given to the ongoing need for GBF funding to support delivery of the remaining pipeline project should any further projects be removed from the GBF programme and their funding returned to SELEP for reallocation. If further funding becomes available, and there is no identified need for further investment in the pipeline project, alternative proposals for investment of the available GBF funding will be presented to the Board.

7. Next Steps

- 7.1. Delivery of the ongoing LGF projects, including those set out within this report, and spend of the funding transferred to local partners at the end of 2020/21, will continue to be monitored until all projects have reached completion with regular updates provided to the Accountability Board.
- 7.2. For those GBF projects which have received approval for retention of funding beyond 31 March 2022, project updates will be provided at each Accountability Board meeting to ensure that the projects remain on track to complete GBF spend by 30 September 2022 (or 31 March 2023 in the case of the Acceleration of full-fibre broadband deployment in very rural or very hard to reach areas and Extension of the full-fibre broadband rollout in Essex to reach rural and hard to reach areas projects).
- 7.3. A full review of the deliverability of all projects which have received approval for retention of GBF funding beyond March 2022 will be carried out and an update on their continued ability to deliver by September 2022 will be provided at the April 2022 Accountability Board meeting.
- 7.4. For those projects which are forecasting GBF spend beyond 31 March 2022, and for which Essex County Council (as Accountable Body for SELEP) continue to hold GBF funding, legal agreements will be completed to apply any conditions agreed by the Accountability Board to the release of the funding. Subject to the completion of these legal agreements, the remaining GBF funding will be released to local partner authorities in advance of 31 March 2022. An update on the financial position of the GBF programme will be provided at the next Board meeting.
- 7.5. At each Accountability Board meeting, an update is provided on the high-risk projects listed in Appendices A and B, with the Board often receiving individual update reports to note progress or to agree next steps.

8. Comments from the Accountable Body

LGF

- 8.1. To secure the remaining third of the 2020/21 allocation of LGF, the Accountable Body and SELEP confirmed to Government in June 2020, that plans were in place to spend the LGF grant in full by 31 March 2021. This commitment was planned to be met through the transfer of the remaining funding to the respective lead local authority responsible for delivering the Projects under the terms of the SLA or grant agreements in place.
- 8.2. Where LGF is required to be spent beyond 31 March 2021, the agreement enables the Local authorities to either hold the LGF as a ringfenced grant or spend the LGF across their wider capital programme as a capital swap. Where LGF has been applied as a capital swap, during the subsequent financial years, local authorities will use their own capital programme to fund spend on the LGF project.
- 8.3. Should the Board choose not to endorse the spend of LGF beyond 30 September 2021 for the



recommended LGF Project, a decision will need to be made by Accountability Board on the future position of the Bexhill Creative Workspace project, which may include cancellation; any such decisions will be managed through the SLAs in place with the respective partner Authorities to support the LGF programme and may include recovery of LGF spent to date, where conditions for funding can no longer be met.

- 8.4. The LGF grant conditions do not include a requirement to provide monitoring and evaluation of project delivery. Monitoring and Evaluation of completed LGF projects is a requirement of the SELEP Local Assurance Framework. If this cannot be assured due to uncertainty over future funding this presents a reputational risk to the SELEP.

GBF

- 8.5. Essex County Council, as the Accountable Body, is responsible for ensuring that the GBF funding is utilised in accordance with the conditions set out by Government for use of the Grant.
- 8.6. GBF is allocated through a grant determination from MHCLG via section 31 of the Local Government Act 2003; this is subject to the following condition:
- 8.6.1. The grant may be used only for the purposes that a capital receipt may be used for, in accordance with regulations made under section 11 of the Local Government Act 2003.
- 8.7. SELEP has previously discussed the proposed approach regarding the retention of GBF funding beyond March 2022 with Government and it was confirmed that no additional governance or approvals would be required from Government in this respect.
- 8.8. Should the Board choose not to endorse the spend of GBF beyond 31 March 2022 for the recommended Projects, a decision will need to be made by Accountability Board on the future position of the projects, which may include cancellation; any such decisions will be managed through the SLAs in place with the respective partner Authorities to support the GBF programme and may include recovery of GBF spent to date, where conditions for funding can no longer be met.
- 8.9. The grant conditions do not impose an end date for use of the funding, albeit that it was the expectation of Government that all funding is defrayed by 31 March 2022. Therefore, there is reputational risk to SELEP where defrayal of funding and delivery cannot be demonstrated – Government is expected to review this as part of the Annual Performance Review of LEPs.
- 8.10. At the February 2022 Accountability Board it was agreed that SELEP uses the ‘freedoms and flexibilities’ afforded to it by Government, to demonstrate spend of GBF by the end of March 2022. Under the terms of the SLAs in place, the GBF can be transferred as Capital in advance of need and applied as an ‘Option 4’ capital swap (whereby funding can be applied against the partner Council’s wider Capital programme in 2021/22, provided the equivalent funding is recycled back to GBF delivery in future years); alternatively the GBF transferred to the respective partner Authorities, can be held within their accounts as a ringfenced capital grant.

9. Appendices, Supporting Documents and Previous Decisions

- 9.1. Appendix A: LGF Projects spending beyond 30 September 2021 and a summary of high risk LGF projects
- 9.2. Appendix B: GBF Projects spending beyond 31 March 2022 and a summary of high risk GBF projects



9.3. Background documents

9.3.1. Accountability Board Agenda Pack 11 February 2022

9.4. For further details contact: SELEP Capital Programme Manager, Helen Dyer
(helen.dyer@southeastlep.com)



Item 6: Sector Support Fund Project Update

Executive Summary

1. Overview

- 1.1. A decision on the future of the Sector Support Fund is included in Agenda item 4.
- 1.2. A project change request has been received in relation to the SELEP Creative Open Workspace Master Plan and Prospectus project and the Board are asked to endorse an extension to the project delivery programme

2. Decisions: Board is recommended to:

- 2.1. **Endorse** the change request at Appendix C to extend the delivery timetable end date for the SELEP Creative Open Workspace Master Plan and Prospectus project from March 2022 to September 2022.

