



SOUTH EAST
LOCAL ENTERPRISE
PARTNERSHIP

STRATEGIC BOARD AGENDA PACK

Friday 31st January 2020

High House Production Park, Purfleet, RM19 1RJ



Agenda

Item 1	10:00	Welcome and introductions	Chris Brodie	
Item 2	10:05	Minutes and actions from 6 th December 2019 meeting Declarations of Interest Matters arising	Chris Brodie	Pg. 1
Item 3	10:10	Local Industrial Strategy (PAPER TO FOLLOW)	Helen Russell and Sharon Spicer	
Item 4	10:55	Communications Strategy <ul style="list-style-type: none">Decision to adopt the Communications Strategy and Protocols	Zoe Gordon	Pg. 15
Item 5	11:05	Local Growth Fund (PAPER TO FOLLOW)	Rhiannon Mort	
Item 6	11:20	SELEP Local Assurance Framework 2020/21 <ul style="list-style-type: none">Decision to adopt the refreshed Assurance Framework on incorporationDecision to adopt the refreshed Board Recruitment Policy on incorporation	Suzanne Bennett	Pg. 17
Item 7	11:35	Chair Term Extension <ul style="list-style-type: none">Discussion on whether to extend the current Chair's term for a further two years (the Chair will not be present for this item)	Suzanne Bennett	Pg. 21
Item 8	11:40	Deputy Chair Recruitment <ul style="list-style-type: none">Selection Panel report on preferred candidate for approval (this item will be held in private) (PAPER TO FOLLOW)	Chris Brodie	
Item 9	11:50	Board Membership <ul style="list-style-type: none">Update on changes to Board membership	Chris Brodie	Pg. 24
Item 10	11:55	AOB and close	Chris Brodie	
	12:00	Lunch to be provided		

Information Items

No information items for this additional meeting

Provisional agenda items for March 2020

Strategic Board Meeting:

- Governance for new Board
- Delivery Plan 2020/21
- Local Industrial Strategy
- Coastal Prospectus
- Lower Thames Crossing consultation response
- Chelmsford City Council presentation

Future Strategic Board meeting dates:

- 20th March 2020;
- 12th June;
- (24th June AGM);
- 2nd October;
- 11th December;
- 19th March 2021.

Item 1: Welcome and introduction

- 1.1. Chris Brodie welcomed a new Board member, Miles Adcock, the Chair of the Success Essex Federated Board, to the meeting.
- 1.2. Chris Brodie noted that this was Douglas Horner's final meeting and that Douglas would be stepping down from his SELEP role on the close of the meeting. Chris Brodie thanked Douglas for his contribution to SELEP during his time on the Board.

Item 2: Minutes of last meeting, declarations of interest and matters arising

- 2.1. The following interests were declared:
 - a) Graham Peters declared an interest relating to Item 5 as the interim chair of the Newhaven Enterprise Zone.
 - b) Carole Barron declared an interest relating to Item 6 due to the mention of the Kent Medical School.
 - c) Cllr Keith Glazier declared an interest relating to Item 8 as Chair of Transport for the South East.
- 2.2. The minutes of the previous meeting were **agreed** subject to the following amendments:
 - a) Paul Thomas requested a change at 5.34 to clarify that the legal advice related to the documents rather than personal legal advice.
 - b) Mike Whiting asked to clarify the diversity target at 5.3c which would be corrected.
- 2.3. Chris Brodie updated the Board regarding a meeting of LEP Network Chairs and CEOs that he recently attended. He explained that diversity was high on the agenda, and that there was an analysis of the gender balance of all the Southern LEPs, of which the SELEP had the lowest. He reminded the Board that there is a clear obligation to get to 33% by the end of the financial year, and he encouraged that this is kept in mind when appointing new Board members.
- 2.4. Douglas Horner asked whether there would be any liability during the nomination process if the Board positively discriminated towards women who were less qualified than a better qualified man, and that suitability to this Board would vary from person to person.
- 2.5. Chris Brodie expressed that it would be inconceivable to not find sufficient diverse candidates.
- 2.6. David Rayner emphasised the importance of sharing the diversity requirements across both the public and private sector Board Members, which Chris Brodie agreed with and he asked the Local Authority members to consider this.

