

Strategic Board Meeting

Friday 22nd May 2015, 10:00am –12:00pm

High House Production Park, Purfleet, Essex, RM19 1RJ



10.00	1	Welcome and apologies	Peter Jones
10.10	2	Minutes and actions from 20 th March 2015 meeting, including economic round-up	Peter Jones All
		Strategic Agenda	
10.20	3	Setting SE LEP's Strategic Direction <ul style="list-style-type: none"> • General and Local Elections, including LEP boundaries • Strategic opportunities/challenges, including Skills • Strategic Board Work Programme 	Peter Jones David Godfrey Mike Rayner All
11.00	4	Enterprise Zone delivery: Discovery Park, Harlow – presentation and discussion	Paul Watkins Paul Barber Andrew Bramidge
11.25	5	Assisted Area opportunities	Kevin Bentley
		Progress Reports	
11.35	6	ESIF/EU Funding	George Kieffer tbc Lorraine George
11.45	7	SEFUND, incorporating GPF	Peter Jones David Godfrey Suzanne Bennett
		For information	
11.55	8	Discussion by exception: <ul style="list-style-type: none"> • Growth Hub update • Accountability Board agenda • Forthcoming events 	

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Local Enterprise Partnership Boundaries

Purpose

The purpose of this paper is:

- To note the proposals developing within SE LEP for smaller, mainly county-based LEPs
- To note the potential factors of re-organisation, the implications, advantages and disadvantages and any likely process
- To ensure a strong commitment from partners that existing programmes and delivery are continued as a matter of urgency to maintain Government confidence

Recommendations

The Board is asked:

- To note the report, the development of alternative models and the implications and considerations that should be taken into account
- Continue its clear commitment and support to the delivery of the SE LEP Growth Deal and the need to deliver 2015/16 Growth Deal projects and schemes

Background

Prior to the General Election, a rationalisation of the number of LEPs had been discussed by Ministers. At the same time, a number of local councils around the country raised issues around the shape of the existing LEP map, including overlapping areas.

Within SE LEP, concerns have been raised regularly at Board meetings about the size and scale of the LEP. It was a result of earlier concerns that the federal model of SE LEP was designed, adopted and implemented and significant funding has now been devolved to Federal Areas through their local County and Unitary councils.

Following the General Election, it is clear that alternative models are now being developed (both within and outside of the LEP) and it is right they should come forward openly if they are to present a better way of delivering increased funding, influence and growth to local business within the area. At the same time, the appetite for wider devolution (eg Health) is rightly growing and may be linked to new Combined Authorities and deals on appropriate boundaries. At all times though, we share a responsibility to ensure we are positioned in a way nationally that is best for local business growth.

So soon after the General Election, there is no firm information on how any re-organisation may be possible. However, all indications are that LEPs will continue to be a major part of national growth strategy with a continuing requirement to be business-led and competitive through their Growth Deals.

As such, there are clear issues that must be taken into consideration in any emerging proposal for reorganisation and which partners considering change are likely to need to address. These include the need for:

- Clear business and local council support
- Government to have a national map for LEPs so any local changes would need to fit into a clear national/SE picture and offer a clear and compelling alternative for the area
- Linked to the above, agreement and broad support from all partners within a LEP on any proposed change and implications clearly considered for the surrounding LEPs affected
- A clear statement of support to deliver 2015/16 projects for which funding has been (or is being) devolved
- Uninterrupted delivery of all Growth Deal schemes, including those that cross council boundaries or where scale is vital such as SEFUND (which continues to attract strong Government interest) and EU funded programmes
- Economies of scale such as the Business Case evaluation process currently undertaken by Steer Davis Gleave and alternative administrative support/relations with Government that do not add complexity
- Existing employment and contractual commitments and the potentially higher cost of multiple LEPs to be considered
- Managing any process across the LEP in a way that maintains and grows our reputation with Government as an area focussed on growth

With current commitments, it would seem unlikely that any wholesale change could be implemented in the current financial year so the focus on continuing delivery remains of paramount importance.