3. Rationale for Decision

- 3.1. The SELEP Creative Open Workspace Master Plan and Prospectus project has experienced a series of difficulties since it was endorsed by the Board in March 2019, elements of the project have proved more difficult than originally expected, early brief writing and consultant procurement was also more complicated than expected and continue to cause the project issues, finally the Covid-19 pandemic caused additional unexpected issues.
- 3.2. East Sussex County Council, as project leads, have submitted a request to further extend the project timeline. The Prospectus (renamed as a Statement of Intent) is now complete and was presented to the Strategic Board meeting in December 2021 it sets out a refreshed portfolio of creative sector led pledges for initiatives that can be delivered in partnership across the SELEP area. The document outlines suggested actions and plans that will support growth, resilience, and new opportunities in the creative sector.
- 3.3. The Workspace Master Plan element of the project continues to test the scheme promoter's efforts to deliver this element of the project.
- 3.4. At the time of the previous request for an extension it was firmly believed that delivery could be achieved by March 2022, unfortunately issues with the parts of the delivery team continue to delay the project and further time is needed to ensure the project meets its Value for Money and expected benefits that were set out in the original application.

Further information

4. Decision 1: Project extension request

- 4.1. The SELEP Creative Open Workspace Master Plan and Prospectus project aims to address the gap in suitable workspace for the Creative Cultural and Digital Sector across the SELEP area.
- 4.2. The outputs of the project will be:
 - 4.2.1. a refreshed South East Creative Economy Prospectus to describe exemplary pipeline projects alongside complementary work packages addressing skills and business support needs (delivered as State of Intent);



- 4.2.2. the production of a Creative Open Workspace report and toolkit to accelerate the pipeline of open workspace projects;
 - 4.2.3. delivery of a Cultural planning policy guidance note that can be adopted by local authorities to support the inclusion of creative workspace in new developments and the re-purposing of under-used buildings as creative workspace;
 - 4.2.4. helping enable three Creative Enterprise Zones, leading to increased Business Rates yields;
 - 4.2.5. encouragement of a SELEP-wide pipeline of investment-ready open workspace projects; and
 - 4.2.6. helping the development of governance and the operating structure for a new creative workspace finance vehicle.
- 4.3. The Board endorsed the allocation of £49,000 SSF in March 2019, contributing to a total project cost of £70,000. At this time, it was expected that the project would complete in March 2020.
- 4.4. A request to extend the timeline of the project was received by the SELEP Chief Executive Officer (CEO) in December 2020, to extend the project completion date until July 2021. The initial stages of the project suffered from enforced delays due to the clarification of the consultants brief and ensuring initial outputs were achieved, leading to a delay in the consultancy team being procured to August 2020. This request was approved in December 2020.
- 4.5. A further request to extend the delivery timeline was endorsed by the Board in October 2021 due to delays brought about by the Covid-19 pandemic when the project was paused in order to take stock and sense check the project plans.
- 4.6. At this point it had been hoped that the project would be delivered by March 2022 however, delivery of phase 2 of the project has suffered from delay. Phase 2 includes the production of a Creative Open Workspace report and toolkit to accelerate the pipeline of open workspace projects and delivery of a Cultural planning policy guidance note and the re-purposing of under-used buildings as creative workspace.
- 4.7. It was reported to the October 2021 Board that SSF grant agreement with East Sussex County Council was outstanding; this remains the case. It is expected that should this change request be endorsed, every effort will be made to expedite the further approvals and ensure the grant agreement is finalised.
- 4.8. The Board is asked to endorse the request to extend the delivery programme for this project until September 2022. Normally an extension of six months to an SSF project can be approved by the SELEP Chief Executive Officer, however as set out above (4.1 – 4.4) the project has asked for a number of time extensions, and it is appropriate that the Board should be made aware and asked to endorse the extension.
- 4.9. The extension of time to complete the project will ensure project outputs are robust and will ensure Value for Money is delivered. Objectives will be delivered in line with the original application.

5. Update on existing Projects

- 5.1. All projects provide a quarterly update to the SELEP Secretariat in order to provide updates to the Board

5.2. Quarterly updates on progress and spend are set out in Appendix A and B

6. Other Information:

6.1. To date the Board has endorsed 21 projects for SSF support to a maximum value of £2,373,264. Details of the allocations made this financial year can be found below at Table 1, this remains the same as that presented to the December meeting. However, two projects have alerted the Secretariat to an unconfirmed underspend. If there is any underspend this will be confirmed and returned to SELEP, an update will be given to the Board at the June 2022 meeting.

Table 1: Sector Support Fund Balance 2021/22

	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	Total £'000
Total Contributions to SSF	1,000	500	1,000		2,500
Funds c/f from prior year	-	302	207	127	
Total SSF Available for allocation in year	1,000	802	1,207	127	
Total SSF Allocated to Projects	(698)	(595)	(1,080)	-	(2,373)
SSF transferred to Operational Reserve				(127)	(127)
Available Fund Balance	302	207	127	-	-

6.2. Summary information on the projects can be found at Appendix A and B.

6.3. The projects currently in flight are required to provide updates at regular intervals. The latest updates on delivery of live projects and an assessment of the RAG status for these projects can be found at Appendix B.