Item 3: LEP Review

- 3.1. Adam Bryan reminded the Board that Government is watching very carefully, and that, now that the main Board composition decisions had been made, this meeting was an important opportunity

to move along the legal personality aspect of the LEP review. He added that good progress had already been made, however it would be essential to be incorporated by the 1st of March 2020, and the new SELEP Ltd Board will meet on the 20th of March 2020.

- 3.2. David Rayner introduced an update to the legal personality workstream as Chair of the subgroup. He apologised for the late reports, but explained that the initial drafting arrived 2 months late, and that there was also a summary of counsel's opinion within the meeting pack. He added that the Articles of Association and Framework Agreement were virtually in a final form, with final touches required to make them internally consistent.
- 3.3. David Rayner explained that the purpose of this item was to approve the current Articles and the principles behind them, then to follow with an electronic vote after the final amendments. Chris Brodie clarified that the Electronic Procedure would be necessary due to the lead times for Local Authority decisions.
- 3.4. David Rayner said that there were two main subjects that the subgroup discussed at length; the responsibility for the public funding from business perspective, and that the new Board would be business lead and therefore less control from a Local Authority perspective, but with the Accountability Board still in place.
- 3.5. Douglas Horner responded that he had had difficulty with the documents, and stated that the documents were quite different from the set of draft documents that were discussed by the subgroup.
- 3.6. David Rayner explained that the documents presented at this meeting were different from those presented at the subgroup as they now incorporated the points raised at the subgroup meeting.
- 3.7. Douglas Horner raised a variety of points:
 - a) questions were asked to Essex Legal Services which have not been responded to, for example regarding the powers of the company, as it was decided at the subgroup that the membership should have no power;
 - b) other issues that Essex Legal Services have taken a view on within the documents which had not been decided by the subgroup;
 - c) there should be quite significant development of these documents before they can be agreed by the Board;
 - d) the acronym SELEP is used in different ways, both referring to the whole partnership and also referring to the Strategic Board;
 - e) the Articles contain cross references to the Assurance Framework which make it difficult to read. He added that he understands this was in order to facilitate any changes as it would be easier to amend the Assurance Framework than the Articles of Association, however if the Directors are able to alter the terms in the Assurance Framework, and therefore the Articles, this should be said in the Articles.

- 3.8. David Rayner responded to the point at e) above by stating that it is standard procedure to refer out, as he had sought advice around this. He added that it would avoid a laborious process of changing the articles, and that this had already been discussed at length in the subgroup, and therefore is not appropriate to be repeated in this meeting.
- 3.9. Douglas Horner disagreed with David Rayner, and stated that he had also spoken with legal specialists who regarded this as highly unusual.
- 3.10. Douglas Horner continued to explain another issue he had found, which is regarding the choice of membership and the powers of that membership. He stated that when discussed in the subgroup, the decision was to have a big membership but then not to allow that big group to take decisions, however he could not see that these powers had been excluded in the articles. He also raised a concern about the membership not necessarily reflecting the balance on the Board, and whether a resolution by the membership would be able to bind the Board; if not he stated that this must be explicit in the Articles, not just the Assurance Framework.
- 3.11. Douglas Horner added that there were elements missing from the Articles, such as a quorum for a members' meeting or notice for a members' meeting amongst other similar issues. He also stated that the corresponding report was not consistent with the Articles at 5.2.
- 3.12. Douglas Horner also raised concerns regarding the advice from counsel not including liability around the prioritisation of projects.
- 3.13. George Kieffer commented that governance arrangements, although important, had taken up a lot of time. He was clear that the Directors of a company had to act in the interests of the company, SELEP Ltd, and that the Board had not delegated any powers to the subgroup, therefore these are proposals to the Board. He summarised that there is some drafting to be done, then it could be re-presented with these addressed.
- 3.14. Chris Brodie enthusiastically endorsed George Kieffer's comments, and clarified that many of the elements not covered (3.11) by the Articles were covered by the Companies Act 2006.
- 3.15. Paul Thomas stated that there needed to be an independent legal report that clearly confirms that we comply with government guidance, to get rid of ambiguity of the members and how the documents tie together, and whether the Board is taking responsibility for the decisions of the Accountability Board where this Board has no say over these decisions.
- 3.16. David Rayner expressed confusion as these points had already been previously discussed and would be covered by covered by company law.
- 3.17. Paul Thomas said that the documents have different terminologies, and that the legal advice needs to be on behalf of the Board to protect future Board members, rather than advice for individuals.
- 3.18. David Rayner explained that the summary document does use phrases interchangeably to explain the changes between the old and new systems and that there would be some drafting tweaks needed, however Essex Legal Services specifically went to a barrister to get his opinion about the liabilities of the directors.