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Position: Chairman

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Date: 15th May 2015



SELEP Strategic Board meeting

Friday 22nd May 2015

Agenda Item: 3

Pages: 3

Setting SE LEP's Strategic Direction: Major issues

Purpose

The purpose of this paper is:

- To update the Board following the General and Local Elections
- To facilitate a discussion on major strategic issues on which a clear SE LEP policy line is required for maximum influence and impact
- To set the context for a full discussion at the next SE LEP Strategic Board meeting on how local Skills delivery can be influenced through the Growth Deal
- To consider the future work programme of the SE LEP Strategic Board

Recommendations

The Board is asked:

- To agree immediate actions to ensure the collective voice of SE LEP is heard on major strategic issues in which there is shared interest
- To agree the work programme of the SE LEP Strategic Board

Supporting Detail

The appendices to this paper contain:

- Setting SE LEP's Strategic Direction – Issues to prompt discussion (appendix 2)
- The Skills Funding Agency's "Local Enterprise Partnerships (LEPs): Increasing their influence on skills budgets" (appendix 3)

Background

Our response to the Delivery Review conducted by Irene Lucas established the **SE LEP Strategic Board** to ensure SE LEP could consider, and act upon, strategic issues of shared importance to all partners within the LEP.

In doing so, Board members asked specifically for the following to be added to the Strategic Board's remit:

- *[Use] the scale and influence of the LEP to promote and communicate shared priorities to Government and those of local importance*

What we have achieved together

Over recent months, SE LEP's over-riding focus has rightly been on ensuring that Growth Deal and European funding flows to local areas for delivery as quickly as possible and pressing for maximum flexibility from Government in how we achieve this.

Through joint working across SE LEP we have together:

- **Won a £480m Growth Deal with Government** - £30m has already been devolved to federal areas
- **Designed and delivered an £18m Skills Capital competition**
- **Jointly established a £50m SEFUND investment fund**
- **Launched the first tranche of £180m EU funding for business and skills**
- **Agreed an Assurance Framework giving real confidence in SE LEP** and enabling Growth Deal funding to be received annually in advance
- **Clearly defined the remit of the SE LEP Strategic Board, Accountability Board and Federal Areas – *local priorities, local project funding and local delivery are all for local areas***
- **Strengthened relationships with Ministers and officials across Westminster**

However, with funding now flowing to local areas, the spotlight rightly turns to scheme delivery, with Federal Areas strongly in control and with reporting through the SE LEP Accountability Board made up of representatives from each County and Unitary authority, Higher and Further Education and the private sector.

Setting SE LEP's Strategic Direction

This provides the opportunity to establish a new way of working for the SE LEP Strategic Board with a focus on those issues where our collective voice could influence or shape national policy or delivery in the interests of business and growth across East Sussex, Essex, Kent, Medway, Southend and Thurrock.

The SE LEP Strategic Board should not duplicate any of the work rightly being undertaken on local priorities by Federal Boards. Returning to the purpose of SE LEP's foundation, it should act strategically to use its size and scale to amplify the voice of all those pursuing growth in the SE LEP area where there are shared concerns, priorities or opportunities.

Issues on which the Strategic Board could make an impact include:

- The Lower Thames Crossing - where a co-ordinated business voice is now sought;
- Aviation - implications for our regional airports and businesses from the imminent release of the final report of the Davies Commission on Aviation Capacity ; and
- Our relationship with London, including the potential for a shared strategic position in response to the GLA's review of the London Plan.

Further strategic issues are included in Appendix 2.

Additionally, our current SE LEP Growth Deal, and the prospect of future Deal discussions, offers real strategic opportunities to influence national programmes and delivery on which we should capitalize.

Influencing Skills

In particular, our current SE LEP Growth Deal provides an immediate opportunity to support local areas in influencing local skills provision.

As such, it is proposed that Skills should be the major discussion item at the September Strategic Board. This item will be led by SE LEP Board member for FE & Skills, Graham Razey, with invited speakers and the involvement (as appropriate) of representatives from local Employment & Skills Boards.

SE LEP Skills Lead Mike Rayner will outline the opportunities in advance at this meeting, drawing particularly from those defined in the Skills Funding Agency document, "LEPs: Increasing their influence on skills budgets" (Appendix 3) and the need for a strong evidence base and Skills project pipeline. He will also note the link to the work completed through the EU Supporting Skills for the Workforce (SSW) Portal and Labour Market Intelligence project which has developed an online portal to help employers source appropriate training and a labour Market Intelligence tool which enables the production of statistics on skills and employment need across districts, counties and the LEP. Both currently being tested.

