

1. Introduction

Following publication of the Government's Levelling Up White Paper (LUWP) earlier this year, significant changes are being introduced to the way in which funding and powers are devolved from Government to local areas. Whilst the changes are not immediate, the functions of Local Enterprise Partnerships will be affected, which in turn will have an impact on the functions of our own Team East Sussex (TES).

In preparation for the changes to come, the purpose of this paper is to set out the remit of TES so that we can all be clear on its continuing role, focus and overall function.

The paper goes on to describe the changes being introduced by Government, and also asks some fundamental questions on the future composition of TES, for consideration by the TES Board over the coming weeks, to ensure that Team East Sussex can move forward with confidence.

2. The roles and responsibilities of Team East Sussex

Team East Sussex (TES) is the federated East Sussex sub-board of the South East Local Enterprise Partnership (SELEP), allowing decision-making and project prioritisation at a local level. Currently the TES Terms of Reference are fully aligned to the SELEP Terms of Reference, the SELEP Assurance Framework and other associated SELEP policies.

TES is a business-led, private/public body, and is the de-facto economic growth board for the county of East Sussex. TES's primary aim is to drive forward economic growth and prosperity in East Sussex.

In pursuit of the above aim, TES has the following key functions:

- Strategic direction and oversight
- Pipeline development and capital programme oversight
- Project consideration (prioritisation)
- Lobbying and promotion
- Engagement
- SELEP activities

Each of these key functions is described in detail in *Appendix A*, with a full list of roles and responsibilities, along with examples of recent activity.

3. Changes being introduced by the Levelling Up White Paper

Published in February 2022, the Government's Levelling Up White Paper (LUWP) sets out twelve national Levelling Up missions intended to shift focus and resources from Whitehall to local leaders – every part of England will get 'London style' powers and a Mayor, if they wish, by 2030, and it will be for local institutions to determine what democratic structures should be put in place to achieve this at a sensible economic geography.

The policy direction is set to expand Mayoral Combined Authorities (MCAs) and create County Deals across the country, devolving funding and powers to more local areas. Wherever and whenever this happens, *the functions of the associated LEP(s) will be a part of that future structure*. However, until that time, LEPs will continue to operate and provide vital functions to deliver economic growth in their area. The LUWP made it clear that "where a devolution deal does not exist, LEPs will continue to play their vital role in supporting local businesses and the local economy", until the transition to local democratic institutions over the coming years.

Across the SELEP region, whilst there does not appear to be any immediate moves toward devolution in the federated boards, *we must all acknowledge that we are now on a "pathway to devolution"*, with many of SELEP's existing economic development roles and functions to be worked into devolved frameworks over the coming months and years. ***The specific SELEP activities to be devolved, and precisely where they should be devolved to, are all yet to be determined.***

The letter that SELEP received from Government in March 2022 confirmed that LEPs will continue to deliver crucial functions on behalf of Government departments, and these may include:

- Growth Hubs on behalf of the Department for Business, Energy and Industrial Strategy;
- International trade and investment activity, provision of local business intelligence, grant funding and levelling-up focused projects on behalf of the Department for International Trade;
- Local Digital Skills Partnerships on behalf of the Department for Digital, Culture, Media and Sport;
- Careers Hubs and local skills analysis via Skills Advisory Panels on behalf of the Department for Education; and
- Monitoring and assurance pertaining to existing local growth programmes and funds for which LEPs are responsible.

Crucially, the LUWP clarified that future capital funding will be channelled through Local Authorities, the Greater London Authority and Mayoral Combined Authorities, rather than through LEPs. This fundamental change alters the function of LEPs across England, making their role more akin to that which they played following their creation in 2010 (providing the voice of business, carrying out strategic economic planning, and leading economic growth and job creation within a local area).