6.4. The Board endorsed a series of projects at the end of 2020 and these projects are either complete or near completion. Here is a flavour of projects that have recently completed:

6.5. Rebuilding Confidence and Demand in the Visitor Economy

6.5.1. The project was designed to help address the impacts of Covid-19 on the SELEP area. It included a package of support measures, particularly major digital campaigns to drive off-season visits, increase consumer confidence and disperse visitors along with dedicated local campaigns to kickstart the 2021 season.

6.5.2. The project included a comprehensive set of project benefits, which have all been met and the final project evaluation document can be found here.

6.5.3. In addition, the success of the project led to a successful application to SELEP for funding toward the REVI-VE programme from the Covid-19 support fund which aims to further support the visitor economy with grants to aid rapid recovery of the economy and to be a catalyst for wider place-based recovery and regeneration.

6.6. Kent County Council have advised that the project has a potential underspend which once verified, will be returned to SELEP. At the time writing a review of final project costs is being undertaken by the scheme promoter and Kent County Council, and an update will be presented to the Board at the June 2022 meeting.



6.7. Catalyst for Culture

- 6.7.1. The project was a new partnership between The Marlowe Theatre, Canterbury, The Mercury Theatre, Colchester and Glyndebourne, East Sussex, providing live and online theatre experiences for audiences throughout the SELEP area during the Covid-19 shutdown and supporting the creative, production and technical workforce, artists and freelancers.
- 6.7.2. An evaluation of the success of the project is currently being produced, but the majority of benefits set out in the application for SSF have been met.
- 6.7.3. The project has created a range of opportunities to engage with this programme as it has developed in order to increase access & collaboration.
- 6.7.4. Total audiences in the region of 331,000 have seen live or online performances, 325 artists and freelancer opportunities have been supported, 12 young dancers have completed sessions of the Cygnet School programme and much more.

6.8. Energy and Clean Growth Mapping

- 6.8.1. The project aims to create:
 - a comprehensive database capturing company level information (competencies and contact information) for a minimum of 6,000 clean growth businesses
 - conduct a thorough skills and productivity analysis identifying the issues, challenges and opportunities facing businesses within the sector
 - conduct an assessment of the potential economic impacts possible through maximising support to the clean growth sector across the SELEP area
 - develop and pilot a clean growth programme seeking to build upon the growing opportunities in the sector and track increasing gross value added (GVA) amongst 600 companies as well as 100 jobs created and safeguarded across the sector
- 6.8.2. A report has been produced by the scheme promoter which summarises the work conducted as well as the key findings at each delivery stage. The project continues to receive support from the SELEP partners. The final report can be viewed [here](#). It is proposed that a further evaluation will measure the lasting impact of the work, how the recommendations can be adopted across SELEP and the wider growth of the Clean Growth sector across the southeast.

- 6.9. There are no projects currently flagged as Red but four of these projects are flagged as Amber. SELEP Creative Open Workspace Masterplan and prospectus is covered under section 4, the other three are:

- 6.9.1. Accelerating Opportunities within the Newhaven Enterprise Zone project supplied insufficient information to enable a clear understanding of progress, but suggested that most outputs had been delivered, this will be confirmed at the next Board meeting,
- 6.9.2. SEED 2 project failure to secure direct export wins as a result of the virtual trade missions. The partners will continue to maximise in-market contacts and networks and organise the activities in an attractive and innovative way to ensure buy-in from beneficiaries SME's and the right in-market contacts (distributors, potential customers

etc). The project has been granted a timeline extension to October 2022 in order to help with delivery of the benefits.

- 6.9.3. Accelerating Nature Based Climate Solutions has been delayed due to the impacts of COVID-19, particularly due to staff in kind often being relocated onto other essential functions as a priority. Also, procurement delays due to higher priorities at East Sussex County Council and delays with the Environment Bill, giving a lack of clarity over land subsidy arrangement post Brexit. An extension request, to October 2022, has been submitted and agreed, with a Variation Agreement due to be sent to East Sussex County Council.

7. Next Steps

- 7.1. If the Board endorse the change request for an extension to the delivery programme for the SELEP Creative Open Workspace Master Plan and Prospectus project, the SELEP Chief Executive Officer will be asked to formally approve the extension.
- 7.2. 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.

8. Comments from the Accountable Body

- 8.1. A total SSF fund balance of £126,729 was carried forward from 2020/21 for allocation in 2021/22. As this SSF has not been committed to new Projects, as endorsed by the Board in October 2021, this funding was reallocated to reserves by Accountability Board in November 2021 in response to the on-going funding challenges being experienced by the LEP.
- 8.2. The SELEP Creative Open Workspace Master Plan and Prospectus project change request extends the delivery timelines to September 2022 and requests no additional changes to the Project. The extension to this timeline will allow the impact of the Project benefits to be monitored in 2022/23 by the SELEP Secretariat.
- 8.3. Should the Board endorse the recommended SSF change request and the SELEP CEO formally approves this, the grant will be transferred to East Sussex County Council (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, including the change request in this report.
- 8.4. 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 get the outstanding agreements in place.

9. Appendices, Supporting Documents and previous Decisions

- 9.1. Appendix A - Summary of SSF Projects with Board Endorsement
- 9.2. Appendix B – Delivery Updates and RAG rating for current projects
- 9.3. Appendix C – SELEP Creative Open Workspace Master Plan and Prospectus project Change Request
- 9.4. For further information contact Howard Davies, SELEP Capital Programme Officer (howard.davies@southeastlep.com)

Item 7: SELEP 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 funding of the SELEP Growth Hub service for 2022/23, and to seek agreement on the potential repurposing of ERDF Legacy Funding to cover Kent and Medway Growth Hub core costs.
- 1.2. Updates were provided at the June and October 2021 meetings of the Board on work to review the Growth Hub delivery model to make it more responsive, adaptive, and operationally flexible. This work has largely been on hold since Autumn 2021 pending the outcomes of the LEP Review and the national Business Support Reform. No options and recommendations have been worked up as yet, and the Growth Hub delivery model currently remains unchanged.
- 1.3. At the time of writing, there has been no confirmation from Government of Growth Hub core funding for 2022/23, and no indication in the Levelling Up White Paper that the Growth Hub service will or will not continue to be funded and administered through LEPs.
- 1.4. SELEP Growth Hub Lead Authorities are now putting various contingency measures in place to manage the provision or otherwise of the service after 31st March 2022, when current annual funding ends. These measures largely relate to the costs of staff involved in direct delivery of the service.