Agreeing Strategic Action

The intention of this item is to define a clear work programme for the Strategic Board, identifying immediate actions and forthcoming discussions of priority to all.

The grid in Appendix 2 begins to set out these issues and actions as a prompt to discussion at the Board meeting.

Author: David Godfrey

Position: Director

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Date: 15 May 2015



Enterprise Zone Delivery: Discovery Park and Harlow

Purpose

The purpose of this item is:

- To update the Board on progress within Discovery Park and Harlow Enterprise Zones
- Consider strategic opportunities presented by their development

Recommendation

The Board is asked:

- To note the report and presentations
- Agree any future action to support strategic opportunities

Background

Within the SE LEP area, there are effectively two Enterprise Zones with the benefits split between the two sites, Discovery Park in Sandwich and Harlow Enterprise Zone in Essex. Discovery Park is widely recognised as the most successful Enterprise Zone in the country at present and exciting progress is also now being made in Harlow.

In addition to simplified planning through Local Development Orders, both sites are able to offer Business Rate discounts to tenants and both are being supported by the Growing Places Fund. The Business Rate uplift from Harlow Enterprise is retained within the LEP for 25 years, an income stream against which the Government is keen to encourage further investment.

The sites are very different in character and development, but share ambitious growth objectives. Both are strongly focused on opportunities within the Life Science/Medtech sectors.

This paper introduces short presentations by both Enterprise Zones to update Board members and to introduce strategic issues of relevance across the LEP.

Author: David Godfrey

Position: Director

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Date: 15 May 2015



Assisted Area Status

Purpose:

The purpose of this paper is to:

1. Update the Board on the progress being made to secure investment in the SELEP's four Assisted Areas.
2. Seek the Board's support and commitment to devising and implementing a strategy to secure the transformation of its Assisted Areas.

Recommendations:

The Board is asked:

To **ENDORSE** the recommendation set out below: to commit to exploring in further detail the issues and opportunities within the SELEP's Assisted Areas and to determine how the SELEP could identify routes to funding in support of the transformation of these recognised priority locations.

Background:

Assisted Areas are geographical locations, recognised in European state aid rules, which are less economically advantaged places that would benefit from additional support for development. As a result, financial support from Government is permitted to undertakings, typically businesses, for new investments in these areas. Whilst being located in an Assisted Area does not confer any right to financial assistance, the recognition of an Area through such status allows the public sector to provide certain types of assistance if it wishes.

In July 2013 the Department for Business Innovation & Skills (BIS) launched its Stage 1 Assisted Areas Consultation (Common Principles) and, for England, requested that LEPs co-ordinate the nomination of geographic areas that might be recognised as Assisted Areas.

In response, SELEP identified four areas: Tendring; Hastings & Rother; East Kent; and the Medway-Swale Arc.

In December 2013 BIS launched its Stage 2 Assisted Areas Consultation in which it published a draft map indicating the locations it was minded to include within the UK Assisted Areas Map (the route through which Assisted Areas are recognised). For the SELEP this included: Hastings & Rother; East Kent; and the Medway-Swale Arc, but at that time excluded Tendring.

In February 2014, as part of its response to the BIS Stage 2 Consultation, the SELEP lobbied Michael Fallon (then Minister of State for Business & Energy) welcoming the department's inclusion of the Kent and East Sussex districts and making the case for the inclusion of Tendring, thus identifying all four locations as SELEP priorities for growth.

In April 2014 BIS announced its response to the Stage 2 Assisted Areas Consultation and the resulting UK Map identified four Assisted Areas within the SELEP area, including wards within the following districts:

- Hastings & Rother (East Sussex)
- Swale & Medway (Kent)
- Thanet & Dover (Kent)
- Tendring (Essex)

NB. The Tendring designation also includes wards within the administrative jurisdiction of Babergh & Ipswich. These authorities are located within the New Anglia LEP.

In May 2014 the UK Map was endorsed by the European Commission and shortly thereafter was implemented into UK law.