In setting out its Delivery Plan for 2022/23, SELEP has continued to categorise activities into its four strategic priorities, but has also determined that it will perform *three core functions* going forward – the provision of **strategic planning and intelligence** to provide a clear regional strategy for growth, underpinned by a robust live evidence base; **communicating, collaborating and convening** across its network of businesses, academia and public sector to provide a business voice and joint activity around key strategic objectives; and **delivering strategic economic projects** to seize opportunities to accelerate growth.

The full list of SELEP key activities for the current year is given in *Appendix B*.

In the short-term, SELEP will continue to function largely as normal. The implications of the White Paper for SELEP are likely to be more medium-term, and the current expectation is that *next year's* Delivery Plan will include some actions/activity on supporting local areas in their moves toward devolution, where there is appetite to do so. As already mentioned, the specific activities to be devolved and precisely where they should be devolved to are all yet to be determined, so that will form the basis of the discussions on next year's workplan.

4. The future role of Team East Sussex

Given the long-established 'federated' model of governance that the South East LEP employs, SELEP is well positioned – perhaps uniquely positioned – to manage any future transition, and each of the federated boards is an obvious and natural democratic structure into which the functions of SELEP can be devolved, if they so choose.

TES itself could be said to mirror the federated arrangement locally, having a hub-and-spoke model with the various sub-boards that have been established over the years (BES, CES, DES, EES and SES). This whole environment makes TES ideally placed to step into the role of local democratic structure described above.

With the national levelling-up agenda and the Government's wish to devolve functions from LEPs, different regions across England will likely be looking to create specific 'levelling-up partnership boards', or similar, as part of their County Deals. In East Sussex we could easily make TES the partnership board to consider such issues, as it was set up to undertake LEP functions from the outset, so is already well-versed in strategic planning. TES can prepare for levelling-up and devolved SELEP functions as necessary, and can also be ready to pivot in response to any other changing circumstances from Government.

Despite, or perhaps because of, all of the changes being introduced, there is undoubtedly a continuing remit for Team East Sussex moving forward.

For the moment, TES remains the federated board of SELEP, which means that as long as SELEP continues to operate then so must TES. When devolution eventually goes ahead in our area and we need to retain TES beyond the life of SELEP, we will need it to 'evolve' into the strategic economic partnership board for the county, independent of SELEP. This might simply be a case of 'formalising' the existing setup at that time, but the structures and resourcing needed to undertake SELEP functions, as well as which SELEP activities can actually be achieved by TES, will of course need to be considered.

5. Next steps for Team East Sussex and questions to consider

An open recruitment process for TES business members was due to take place at the start of this year, as the tenures of the current business members were due to expire in March 2022. However, due to the uncertainty of the ongoing LEP Review throughout all of last year, the TES Board took the decision to extend the terms of its business members for one year, to March 2023. The expectation is that TES will now go ahead with the recruitment exercise, most likely during January 2023. County Council officers will make the necessary preparations through this quarter.

Ahead of that, and to better inform the relevant recruitment papers to be produced (aims of TES, Terms of Reference etc), now is an opportune moment to consider whether there are any 'tweaks' that ought to be made to the composition of TES.

TES Board members are asked to consider the following:

- ***Are the current roles and responsibilities of TES appropriate?***

TES's roles and responsibilities are set out in Appendix A, and are quite thorough, but has anything been missed, or should any new activities be added? Have any become redundant? Could any of the phrasing be amended (for example, to make it clear that TES has an 'advisory' or 'strategic' role, providing guidance, recommendations, endorsement etc)? And in terms of what we want TES to do in the future, is there anything we *don't* want TES to do?

- ***Is the current configuration of the TES Board appropriate?***

The TES Board currently has sixteen members, made up of business, local authority, social enterprise and education representatives from across the county, with a business majority and a business Chair. Should a refreshed membership include any additional sectors or representative organisations? Is the number of members already suitable, and would extending the membership make the TES Board too unwieldy?

- ***Is the frequency of TES Board meetings appropriate?***

Including its 'workshops', TES currently holds up to eight meetings per year. Does that number seem appropriate? Should we reduce the number, or remove the workshops from the schedule altogether and stick to quarterly TES Board meetings (aligned to SELEP Strategic Board meetings)?