- 3.19. Paul Thomas asked why a barrister was not asked about the documents, which Chris Brodie clarified was because this was not requested by the Board.
- 3.20. There was a general discussion regarding whether the barrister would need the final versions of the documents in order to give a proper opinion, and David Rayner clarified that the barrister had had enough, including background information, draft and current documents.
- 3.21. Chris Brodie stated that the summary of the advice was included in the Board pack, and that the report is very clear on what the liabilities are, and that minimal liabilities can be covered by insurance.
- 3.22. Peter Fleming added that not all of the Directors will sit on the Accountability Board that will be making decisions that bind the Directors.
- 3.23. David Rayner clarified that the subgroup had lengthy discussions about this. He explained that it is necessary that the ultimate decision on the funding has to be taken by the Accountability Board, for whom it would be exceptionally difficult to not follow the decisions of the Directors.
- 3.24. Peter Fleming asked how difficult it would be for the Accountability Board not to follow the decisions of the Directors. Following on from that there was a general discussion regarding the powers of the Accountability Board. It was stated that this was a theoretical question as this is how the LEP works currently and has had no issues.
- 3.25. Geoff Miles said that the Accountability Board provides scrutiny, and if there were changes to a decision then it would be referred back to the Strategic Board. The Directors cannot technically influence the Accountability Board.
- 3.26. David Finch added that this discussion appeared to be regarding matters of detail for members around the table, but the relationship with the Accountability Board is stable. He recommended to the Board to accept the recommendations and deal with individual details outside of this meeting, and suggested that more training may be useful.
- 3.27. Perry Glading suggested that this should be included within the induction sessions, and Chris Brodie agreed with this.
- 3.28. Geoff Miles added that there are some fundamental questions for lawyers in the room, and that he heard that Kent County Council's legal team were concerned whether the Articles conform with government requirements.
- 3.29. David Rayner said that his understanding was that changes were made as a result of comments from Kent County Council's legal team, and that their monitoring officers were now satisfied.
- 3.30. Mike Whiting commented that he would like to ensure that those KCC legal team specific points were fully addressed in redrafting.
- 3.31. David Rayner explained that none of the monitoring officers raised significant issues, and that Kent County Council's legal team's issues had all been resolved.

- 3.32. The Board **agreed** that a company limited by guarantee without share capital called South East LEP Limited (SELEP Ltd) should be incorporated with Companies House, subject to governance of the Upper Tier Authorities.
- 3.33. The Board **agreed** the recommendation from the sub-group that the Articles of Association should not stipulate that the Chair of each Federated Board should be one the directors for that area but allow for Federated Boards to select which members should be the SELEP representatives, amending the decision of the Board in October 2019.
- 3.34. The Board **agreed** that the members of the reconstituted Strategic Board commencing March 2020 should be the Directors of SELEP Ltd, pending approvals from their own organisations where applicable.
- 3.35. The Board **agreed** that the Articles of Association at Appendix A should be the Articles of Association of SELEP Ltd subject to final drafting and approval of the amended version by Electronic Procedure.
- 3.36. The Board **agreed** that all Directors of the Board would attend an induction session before the first meeting of the Board in March 2020.
- 3.37. The Board **agreed** the requirement for Federated Boards/Local Authorities to provide names of intended Directors by 15 January, with Local Authorities to be informed immediately.
- 3.38. The Board **noted** the draft Framework Agreement, setting out the arrangements between SELEP Ltd and the members of the Accountability Board.