2. Decisions: Board is recommended to:

- 2.1. **Note** that action is now underway in SELEP and Area Growth Hub Lead Authorities to mitigate the delay in confirmation from Government of Growth Hub core funding for 2022/23 and to help manage the risk of a break in Growth Hub service from 1st April 2022.
- 2.2. **Agree** to the repurposing of up to £232,797 of ERDF Legacy Funding, previously awarded to Kent County Council (KCC) for the delivery of a Recover, Pivot and Scale-up business support programme, to cover all or part of core Growth Hub service costs in 2022/23, should the need arise.

3. Rationale for Decisions

- 3.1. LEPs are typically notified early in Quarter 4 of every year that Growth Hub core funding will be forthcoming, followed later in Quarter 4 by notional funding allocations in writing for every LEP. In the absence of any indication of funding to date, steps are now being taken by each Growth Hub Lead Authority to minimise liabilities in 2022/23, should core funding not be forthcoming, or if the funding envelope is reduced.
- 3.2. Should core funding be confirmed, there is a high risk of disruption or temporary break in service due to the lead-in times for business planning.
- 3.3. Growth Hub Lead Authorities may need to secure provisional alternative funding for service delivery, be prepared to underwrite the costs of service delivery from 1st April 2022, and/or ensure sufficient reserves to cover severance costs where redundancy notices have or may need to be issued to Growth Hub service staff due to current lack of confirmed funding.

- 3.4. The decision to repurpose ERDF Legacy Funding, granted to KCC and as yet unspent, provides alternative funding for delivery of the Kent and Medway Growth Hub service through 2022/23 should core Growth Hub funding not be forthcoming or be notably reduced.
- 3.5. Making this decision now will avoid initiating any break clause in the current contract between KCC and Kent Invicta Chamber of Commerce (who deliver the Kent and Medway Growth Hub) and ensure continuity of service across this economic area.

Further Information

4. Update 1: Growth Hub funding and contingency planning

- 4.1. SELEP receives funding annually from the Department for Business, Energy and Industrial Strategy (BEIS) to deliver the Growth Hub service. Confidence that funding will be forthcoming is typically expressed at the beginning of the calendar year, and notification of notional allocations for each LEP are received in writing later in Quarter 4. Following this, SELEP and Growth Hub Lead Authorities map out activities and estimated spend for the forthcoming financial year and provide these to BEIS to inform a grant funding agreement in line with the notional allocation.
- 4.2. SELEP has previously received £656,000 annual core funding, which is then apportioned out between SELEP and the three Lead Authorities using an agreed distribution formula. In both 2020/21 and 2021/22 LEPs also received an additional £234,000 Growth Hub supplementary funding in response to the COVID-19 pandemic.
- 4.3. Delivery of the Growth Hub service has continued successfully and uninterrupted through 2021/22, using current funding that ends on 31st March 2022. Activities have included the provision of business navigators and advisors, delivery of the Peer Network programme, marketing activities, website maintenance and a website optimisation project, cluster work with Greater London Authority and Hertfordshire LEP, and the piloting of a Decarbonisation Advisor in Kent and Medway.
- 4.4. At the time of writing, there has been no confirmation from Government of Growth Hub core (or supplementary) funding for 2022/23, and there is no indication in the Levelling Up White Paper (LUWP) that the Growth Hub service will continue or on what basis it would be funded or administered. Current funding ends on 31st March 2022 and to date, no communications have been received from BEIS on planned activities and estimated spend for next financial year.
- 4.5. Given the uncertainties that remain around functions, funding and administration processes following publication of the LUWP, SELEP and Growth Hub Lead Authorities are not in a position to underwrite Growth Hub costs in 2022/23 in anticipation of formal Grant Funding Agreements, as has been the case in previous years to provide continuity of service.
- 4.6. SELEP and Growth Hub Lead Authorities have consequently taken, or are in the process of initiating, steps to reduce liabilities wherever possible, and manage the high risk of a break in service, should Growth Hub core funding not be confirmed by 31st March. If funding is confirmed by 31st March but with a reduced funding envelope, a period of work will be required to downsize the service, posing a high risk of disruption to, or a full temporary break in service provision.
- 4.7. The impact of these risks will be that Growth Hub support to businesses will significantly reduce, be suspended, or may cease entirely.
- 4.8. The following funding scenarios and associated actions and risks are apparent at time of writing:

- 4.8.1. SELEP receives confirmation of its notional Growth Hub funding allocation, either equitable to or lower than previous years, by 31st March 2022. SELEP and Area Lead Authorities can then review resources and capacity and reconsider redundancy notices as appropriate, and there should be no break in service delivery. However, given the lead in time required for delivery planning and funding drawdown, service disruption remains a significant risk, as does the associated movement of skilled and experienced staff members.
- 4.8.2. SELEP receives confirmation of Growth Hub funding but no notional allocation. Business planning can get underway up to a point but will be subject to a confirmed funding envelope. This poses a risk of disruption to service delivery and would be subject to SELEP and Area Lead Authorities being prepared to underwrite costs and deliver at risk until a Grant Funding Agreement is in place.
- 4.8.3. SELEP receives notification that core funding will not be forthcoming. Growth Hub service delivery will cease as of 1st April 2022 unless Lead Local Authorities can secure alternative funds.
- 4.8.4. SELEP receives no notification of the status of Growth Hub funding by 31st March. Growth Hub service delivery will cease as of 1st April 2022, unless Lead Local Authorities can secure alternative funds. There would be a high risk of a break in service and, in parallel, all parties should be prepared to re-engage with national instructions at a later date.
- 4.8.5. SELEP receives notification that the Growth Hub service will continue but with a different administration model. For example, funding is routed to another organisation, such as Local Authorities. SELEP would then work with relevant stakeholders to facilitate a transition.
- 4.9. In the event that SELEP receives a reduced funding envelope to deliver the service, SELEP will undertake a process to determine SELEP Growth Hub service costs and Area allocations, which will likely reduce service provision unless alternative funding can be sourced to subsidise activities locally. As per 4.1, proposed activities and costs across the service will be subject to agreement by BEIS.

5. Decision 1: Repurposing of ERDF Legacy Funding

- 5.1. Kent County Council (KCC) were granted £232,797 of ERDF Legacy Funding in June 2020 by the Board for the purpose of delivering a Recover, Pivot and Scale-up business support programme across Kent and Medway. A service provider for this programme has not yet been procured, as it was deemed unlikely to provide additionality to the turbulent business support landscape at the time.
- 5.2. The Lead Authority is now seeking agreement from the Board to repurpose this funding to cover core Growth Hub costs in Kent and Medway from 1st April 2022, either fully or in part, should SELEP's notional Growth Hub core funding allocation not be confirmed in writing by 31st March 2022.
- 5.3. KCC has previously received £224,790 core funding (excluding any supplementary funding) to deliver the core Growth Hub service, which is outsourced to Kent Invicta Chamber of Commerce (KICC).
- 5.4. It can be noted that for 2021/22, KCC received £268,024 core funding, because in this year



BEIS combined core and supplementary funding into one grant agreement in response to the impacts of the CV19 pandemic.

- 5.5. KCC will draw on the ERDF Legacy Funding amount in full to deliver the Kent and Medway Growth Hub service from 1st April 2022 to 31st March 2023, emulating core delivery activities and estimated costs as for previous years, should Growth Hub core funding not be forthcoming at all.
- 5.6. In the event that SELEP is notified of a reduced Growth Hub core funding allocation for 2022/23, KCC will draw on a portion of the ERDF Legacy Funding equivalent to the shortfall from the amount stated in 5.3. In the event that SELEP receives core funding equivalent to previous years (excluding supplementary funding) and, following the process described in 4.9, KCC receives less than in previous years, KCC may draw on a portion of the ERDF Legacy Funding equivalent to the shortfall from the amount stated in 5.3.
- 5.7. KCC will not repurpose the ERDF Legacy Funding should a notional allocation for Growth Hub core funding be confirmed in writing by 31st March 2022. In this instance, KCC will underwrite the costs of Growth Hub service delivery until a formal Growth Hub Grant Funding Agreement is secured.
- 5.8. KCC will revert to using core Growth Hub funding, should a notional allocation be received in writing post 31st March. If this results in a reduced funding envelope, KCC retains the option to use a portion of the repurposed ERDF Legacy Funding to make up the shortfall on their previous core allocation stated in 5.3. The remaining ERDF Legacy Funding will revert to its original agreed purpose.
- 5.9. SELEP confirms that the use of ERDF Legacy Funding for Growth Hub activities complies with the original funding conditions set out by the Managing Authority. However, the change in use does represent a significant change to the existing Grant Funding Agreement between SELEP and KCC and, as such, a deed of variation would be required. Any variation orders required will be instituted by 30 June 2022.
- 5.10. The deployment of ERDF Legacy Funding by KCC will be reported to SELEP in accordance with the reporting requirements in the ERDF Legacy Funding Grant Funding Agreement and any subsequent variation to this. Any remaining ERDF Legacy Funding will revert to the original purpose of delivering recover, pivot and scale-up business support in the Kent and Medway area.
- 5.11. The repurposing of ERDF Legacy Funding as described above is subject to endorsement by the Kent and Medway Economic partnership no later than 28th March 2022.

6. Update 2: Evolution of the Growth Hub Delivery Model

- 6.1. To date, incidental workstreams have been undertaken to inform the evolution of the delivery model piece:
 - 6.1.1. An independent report on recommendations for change to the delivery model was commissioned and shared;
 - 6.1.2. the 2020/21 annual evaluation of the South East Business Hub has been published and recommendations reviewed;
 - 6.1.3. a survey of Federated Area Board members on the Growth Hub service ran through Summer 2021; and
 - 6.1.4. an in-house desktop review of fit-for-purpose customer relationship management tools has been undertaken.



- 6.2. A discrete project is currently underway and due to report by 31st March 2022, to identify ways in which the Growth Hub suite of websites can be optimised to provide a better end-user experience and extend the digital reach of the service.
- 6.3. SELEP will reconvene with Growth Hub Lead Authorities and key stakeholders on the subject of evolving the delivery model and drawing on the evidence base collected to date, once clarity on core funding and the direction of travel for Growth Hubs has been received from Government. It will also be necessary to align this with further currently awaited details on the function and funding of LEPs following the Levelling Up White Paper.