If TES members have any particular thoughts on the above questions, or any other remarks in general, they are invited to feed their comments back to Dave.Evans@eastsussex.gov.uk over the coming weeks, up to **Friday 28 October 2022**.

A summary of any proposed revisions will then be provided at the next TES Board meeting in December 2022, along with a timetable for the business member recruitment process, for TES's approval, with a view to carrying out recruitment in January 2023.

Once the recruitment exercise is concluded, TES will then need to appoint/reappoint its Chair and Deputy Chair, and also select which business members will represent TES on the SELEP Strategic Board (as SELEP Ltd Directors).

Dave Evans, ESCC

5/10/22

Strategic direction and oversight

- Set the vision, strategic direction and priorities of East Sussex.
- Ensure strategy development is intelligence- and evidence-based and reflects the view of business through engagement with businesses and business representative organisations.
- Ensure the vision and identified local priorities are aligned with SELEP's economic strategy (currently the SELEP Economic Strategy Statement), County Council and county-wide strategies and policies, and the strategies and local plans of our Borough and District authorities.
- Approve, drive forward and monitor the Delivery Plan (or its equivalent) for East Sussex (currently the Economy Recovery Plan).
- Consider and develop responses to new economic opportunities and challenges in East Sussex.
- Consider and agree a unified East Sussex position on major items of strategic importance.
- Provide input into setting the strategic priorities and direction of SELEP through the TES members elected as SELEP Ltd Directors, and contribute to SELEP-wide discussions of regional significance at SELEP Strategic Board meetings.
- Strategic oversight of and engagement with TES's sub-boards.

Recent Examples: the Growth Strategy and the more recent Economy Recovery Plan, with the ERP Action Plan being equivalent to a delivery plan; intelligence/evidence includes the economic insight work currently underway; new opportunities and challenges include instigating the Working Well from Home project; supporting Transport for the South East (TfSE); advising on the repurposing of Brighton University's campus in Eastbourne; supporting the Local Skills Improvement Plan (LSIP); engaging with Hydrogen Sussex and UK Power Networks; examining research into the four-day week; endorsing the work of the subgroups (including EES's Climate Emergency Roadmap).

Pipeline development and capital programme oversight

- Oversee arrangements for developing a pipeline of projects for capital and revenue investment.
- Provide strategic oversight of key programmes, including oversight of funding bids, and monitor existing East Sussex capital projects.
- Make recommendations for new project proposals in accordance with East Sussex's priorities.

Examples: oversight of SELEP Growing Places Fund (GPF), Local Growth Fund (LGF) and Getting Building Fund (GBF) programmes, with regular monitoring/reporting, and pipeline development throughout them all (particularly LGF between rounds 2 and 3); recent endorsement of UK Community Renewal Fund (UKCRF), UK Shared Prosperity Fund (UKSPF) and Levelling Up Fund (LUF) programmes.

Project consideration (prioritisation)*

- As appropriate to the public funding sources that may become available, lead the funding programme's open call for projects and ensure the call is widely publicised (where it is appropriate for TES to do so).
- Oversee arrangements for appraising, approving and prioritising projects for investment, with a view to ensuring that a wide range of delivery partners can be involved (where it is appropriate for TES to do so).
- Provide evidence-based consideration of strategic fit with economic investment priorities during project prioritisation.
- Provide endorsement of programme/project bid submissions as appropriate.
- Ensure the transparency and accountability of all decisions and recommendations made by the TES Board.

Examples: open calls and project prioritisation for SELEP GPF, LGF, GBF and Sector Support Fund (SSF) programmes; endorsement of Towns Fund and Future High Streets Fund bids; endorsement of UKCRF prioritisation; endorsement of UKSPF and LUF submissions.