The benefit of Assisted Area Status

In October 2014 Government re-published “An Introduction to Assisted Areas” identifying what Assisted Area status can offer under the 2014-2020 state aid framework.

Assisted Areas are recognised in European State Aid rules as being less economically advantaged locations that would benefit from additional support for development. As a result, financial support from Government is permitted for new investments in these designated areas (recognising, as stated above, that being located in an Assisted Area does not confer any right to financial assistance).

Regional aid is a state aid exemption under which aid can be granted in certain circumstances as a proportion of the costs needed for a new commercial project. It can be used to support either capital investment or wage costs of new additional employees.

Regional aid is not a programme or pot of money and schemes offering it often combine its use with that of other forms of state aid.

In England the primary scheme offering regional aid is the Government’s Regional Growth Fund (RGF). The last bidding round of RGF (Round 6) ended in September 2014. BIS is yet to confirm whether or not this scheme will be extended to include a 7th Round and/or whether the scheme will be continued after the May 2015 election.

Other than RGF, certain tax allowances are also available to businesses in Assisted Areas. These include:

- Business Premises Renovation Allowance (administered by HMRC) which gives a tax incentive to bring derelict or unused properties back into use by giving an allowance of 100% for expenditure on converting or renovating unused business premises; and
- Enhanced Capital Allowances, permitted at some Enterprise Zones.

Current Position

Since the publication of the UK Assisted Areas Map, district, county and SELEP colleagues, have been working, principally through the Coastal Communities Group, to establish how Government intend to support economic growth within the UK’s designated Assisted Areas. This work prompted BIS to facilitate two workshops, in October 2014 and January 2015. For the most part, both workshops focussed on the implications of State Aid and how this can impact upon the recipient of any grant or loan funding, rather than on identifying specific work programmes or projects that might support Assisted Areas. Indeed, representatives of BIS at the two workshops and at subsequent meetings of the SELEP Coastal Communities Group have confirmed that the UK’s designated areas must look to their own resources, and to their Local Enterprise Partnerships, to secure investment in and support for their respective areas.

As such, local areas have taken forward various actions in order to support the economic transformation of their Assisted Areas:

- East Kent partners are investigating how additional support within the designated Assisted Area could help build on the investment already secured via the Expansion East Kent and SUCCESS programmes, whilst capitalising on the benefits afforded via Enterprise Zone Status. As such, Thanet and Dover have suggested that any extension to the Expansion East Kent programme should give priority to businesses in the Thanet/Dover Assisted Area.
- Similarly in North Kent, partners are seeking an extension to the TIGER business support programme, in order to foster and encourage business growth in the North Kent Thames Gateway sub-region.
- Swale and Medway have historically worked together to contract generic business support, targeting start-ups and SMEs, a working arrangement the two authorities intend to continue.
- East Sussex County Council is considering the implementation of a County-wide fund to enable stalled employment sites to come forward for development, by facilitating feasibility work, business case preparation and supporting on-site interventions where needed.
- East Sussex has also created a County-wide capital fund to support bringing disused commercial space back into beneficial use, and a further fund to support the creation of incubation spaces.
- In Hastings/Bexhill a major employment and housing scheme is being delivered in the Assisted Area,
- Hastings Borough Council has recently secured a small allocation of funding via the Coastal Communities Fund which will provide support to businesses in the Hastings Assisted Area.
- Tendring District Council has determined to implement its own £500k SME Growth Scheme, which will be targeted at new and established businesses within the Tendring Assisted Area. The scheme will provide grants to support the start-up and expansion of circa 15 - 25 SME businesses in qualifying sectors, creating or safeguarding a targeted total of circa 70 jobs and securing circa £1.75M in levered private investment.
- Essex and Tendring Councils are also exploring a range of generic business support services that could be offered to encourage business growth within the Tendring Assisted Area.
- Hastings is also leading work on a submission to the ESIF Growth Programme Axis 3 to establish a grants programme modelled on the RGF funded SUCCESS scheme, to support the creation and expansion of creative and cultural industries in Hastings, Rother, Thanet, Dover and Tendring

SELEP Support

Whilst the local development of schemes to assist the SELEP's Assisted Areas have merit in themselves, and will support the development of business within these locations, it is suggested that the SELEP's Assisted Areas require more focussed attention if the high levels of social and economic deprivation are to be addressed and if the economic opportunities afforded in these locations are to be secured.