7. Next Steps

- 7.1. Depending on the circumstances as set out in section 5, a deed of variation will be sought to the May 2021 ERDF Legacy Grant Funding Agreement between SELEP and KCC.
- 7.2. Further information on Growth Hub funding and any associated conditions, implications and/or expectations for delivery of the service in 2022/23, will be presented to Board at the next meeting in June 2022.
- 7.3. In context with 7.2 and alongside further detail expected on the functions of LEPs following the Levelling Up White Paper, work to develop new potential options and recommendations for the Growth Hub delivery model will be evaluated and progressed accordingly through 2022/23. Updates on this will be brought to Board during the course of the year.

8. Comments from the Accountable Body

- 8.1. The activities and objectives of the Growth Hubs are subject to Growth Hub Core and Supplemental funding being secured and received from Government. The grant conditions and funding have been received for 2021/22, and therefore current year activities are being progressed.
- 8.2. The continued delay in confirmation of future years Growth Hub Core funding from Government impacts on the strategic planning for delivery of activities from the Growth Hubs beyond 2021/22.
- 8.3. The use of ERDF Legacy Funding for Growth Hub activities complies with the original grant conditions received from Government which states the grant should be 'reused for the benefit of urban development projects or of small and medium-sized enterprises (SMEs)'.
- 8.4. The Accountable Body for SELEP will progress a deed of variation to the May 2021 ERDF Legacy Grant Funding Agreement between SELEP and KCC, to enable the ERDF funding to be used for the revised purpose should the Board agree the recommendation at 2.2.

9. Appendices, Supporting Documents and Previous Decisions

- 9.1. 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
- 9.2. 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
- 9.3. Strategic Board Agenda Pack (Item 8) Growth Hub Update:
https://www.southeastlep.com/app/uploads/2020/10/SELEP-Strategic-Board-Agenda-Pack-June-2021_amended.pdf



- 9.4. Strategic Board Agenda Pack (Item 8) Growth Hub Update:
https://www.southeastlep.com/app/uploads/2020/10/SELEP-Strategic-Board_Agenda-Pack_Oct-2021.pdf
- 9.5. For further information please contact Jo Simmons, Business Development Manager
(jo.simmons@southeastlep.com)

Item 8: SELEP CV19 Recovery Funds Update

Executive Summary

1. Overview

- 1.1. In 2020, Strategic Board (the Board) approved the use of £4.4 million Growing Places Fund to establish two Covid-19 (CV19) Recovery Funds, one to develop skills across the region and one to provide business support to small and medium sized enterprises (SMEs).
- 1.2. Service providers were contracted in June 2021 to deliver six projects over a period of 12 months, with an additional 12-month impact evaluation period. Three are supporting skills development and three are supporting SME recovery. The projects are now 9 months into their delivery phase, providing support on the ground against agreed timescales and key performance indicators (KPIs).

2. Summary of update:

- 2.1. Further to the previous update report for the December 2021 Board meeting, this report provides key information on progress to date, and a high-level update on each programme.
- 2.2. The Business Support CV19 Recovery Fund projects and providers are:
 - 2.2.1. Starting and Succeeding in Business (£565,000) – WSX Enterprise Ltd.
 - 2.2.2. Adapting with Digital (£750,000) – WSX Enterprise Ltd.
 - 2.2.3. Supporting the Visitor Economy (£1,050,000) – Visit Kent and consortium partners
- 2.3. The Skills CV19 Recovery Fund projects and providers are:
 - 2.3.1. COVID Recovery Academy (£1,045,000) – Shaw Trust
 - 2.3.2. Digital Skills Programme (£279,960) – Tech Talent Academy
 - 2.3.3. The Digital Bridge (£300,000,000) – We are Digital
- 2.4. Business support projects are largely on track with their delivery. Board is asked to note that Starting and Succeeding in Business is seeing marked trends in take-up against KPIs due to external factors, and adaptations are being made to accommodate this. Board is also asked to note more in-depth support being provided through the Digital Bridge programme, resulting in lower numbers. Skills projects in general are below original KPIs due to lower demand than anticipated and other programmes in the landscape. Adaptions are also therefore being made. Further information is provided in 4.6.

3. Rationale for update

- 3.1. Since the programmes were launched in Quarter 1, it was agreed that the Board would receive regular updates relating to the delivery of the funds. The programme dashboard has been updated and is provided in Appendix A.
- 3.2. A breakdown of business support delivery to date, by area and district, is provided in Appendix B.
- 3.3. Case studies from some of the programmes are presented in Appendix C.

Further Information

4. Update 1: General update

- 4.1. The overall CV19 Recovery Funds suite of support programmes was [launched in May 2021](#), and five providers were formally contracted on 8 June 2021. There are six individual support programmes, each with a 12-month delivery period, with up to a further 12 months contractually available for impact evaluation, although the skills programmes are due to submit evaluation reports shortly after completion.
- 4.2. Following a period of programme design with the awarded providers through April and May 2021, project delivery formally started from the date of contract and all six programmes are due to complete their delivery in June 2022. All providers will then complete an impact evaluation of their programme(s), who will each report by a date agreed between SELEP and individual project providers, and by 7th June 2023 at the latest.
- 4.3. For programmes running a grant scheme through to the end of the delivery period, there will be a financial administration closure period of three months to allow for the defrayal of grants. This is scheduled to take place through Q2 2022/23.
- 4.4. The evaluation of the programmes will be undertaken at key points throughout the delivery phase and beyond, to track the progress of programme beneficiaries as they move through the support and evaluate the landscape and benefits of the programme. Longer-term benefits may take several weeks or months to materialise; for example, the registration of a new business or the employment of a newly trained individual.
- 4.5. The following timeline shows the different stages of the suite of programmes:

	2021/22				2022/23				2023/ 24
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Project design	→								
Provider contracting	→								
Delivery phase		→	→	→	→				
Grants and grant administration phase		→	→	→	→				
Evaluation phase				→	→	→	→	→	→