Item 4: Succession Planning and Deputy Chair

- 4.1. Chris Brodie provided the Board an update on recruitment for the Deputy Chair position, and that the recruitment company had already identified 100 candidates. He encouraged the private sector members of the Board to share this opportunity within their networks.
- 4.2. Adam Bryan summarised the information provided in the report regarding succession planning, adding that there should be no surprises for the Board. The Local Authority co-opted positions were decided at the last meeting to be Kent and Essex for the first year, which will need to be decided by the respective county-based forums for local authority leaders. He explained that the Assurance Framework will be refreshed for the January Board meeting to include the agreed approach to succession planning.
- 4.3. Douglas Horner suggested that half of the Board members should begin on a 1-year term to allow for a rolling membership, and Chris Brodie agreed that this would be a good idea.
- 4.4. The Board **noted** the update on the recruitment of a Deputy Chair.
- 4.5. The Board **agreed** the proposed approach to succession planning for the co-opted Board members as detailed in the report.

- 4.6. The Board **noted** the intention to draw together the approaches for the purposes of the refreshed Assurance Framework.

Item 5: Sector Support Fund

- 5.1. Adam Bryan presented to the Board.



- 5.2. Carole Barron commented that the report refers to alignment with the Strategic Economic Statement, but this should also include the LIS.
- 5.3. Colette Bailey asked what the approach would be to the funding that is still remaining.
- 5.4. Adam Bryan explained that the working groups would have the opportunity to get support, and that all projects that arrive at this stage should have been endorsed by the working group and at least one Federated Board. He added that unallocated funding would roll over to the next financial year, and that the SELEP has independent control over this funding.
- 5.5. Perry Glading asked how this process was controlled.
- 5.6. Adam Bryan explained that this would sit within his delegated authority, but would not act without a Strategic Board recommendation.
- 5.7. The Board **endorsed** the “Accelerating Opportunities within the Newhaven Enterprise Zone” project for £115,000 of funding through the 2019-20 SSF allocation.
- 5.8. The Board **noted** the update on the delivery of the SSF programme.

Item 6: Capital Programme Report

- 6.1. Rhiannon Mort, Capital Programme Manager, presented to the Board.



- 6.2. Paul Thomas commented that some of the projects involve third party agencies, and that losing their funding would have a huge impact.
- 6.3. Rhiannon Mort responded that the SELEP Accountability Board would be writing to Network Rail and that all projects would be considered on an individual basis.
- 6.4. Graham Peters asked to clarify whether the extra allocation in relation to the A13 widening project was from the Department for Transport, which Rhiannon Mort confirmed.

- 6.5. Mike Whiting provided the Board with an update regarding the Discovery Park project, and explained that there was an offer of GPF funding to a housing developer who had decided not to take up the loan, however this should not detract from the project as a whole.
- 6.6. Chris Brodie encouraged the Board to visit the site.
- 6.7. David Finch added that he noticed that the A13 Widening project is noted as high risk but recommends that the Board agree the additional funding allocation to the project. He continued that it would be helpful to have a report from Rob Gledhill providing assurance around the safeguards for this project.
- 6.8. Perry Glading commented that he believes the Board was reassured regarding this project by the Section 151 Officer from Thurrock at the previous meeting.
- 6.9. Geoff Miles added his support to the A13 Widening project.
- 6.10. Douglas Horner enquired about paragraph 6.2 and the methodology of reaching those figures, and also regarding 7.8, he suggested it would be helpful if Rhiannon Mort could produce a report about the lessons learnt and the types of projects that the Board should pursue. In particular, further information was sought about the amount of time required for the prioritisation and funding award to projects.
- 6.11. Rhiannon Mort responded (regarding 6.2) that commercial space estimates were used, and that it is difficult and resource intensive for Local Authorities to find out how many jobs have been created , hence why there may be underreporting. She continued that (regarding 7.8) she would be happy to bring a report to the Board, adding that the LIS and TfSE Transport Strategy will be an important influence in determining future investment decisions.
- 6.12. The Board **noted** the update on the delivery of the LGF and GPF programmes.
- 6.13. The Board **agreed** to increase the additional LGF allocation to the A13 Widening project, with further reassurance to be obtained from Thurrock.
- 6.14. The Board **endorsed** the revised repayment schedule for the North Queensway GPF project.
- 6.15. The Board **noted** an increase to the estimated amount of GPF available for reinvestment through GPF Round 3 from £20.724m to £25.228m.
- 6.16. Perry Glading thanked Rhiannon Mort and team for a really clear report.

Item 7: Social Enterprise Prospectus

- 7.1. Chris Brodie declared a strong personal interest through his family business (the Wates Group) who try to include Social Enterprise as much as possible in supply chains and funding scholarships in universities.