Whilst it is the case that businesses within the SELEP's Assisted Areas have had potential access to growth funding via the Growing Places Fund and more recently as part of the SELEP's Growth Deal submission(s), this has not yielded a significant response from SMEs within the SELEP's Assisted Areas. SEFUND could be a more effective stimulus for business growth and could support the SELEP's Assisted Areas by including within its criteria a presumption in favour of allocating funding to support projects in these locations. However businesses in these locations are unlikely to seek loan funding on the scale envisaged by CBRE, a

view endorsed by the SELEP's Coastal Communities Group, which is of the view that a more subtle approach for SMEs in these peripheral locations will be required. The Coastal Communities Group has also expressed the view that given the reality of low returns on investment in peripheral coastal locations, loan funding via SEFUND may prove difficult to secure.

N.B. Members will recall that the unique characteristics, needs and economic opportunities of the SELEP's Coastal Communities were explored by Sheffield Hallam University as part of work commissioned in 2013/14, the results of which were used to inform commentary on the SELEP's coastal strip in its Strategic Economic Plan.

There remains a need therefore for a wider programme of action to support business growth within the SELEP's Assisted Areas. Assistance could also be targeted on those sectors most likely to yield the most significant growth. Particular opportunities area afforded by cultural tourism, hospitality, vacuum based technology, advanced manufacturing, and low carbon/offshore renewables.

Without focussed and coordinated intervention it is likely that the SELEP's Assisted Areas will display the same negative characteristics in 2020 as they do today. This would reflect poorly on the effectiveness of the Partnership and its constituent members to resolve complex and challenging issues of this nature.

The Board is therefore asked to:

- Arrange a further workshop to bring together key speakers from Assisted Areas outside the SELEP area to share their approach and success;
- Ask that Assisted Areas are added specifically to the SELEP Strategic Board's Terms of Reference to ensure a pan-LEP approach is pursued in order to ensure that the SELEP benefits from the status conferred;
- Identify and highlight the benefits afforded the four Assisted Areas on the SELEP's website;
- Recognise the potential of Assisted Area Status in future local and SELEP prioritisation and consider further in annual review of the SEFUND investment strategy;
- Identify linkages with ESIF funding; and
- In respect of the Tendring Assisted Area, work with New Anglia LEP to coordinate area focussed interventions.

In addition the Board is asked to direct the SELEP's Secretariat to explore in more detail the issues and opportunities prevalent within the SELEP's assisted areas and to make recommendations to the next meeting of the Board as to how the SELEP could intervene more effectively to facilitate and secure the social and economic transformation of these priority locations.

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Position: Regeneration Manager, Tendring District Council

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Date: 12th May 2015



SE LEP EU Structural Investment Fund (ESIF) Update

Purpose:

The purpose of this paper is to update board members on:

1. The ESIF funding Calls for applications
2. The forthcoming SELEP ESIF Committee meeting 30th June 2015
3. Future Calls for applications and work to support the project pipeline
4. The availability of Technical Assistance applications to support ERDF

Recommendations:

The Board is asked to NOTE that:

- a) The first calls for applications were announced prior to the General Election with the European Regional Development Fund (ERDF) and European Social Fund (ESF) calls closing by the end of May, and the European Agricultural Fund for Rural Development (EAFRD) call closing at the end of June.
- b) The SE LEP ESIF Committee meeting will meet on the 30th June 2015 to consider and endorse the strategic fit of the ERDF outline project applications recommended for approval by DCLG. It is expected that outline project applications submitted under the ESF and EAFRD calls for applications will be circulated for endorsement of strategic fit by written procedure.
- c) The SE LEP ESIF Committee will also consider future calls for applications including the project call templates.
- d) The SE LEP secretariat is working closing with the Government departments which are the Managing Authorities (MAs) and local partners to ensure a strong project pipeline. A number of launch events including project workshops and surgeries have taken place across the area and will continue in the future.
- e) A ERDF Technical Assistance bid is under preparation for the next call 30th June 2015 for applications to support the project pipeline

Background

The first calls for applications are now under way in all three EU Funding programmes ERDF, ESF and EAFRD. SELEP is one of only 5 pilot areas in England running an EAFRD call for applications.