Lobbying and promotion

- Provide a strong voice for East Sussex at national, regional, local and SELEP level on economic issues and matters affecting the county's economic development.
- Champion and promote the activities, projects and programmes of East Sussex positively at local, regional and national level.
- Champion the successes of East Sussex, including bringing to the attention of Government local growth projects which should be recognised as innovative or examples of best practice.
- Oversee the development and implementation of a county-wide communications strategy.

Examples: lobbying and advising SELEP on their strategic themes as part of their overarching strategy development, and helping to shape the criteria for SELEP funding programmes and other LEP-wide initiatives; promotion through open funding calls and subsequent press activities regarding the achievements of projects delivered; sharing and promoting the business-friendly version of the Economy Recovery Plan through members' business networks; further promotion through different media channels (such as members' LinkedIn channels) to raise awareness of the work of TES.

Engagement

- Act as a facilitator to develop strong relationships between key stakeholders and partners across the county, ensuring there is a shared vision for a prosperous East Sussex to unlock barriers to growth.
- Ensure appropriate representation on the TES Board from across the geography of the county, reflecting diversity.
- Maximise connections with SMEs across the county and the wider SELEP area, including in the voluntary and community sector (third sector).
- Maximise connections with further education and higher education sectors across the county and the wider SELEP area.
- Enable collective engagement with all Local Authority Leaders within the county to ensure there is a clear mandate for decision making on economic growth priorities, and support collaboration and joint delivery at county-wide level.
- Maximise connections and engagement by drawing on the established sub-boards of TES – Business East Sussex (BES), Culture East Sussex (CES), Developers East Sussex (DES), Environment East Sussex (EES) and Skills East Sussex (SES) – working with a broad range of stakeholders to facilitate further strategic collaboration, joint working and delivery at county-wide level.
- Support local engagement with, and feedback to, stakeholders about future strategy development and progress against delivery of existing programmes and projects.
- Support the development of good relationships with neighbouring economic partnerships.

Examples: open and transparent recruitment process for TES business members; representation on the TES Board from SME- and VCS-representative bodies, plus Further and Higher Education organisations; TES has been a key vehicle to bring all local authority Leaders together to collaborate county-wide; the sub-boards have worked effectively over the years and have evolved and improved to provide strategic input to TES across their specialisms, enriching the dialogue and reach of TES; worked with C2C LEP to maximise investment into East Sussex, contributed to the efforts of Catalyst South and Transport for the South East (TfSE), and also collaborated with Kent colleagues on the HS1 ambition.

SELEP activities

- Agree TES representation on the SELEP Strategic Board (SELEP Ltd Directors).
- Agree where possible an informed joint view or response in respect of East Sussex input to SELEP Strategic Board meetings via the TES representatives.
- Support SELEP as appropriate in the implementation of its annual Delivery Plan.
- Support SELEP in progressing priorities of cross-border economic importance where there is added value in working together, and support priorities of local importance where they are designated a priority by federated boards (including by TES).

- Support SELEP as appropriate in increasing the overall diversity of its membership in terms of protected characteristics, including gender, age, ethnic origin, religion and sexual orientation as defined in the Equality Act 2010.
- Ensure that the SELEP Secretariat is informed of all TES meetings is given the opportunity to attend.

Examples: TES collectively reviews SELEP papers ahead of every Strategic Board meeting to ensure a unified East Sussex view on all matters; the SELEP Secretariat has been invited to engage with TES (presenting at TES meetings and conducting open discussions) on important LEP-wide subjects, such as SELEP's initial Strategic Economic Plan and subsequent strategic documents (Local Industrial Strategy, Economic Strategy Statement, Economic Recovery and Renewal Strategy), and the various capital/revenue funding programmes, including the recent Covid-19 Recovery Funds, to ensure TES's direct input.

* Note that TES does not have delegated authority to make *decisions* regarding the allocation of public funds. Formal democratic decision-making is achieved through the SELEP Accountability Board (for SELEP funding programmes) or by our County/Borough/District authorities (for the most recent funding programmes such as UKCRF and UKSPF). TES may however make *recommendations* to the appropriate bodies on its priorities and on which projects/programmes it endorses.