- 7.2. Penny Shimmin explained that the SELEP had previously stated that it would become the capital of Social Enterprise, and that prospectus is the result. She presented to the Board.



7- Social Enterprise
Prospectus - Strateg

- 7.3. Mike Whiting stated that Kent County Council is supportive of this work and pointed out that the prospectus features a company that won an award from Kent. He added that the communication and marketing around this report would be enormously important, and that Kent County Council would be happy to endorse this.
- 7.4. George Kieffer expressed his support for this, and thanked Penny Shimmin for highlighting this important topic.
- 7.5. Carole Barron added her endorsement to the prospectus, adding that Higher Education is seeing increasing numbers of students wanting to set up Social Enterprises. Carole Barron agreed with Penny Shimmin that a joined-up approach with Higher Education would be a good idea.
- 7.6. Chris Brodie commented that he recently attended the Turner Prize ceremony, where it was expressed that they would be keen to be involved with the Kent Medical school due to the connection between healthcare and art.
- 7.7. Douglas Horner added his endorsement but highlighted a small correction where the phrase “Royal British Legion” is used in reference to the RBLI, and Penny Shimmin confirmed that this would be corrected.
- 7.8. The Board **noted and formally endorsed** the Social Enterprise Prospectus.

Item 8: Transport for the South East

- 8.1. Keith Glazer introduced the item and expressed thanks towards Adam Bryan and Rhiannon Mort for being so helpful in supporting the activities of Transport for the South East
- 8.2. Rob Dickin, Transport Manager for Transport for the South East, presented to the Board.



TfSE Board
Presentation 191206

- 8.3. Paul Thomas asked about the impact of home delivery on the highways and whether there are any mobility solutions planned for the future.
- 8.4. Graham Butland added that it will be important for the SELEP to also keep an eye on Transport East, as Transport for the South East does not cover the entire SELEP area.

- 8.5. Ron Woodley commented that the Thames-London-Heathrow barrier is a worry, with particular concerns about M25 blockages, and that another crossing would be needed by 2050, necessitating collaboration between the Transport Bodies.
- 8.6. Keith Glazier explained that the 7 subnational Transport Bodies are working together, and that there are similar M25 issues for the south coast.
- 8.7. Ana Christie asked if the strategy takes into account the changes after Brexit with freight adding pressure to certain area.
- 8.8. Rob Dickin responded that there was a piece of work on Brexit, and that there will be a further piece of work when we know what is happening with Brexit.
- 8.9. Peter Fleming added that scale is also important, as much of what has been discussed during this item would be irrelevant to some communities, particularly those without bus services. He continued that many of the 80% quoted journeys that remain in the South East would be to a railway station, and that he is still waiting for problems at Blackfriars to be resolved. He also commented that he believes the geography to be too wide, and it must cover the LEP area to be useful.
- 8.10. Keith Glazier responded that more engagement may help with the issues that Peter Fleming has stated. He reassured the Board that there is good collaboration with Transport East, that Government have dictated the areas and added that it is not the duty of transport bodies to run local transport schemes. He added that a single strong voice is helpful, similar to Transport for the North who has received more funding as they were the first to be incorporated and have one voice.
- 8.11. Carole Barron thanked Rob Dickin for the engagement with the universities, and emphasised the importance of collaborating regarding research and development.
- 8.12. Mike Whiting expressed his support for Keith Glazier's points, and agreed that collaboration will be important, particularly with Transport for London and strengthening orbital connections.
- 8.13. The Board **agreed** to delegate authority for the SELEP Chair to approve the final version of the consultation response to be submitted by the 10th January 2020.
- 8.14. The Board **agreed** to provide any further comments on the Strategy to SELEP Secretariat by 3rd January 2020 to be considered as part of SELEPs consultation response.

Item 9: SELEP Statement of Accounts 2018-19

- 9.1. Lorna Norris, Senior Finance Business Partner at Essex County Council, summarised the report to the Board, and explained that the accounts are quite technical as they have been produced on the basis of Local Authority accounts.
- 9.2. Douglas Horner expressed his concern with the usage of the word SELEP, as mentioned earlier in the meeting at 3.7d.