This is the beginning of a 6 year programme of activity with a number of calls for applications taking place each year agreed by the ESIF Committee. The Managing Authorities for each of the programmes carry out the technical assessment of the outline applications and the ESIF Committee's role is to endorse or reject regarding the strategic fit of each of the project recommended for approval. The Managing Authorities for the various EU programmes hold the legal responsibility. Once projects are approved at outline stage they

are supported by the MAs to full application stage. The process from initial outline to contract can take between 6 – 12 months

1. The first ESIF Calls for Applications

The first 5 calls for applications are now active in the SE LEP area. These are as follows:

- European Regional Development Fund (ERDF) - **Research and Innovation**- minimum grant size £500,000 closing date 21 May 2015, funding envelope £3 million
- ERDF **SME Competitiveness** – minimum grant size £500,000 closing date 29 May 2015, funding envelope £6 million
- ERDF **Low Carbon**-minimum grant size £500,000, closing date 20 May 2015, funding envelope £3 million
- European Social Fund (ESF) – **Youth Employment Initiative** (Thurrock), Closing date 22 May 2015, envelope up to £2,600,000
- European Agricultural Fund for Rural Development (EAFRD) – support for micro and small rural businesses, grant size £40,000 - £155,000, closing date 19 June 2015, funding envelope £1million.

2. The SE LEP ESIF Committee meeting

Chaired by George Kieffer, SE LEP Board Member, the 2nd ESIF Committee meeting will take place on the 30th June 2015. The ESIF Committee is very influential as managing authority representatives and the breadth of local area representatives will together influence the course of the EU programmes and local spend.

The ESIF Committee will be asked to give a view on the strategic fit of all ERDF project outline applications that have been recommended for approval by DCLG. ESF and EAFRD outline project applications will be circulated to ESIF Committee members for endorsement regarding strategic fit by written procedure.

Future ESIF Committees will be asked to endorse the update ESIF document and Local Implementation Plan. The ESIF Committee will also decide on future calls for applications and the content of those calls. As the funding starts to flow there will be updates on spend and areas of weakness highlighted in terms of meeting the target outputs.

3. The Project Pipeline and promoting ESIF Opportunities

There is a high level of interest and strong project pipeline in all three funding programmes. There are still some issues regarding control of expectations in line with eligibility and value for money and there is a great deal of work taking place around this. Since the last Board meeting, under ERDF there has been one workshop and two ERDF project surgeries; the Rural strategy and EAFRD call for applications has been launched and the ESF programme will be launched on the 10 June in London. With EU funding there is a constant pressure to meet performance targets regarding spend and outputs in order to avoid financial decommitment.

4. Technical Assistance (TA)

TA will support SE LEP to promote the opportunities available through EU funding via workshops and communications activities and to support the project pipeline. The aim is to facilitate the development of successful and compliant bids and projects that meet the economic, social and environmental needs of the SE LEP area. Public and voluntary sector bodies which are legally constituted can apply for this funding from both within and external to the LEP area.

An ERDF TA application will be prepared for submission by 30 June to support the LEP secretariat to deliver this activity following the requirements of DCLG.

Author: Lorraine George

Position: EU Funding Lead, South East LEP

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Progress report: SEFUND (incorporating Growing Places Fund)

Purpose

The purpose of this paper is to update Strategic Board members on:

- Progress in establishing SEFUND's operation

Recommendation

The Board is asked:

- To note the report

Background

At the SE LEP Strategic Board meeting on 20th March, it was agreed to create SEFUND (a revolving investment fund) and to treat all monies in the Growing Places Fund as the initial contribution to SEFUND.

Officers were also asked to bring forward for future Board approval a detailed options paper for the future longer term management of the fund including costing of the Limited Partnership model. Discussions have continued with legal advisers Pinsents and Essex County Council as Accountable Body to establish this.

Institutional investor interest in SEFUND has also continued and potential SEFUND projects have been proposed by local areas from the discussions with CBRE. There is considerable momentum building.