The following matrix was included in the papers for the SELEP Strategic Board meeting in June 2022, prepared as a summary of the SELEP Delivery Plan for 2022/23, to provide an at-a-glance view of SELEP’s work programme for the current year. Key activities are categorised into SELEP’s three core functions going forward: strategic planning and intelligence; communicating, collaborating and convening; and delivering strategic economic projects.

(Note that the matrix does not completely cover all of SELEP’s activities but focuses on those which have an external economic impact. To examine the full list, see the [SELEP Delivery Plan 2022/23](#) and view the detailed quarterly tables in Annex C.)

Strategic Planning & Intelligence	
<ul style="list-style-type: none"> • Setting and monitoring the extant SELEP Economic Strategy. • Provision of a robust economic evidence base and local analysis available for interrogation and manipulation. • Lead the activities of the Catalyst South group of LEPs, using intelligence to plan future joint activities. • Deep economic analysis on an ad hoc basis to support sector-based interventions and/or strategy development or local planning. • Support the strategic housing agenda, ensuring delivery aligned with capital programme and wider initiatives such as Garden Communities. 	<ul style="list-style-type: none"> • Provision of local skills and labour market analysis to support strategic activity around skills, such as our Skills Advisory Panel and the LSIPs in the local area. • Maintain strong relationships with the regional network of BROs (Chambers, FSB, CBI, IoD, etc) to ensure that issues relating to supporting growth are supported. Strengthen joint work with subregional collaborations such as ASELA. • Develop plans for devolution transition support work to Local Authorities in the 2023/24 FY. • Establish as the Intelligence Hub for the South East.
Communicating, Collaborating and Convening	
<ul style="list-style-type: none"> • Convening the South East Major Projects Group and developing its activities around skills/supply chain mapping according to the direction set by its constituent major businesses. • Expanding, maintaining and communicating the SELEP Strategic Network as our means of supporting active local groups geared towards growth of regional impact. This to incorporate existing SELEP Working Groups, as well as expanding and improving our engagement with businesses and external sector groups. • Coordinate and market the activities of the Skills Advisory Panel using it as a springboard for other activities around skills which add value to local work. 	<ul style="list-style-type: none"> • Coordinate ad hoc meetings of MPs and other senior politicians to take forward interventions in support of local businesses in accordance with the LU agenda. • Work closely with National Highways to ensure that the Lower Thames Crossing’s development is aligned with business. • Convene Inward Investment agencies and launch support/investment across our coastal communities. • Reframing our website. • Work across the area to develop our USP on the Net Zero agenda and identify interventions of impact. • Work with U9 group on regional innovation, focus on improving access to UKRI/IUK funding for businesses. • Become a forum for inward investment.
Delivery	
<ul style="list-style-type: none"> • Deliver the remainder of the capital grant programme (LGF, GBF) ensuring that all milestones are met and that reporting and monitoring is completed accordingly. • Delivery and continued iteration of the Growth Hub across the area to ensure that all metrics around business support are met and that it evolves according to the strategic direction set by Government. • Develop and deliver the Skills Action Plan emanating from the Major Projects Group. • Deliver a strong analysis of all SELEP’s investments, celebrating success, highlighting case studies and recording delivery to inform future approaches. This to include LGF, GBF, GPF, SSF and the CV19 funds. 	<ul style="list-style-type: none"> • Support the delivery of a discreet set of activities into which SELEP is one of many contributors, including: <ul style="list-style-type: none"> – Freeport East (joint board member) and Thames Freeport – Town Boards – Greater South East Net Zero Hub – Spend of remaining ERDF/ESF – Sub-national transport bodies (TfSE, Transport East) • Consider a future round of Growing Places Fund. • Use residual and returned funding to stimulate regional activities which aggregate from common themes of UKSPF activities. • Be the go-to organisation for external funding streams.