- 4.6. One of the significant benefits of the CV19 Recovery Funding has been the flexibility it provides compared to national and European funding streams for skills and business support. This has given SELEP the ability to work with providers to adapt certain elements of the programmes quickly, where necessary, to respond to the unfolding impacts of the pandemic over recent months.
 - 4.6.1. Business support schemes have seen a notable impact from the Omicron wave, which caused a good proportion of pre-starts, start-ups and those on the digital adaptation programme to reduce pace and/or decision making and wait for the impacts of the variant to play out. To accommodate this, the grant application window for these beneficiaries has been extended by three months, to June 2022.
 - 4.6.2. The marketing and promotion of these business support schemes has also been able to adapt rapidly to a societal shift towards the use of social media as a primary communications route, due to the pandemic. This is coupled with a visible decline in



client appetite for live online events and a growing preference for on-demand learning. In response, these programmes substantially increased their social media marketing campaign and the production of on-demand digital learning material.

- 4.6.3. The Starting and Succeeding in Business programme is seeing lower than predicted take-up of support for pre-starts, and higher than predicted take-up of support for start-ups. This is due to a number of external factors materialising since launch of the schemes: lower than expected unemployment levels, increased salaries encouraging people to remain in their substantive jobs, increasing living costs and rising energy prices. More start-ups are looking to be safeguarded but there is a substantial drop in appetite to create a new business. As a result, the Board is asked to note that the KPI for pre-start support will be reduced from 120 to 46 businesses created, and the KPI for start-up support will be increased from 60 to 134 safeguarded. The overall KPIs target of 180 remains, which exceeds the required target of 100 set out in the original tender specification and associated value for money assessment.
- 4.6.4. The uptake of training for skills development has been impacted by the subsequent launch of similar national schemes such as the Department for Work and Pensions Restart programme. Additionally, unemployment rises were not as sharp as expected when furlough ended. Coupled with overall labour shortages, uptake is currently below target although outreach and marketing has been significant. The Covid Recovery Academy has been adapted to support under-employed individuals due to an increased demand from this cohort, which includes those on zero hours contracts and national minimum wage.
- 4.6.5. A similar adaptation is in process for the Digital Bridge programme. A need has arisen for more in-depth support, particularly for more vulnerable individuals, as basic digital training is now more widely available. Further to a change control approval, the programme will support fewer numbers but with more detailed training and 1:1 support. Even with these adaptations, it is expected that numbers may be lower than originally forecast, which is reflected in the RAG ratings for the projects.
- 4.7. All projects are contractually required to ensure a fair spread of delivery across the SELEP geography. The skills programmes are promoted broadly in line with local population percentages, and the business support programmes are achieving equitable geographical coverage broadly in line with previous Growth Hub core funding allocations. A breakdown of programme KPIs by geography is presented in Appendix B.
- 4.8. SELEP resources required to oversee and manage the contracts during the lifetime of the programmes has been reviewed following the SELEP Secretariat consultation process. Management of the individual contracts currently remains with the SELEP Skills Lead and Business Development Manager, with additional resource from within the existing SELEP Secretariat to assist with project management.

5. Update 2: Progress of Business Support Projects

5.1. Starting and Succeeding in Business, and Adapting with Digital:

- 5.1.1. To date, 552 businesses have applied to access the support, with 318 of these progressing. 74% of these are 'self-referrals' and 26% are referrals from the Growth Hub. Of those progressing, 148 businesses have attended a live course or event and



194 businesses have accessed a cumulative total of 282 hours of on-demand support. Alongside this, 676 hours of 1-2-1 support has been provided across 293 businesses.

5.1.2. The 100% grant offer went live in October 2021 and is open to businesses completing a minimum number of hours of support. To date there have been 81 applications, 62 of which are progressing and 19 rejected. 19 grants have been paid out, totalling £34,587.82 and representing 7.5% of the total grant pot.

5.1.3. New promotional activities started in Quarter 4 to increase client onboarding: weekly drop-in sessions for interested businesses, Digital on Tap and Spring into Grants week. Progress against programme KPIs is provide in Appendix A.

5.1.4. Case studies are presented in Appendix C, which includes links to case study videos.

5.2. Supporting the Visitor Economy:

5.2.1. The Revi-VE 100% Grant Scheme for the South East Visitor Economy, which launched in July 2021, received 325 expressions of interest. To date, 139 grants have been paid out, totalling £360,671. This represents 92% of the KPI target and 80% of the total grant pot, with an average grant payment of £2,595. A further 46 applications are still to be processed, with the aim of exhausting the grant pot. There is a small risk that the full grant pot and/or the target of 150 grants will not be defrayed, due to time constraints and demand. Such a risk will be managed accordingly and brought to the attention of the Board at the earliest opportunity.

5.2.2. To date there is a reasonably equitable spread of grants across the SELEP region, although awards have waned in some geographies as some businesses have fallen out of the process due to time constraints or due to making purchases prior to approval; these and other issues will be explored in the impact evaluation of the scheme.

5.2.3. Element 2 of the project is now well underway with key partners and stakeholders. Workshops have been run through Quarter 4 across greater Essex, Kent and Medway, and East Sussex, facilitated by Toposophy (an independent place-making and marketing agency), which will engage and network 80+ organisations and businesses.

5.2.4. The objectives of the workshops are to collate views and ideas, scope existing marketing assets and gaps, collaboratively develop a shared toolbox for destination management, and help shape visitor economy reboot campaigns scheduled to launch in 2022/23.