Reflecting the discussions above and the urgency to have fund managers/advisers in place, the Secretariat has initiated procurement of fund management and will be working closely with the SEFUND Board to have advisers in place as soon as possible.

An update will also be given on repayments and projects now supported through SEFUND from previous GPF investments.

Author: David Godfrey

Position: Director

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Date: 15 May 2015



GROWING PLACES FUND (GPF) - UPDATE

Purpose:

1. The purpose of this paper is to give Board Members an update on the deployment of the GPF.

Background:

2. The Growing Places Fund was launched in November 2011 as investment capital designed to unlock stalled projects in order to stimulate growth. The government stated that GPF should be used to:
 - Support the delivery of homes and/or jobs in the short term;
 - Contribute to the delivery of the LEP's strategic priorities; and
 - Establish a sustainable revolving fund.

Current Position

3. A further £9.7m has been paid to approved projects since the last Board meeting. Currently £25m of the £49m fund is invested.
4. The first repayment of a loan was made in March 2015. The repayment totalled £0.5m and was made in respect of the North Queensway project in East Sussex. This amount will be available for investment under the new arrangements for SEFUND.
5. In addition to the £0.5m repayment mentioned above, there is £2.4m repayments programmed for this financial year.
6. The remainder of the fund is still fully allocated and further payments of £5.9m are programmed in this quarter.
7. Currently there are four projects that have not completed legal agreements. The value of investments approved for these projects is £14.9m.
8. At the last SELEP Board meeting, held on 20th March 2015, the Chair invited project sponsors to consider refinancing GPF loans to allow repayments to be made earlier and the fund to be re-invested under the new SEFUND programme. Project sponsors and upper tier officers should contact the Accountable Body (contact details below) to discuss any changes to repayments.
9. Following the appointment of an Interim Fund Manager a full review of the projects will take place. Future investments will be made in line with the newly agreed Investment Strategy.
10. The latest position for the fund can be seen at Appendix 4.

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Position: Finance Business Partner – Essex County Council as Accountable Body

Contact details: 033301 30823

Date: 13th May 2015



Growth Hub Update

Purpose: To update Board Members on the progress of the Growth Hub

Recommendation

The Board is asked:

- To note the report

Background

Activities to develop the SELEP Growth Hub are moving forward well, and the LEP-wide Steering Group continues to drive the agenda – as it did this week to agree what customer relationship management system would be implemented, how it would link to the SELEP-wide landing site and local websites, and how we continue to strike the balance between ensuring local autonomy and collating aggregated business information to ensure that we fulfil BIS' requirements in respect of monitoring. We are recruiting an intern from the University of Essex to undertake the monitoring role at the SELEP level.

Websites and other activity is being built incrementally at both SELEP and local level and conversations are ongoing about how, for example, business support activity of district and borough councils is incorporated into the model.

An extensive business support mapping exercise is being undertaken across Essex, Southend, Thurrock and East Sussex and this will inform the future roll out of the Growth Hub, ensuring that gaps are filled, rationalisation is achieved and duplication is eliminated where possible.

We continue a dialogue with BIS and the providers of national business support products and, as such, will be welcoming the providers of the National Business Support helpline to the next Steering Group meeting in June to ensure that we are working as smartly as possible with them and are ensuring that businesses are directed to the right support in a timely manner.

Future challenges include organising a launch event (required by BIS) at the appropriate juncture and assembling an application for ERDF funding to ensure the sustainability of the Hub.

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Position: Deputy Director

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Date: 13th May 2015



DRAFT Accountability Board Agenda

Date: 12 June 2015

10.00	1	Welcome	Chairman
10.10	2	Membership & Terms of Reference	Essex County Council
10.20	3	Ways of working	Chairman
10.30	4	Business case sign off – remaining 2015/16 schemes and payment profile	Steer Davis Gleeve
11.15	5	Quarterly Monitoring reports – agreement of structure	Steer Davis Gleeve
11.20	6	Monitoring & Evaluation Framework – agreement of framework	Steer Davis Gleeve
11.35	7	Financial Report – Core Budgets	Accountable Body
	8	Paper from ECC/Harlow EZ?	
	9	AOB	