6. Update 3: Progress of Skills Projects

6.1. COVID Recovery Academy:

6.1.1. To date 477 people have been engaged in the programme, with 105 upskilled and 74 into jobs. The pre and post-Christmas period was quieter and exacerbated by the Omicron variant, but engagement picked up in January. Shaw Trust have held a range of events and are offering additional support to participants to assist with confidence, mental health, the benefits of working and progression. Shaw Trust have found a reluctance to progress from some participants and it is hoped this extra support will assist with this as well as factors such as travel support for those in rural areas.

6.1.2. The adaptation of the programme to support under-employed people will offer useful learning in assisting those in work to progress and reskill. Shaw Trust have commenced



joint working with large employers such as Stansted Airport, Tesco and Millbrook.

6.1.3. A case study has been included in Appendix C.

6.2. Digital Skills Programme:

6.2.1. To date 102 people have commenced or completed training. Tech Talent Academy have established a very good working relationship with Job Centre Plus locally which has assisted with referrals.

6.2.2. There have been some delays with participants commencing the training due to a lack of equipment, which Tech Talent Academy is supporting with. They are already providing examples of people previously working in retail or other sectors and securing employment in digital roles.

6.3. The Digital Bridge:

6.3.1. To date there have been 498 referrals and 124 people completing or in training. 88 tablets and 11 SIMs have been allocated. As outlined in 4.6.4, an adaption of the programme is proposed to offer more in-depth support to fewer individuals. This follows requests for more detailed support, particularly from hard to reach individuals.

6.4. A webinar to ensure awareness of the skills programmes was run in December 2021 and a recording of this is available on the SELEP Skills website. ([SELEP Skills COVID-19 Recovery Fund - South East Skills](#)).

7. Next Steps

7.1. The SELEP Secretariat CV19 Recovery Funding leads will continue to oversee delivery of the programme contracts. There remains a risk that external and/or other factors will affect the ability of any or all of the programmes to fully deliver against agreed KPIs, or fully defray agreed budgets. If such risks do materialise, any consequent changes that are required to agreed KPIs and/or budgets across the programmes, will be brought to the attention of the Board as soon as possible to ensure continuity of delivery and proper use of funds.

7.2. General updates on delivery of the programmes will continue throughout the financial year 2022/23. Information on the funded projects can be found on the [SELEP](#) and [South East Business Hub](#) websites.

8. Comments from the Accountable Body

8.1. The Accountable Body has entered into contracts with each of the selected suppliers, on behalf of SELEP, to support delivery of each element of the Programme. A small proportion (£7,425) of the overall £4.4m of funding allocated was defrayed in 2020/21 to support the procurement activity; the remaining funds are held in an earmarked reserve to support the contracts, and the associated monitoring activity.

8.2. The Accountable Body will continue to work with the SELEP team to monitor the Covid-19 programmes spend against original allocations and progress to achieving target KPI's.

8.3. SELEP will need to carry out appropriate due diligence on all Covid-19 programmes where a contractual change maybe required including consideration of the value for money position. The Accountable Body will support in this process.



- 8.4. A total of £440,728 uncommitted Covid-19 Skills and Business Support funding has been appropriated to the SELEP Operational Reserve in 2021/22 following endorsement by the Board in October 2021 and Accountability Board approval in November 2021, to help support SELEP to fulfil its future responsibilities.

9. Appendices, Supporting Documents and Previous Decisions

- 9.1. Appendix A – SELEP CV19 Recovery Funds Dashboard March 2022
- 9.2. Appendix B – Breakdown of programme KPIs by Area
- 9.3. Appendix C – Case studies
- 9.4. Strategic Board Agenda pack setting out the Skills COVID-19 Recovery Fund:
https://www.southeastlep.com/app/uploads/2020/08/SELEP-Strategic-Board-Agenda-Pack_Sept-2020.pdf (page 6)
- 9.5. Strategic Board Agenda pack setting out the COVID-19 Business Support Fund:
https://www.southeastlep.com/app/uploads/2019/11/SELEP-Strategic-Board_Oct-20_Agenda-Pack.pdf (page 5)
- 9.6. Accountability Board Agenda pack setting out the award agreement and delegated authorities for the Skills COVID-19 Recovery Fund:
https://www.southeastlep.com/app/uploads/2019/09/Accountability-Board-Agenda-Pack_Sept-20-WITHOUT-confidential-appendix.pdf (page 250)
- 9.7. Accountability Board Agenda pack setting out the setting out the award agreement and delegated authorities for the COVID-19 Business Support Fund:
<https://www.southeastlep.com/app/uploads/2020/07/Agenda-Document-Pack-16.10.20-WITHOUT-CONFIDENTIAL-APPENDICES.pdf> (page 85)
- 9.8. Strategic Board Agenda pack, for information item providing an update on the CV19 Recovery Funds:
https://www.southeastlep.com/app/uploads/2019/11/SELEP-Strategic-Board-Agenda-Pack_Dec-2020.pdf
- 9.9. Strategic Board Agenda pack, for information item providing an update on the CV19 Recovery Funds:
<https://www.southeastlep.com/app/uploads/2020/10/SELEP-Strategic-Board-Information-Items-Pack-June-2021.pdf>
- 9.10. CV19 recovery Funding Decision Report as published for Accountability Board 15 December 2020.
- 9.11. Strategic Board Agenda pack, for information item providing an update on the CV19 Recovery Funds October 2021: <https://www.southeastlep.com/app/uploads/2020/10/For-Information-CV19-Recovery-Funds-Update.pdf>
- 9.12. Strategic Board Agenda pack, for information item providing an update on the CV19 Recovery Funds:
https://www.southeastlep.com/app/uploads/2020/10/SELEP-Strategic-Board_Information-Pack_Dec-21.pdf
- 9.13. For further information please contact Jo Simmons, Business Development Manager (jo.simmons@southeastlep.com) or Louise Aitken, Skills Lead (louise.aitken@southeastlep.com).