- 9.3. Lorna Norris explained that the LEP is currently unincorporated, and that the Accountable Body holds the funding on the behalf of the SELEP, which they then expect to be managed under the requirements of the Assurance Framework.
- 9.4. Rodney Chambers enquired about a figure of £150,000 for local area support, as at the last Accountability Board this was not included in next year's budget.
- 9.5. Adam Bryan responded that this had been agreed at the last Accountability Board and that it is necessary for the LEP to demonstrate a cash match from the Local Authorities to get the core funding from government. He explained that the amounts have stayed the same (£200,000 across 6 authorities), and that previously there has been enough revenue money remaining to offer some of the money back. He added that this has not been included as Government have not clarified how much money the LEP will be receiving for next year and that the interest receipts from unspent LGF will dramatically reduce in line with reduced balances.
- 9.6. Rodney Chambers requested more clarification, and Adam Bryan explained that the LEP is not yet in a position to reduce this ask, and that the LEP itself has taken the approach to return money to recognise local working, but at the moment it is necessary to demonstrate this cash match as the commitment from Government for next year has not yet been received.
- 9.7. Rodney Chambers asked whether the expectations to assist the LEP have changed.
- 9.8. Adam Bryan explained that if there is any flexibility in the budget then as much support will be given as possible.
- 9.9. Rodney Chambers stated that he has serious concerns and would need to have further discussions about this.
- 9.10. Mike Whiting expressed his concern also, and asked if the budget could be reconsidered at the February Accountability Board.
- 9.11. Lorna Norris clarified that the position would not have changed by February, and it was agreed by Chris Brodie that Accountability Board would discuss this at an appropriate time.
- 9.12. Rodney Chambers stated that he would need a response regarding this in an email from Adam Bryan, which Adam Bryan agreed to provide.
- 9.13. The Board **confirmed** that they have considered the Statements of Accounts 2018/19.

Item 10: Energy Hub Decision

- 10.1. Jo Simmons, Business Development Manager, explained to the Board that this item has been in evolution for 18 months, and that the Energy Hub began as a BEIS initiative to consolidate local

energy strategies. She reminded the Board that the LEP produced a Tri-LEP Energy Strategy earlier this year.

- 10.2. Jo Simmons continued that BEIS have been clear that they want the Energy Hub Board to be a decision-making Board, with Cambridge and Peterborough as Accountable Body. The LEP will need to formally sign up to the Memorandum of Understanding.
- 10.3. Paul Thomas raised a point regarding 3.2 in the report that communication with working groups is important.
- 10.4. Jo Simmons agreed that this communication will be important. She explained that the hub is a team of energy experts who scrutinise local energy projects and assess against set criteria, and she acknowledged that work needs to be done to make sure that working group projects are made to be known to the hub. She added that there is a new Clean growth working group to make sure that all the good work already going on is captured.
- 10.5. Mike Whiting asked if the Chairman of the SELEP Energy Group could attend the hub meetings and report back directly.
- 10.6. Jo Simmons responded that the Chair of the Clean Growth and Energy Working Groups will be supporting Adam Bryan, and that communication will be important.
- 10.7. The Board **agreed** to SELEP becoming a member of the GSEEH.
- 10.8. The Board **agreed** to delegate responsibility for final agreement of the legal documentation to the Chief Executive in conjunction with the Accountable Body.
- 10.9. The Board **noted** that approval of the agreement would not enable the Chief Executive Officer to make decisions as part of the GSEEH that would create, or have the potential to create, a financial liability for either SELEP Ltd (once formed) or the Accountable Body without appropriate approvals having been sought in advance.
- 10.10. The Board **agreed** that the representation of SELEP on the GSEEH Board should be delegated to the CEO and he should represent SELEP as set out in the report at 4.3.

Item 11: ERDF Legacy Funding- SEEDA areas only

- 11.1. Jo Simmons explained that this is legacy funding that was left over from the previous ESIF programme from 2007-2013, which is now available to old Development Agency areas.
- 11.2. Ron Woodley asked if it would be possible for the funding to be matched for Essex from the GPF funding.
- 11.3. Adam Bryan explained that GPF has a separate ongoing process, is restricted to loan finance, and that the funding cannot just be released, but that it would be a good idea to double check if there is any other funding available.

- 11.4. Peter Fleming commented that Essex would have had the money originally, but have already spent it.
- 11.5. The Board **noted** that the potential funding could only be invested in East Sussex, Kent and Medway and could not be applied in Essex, Southend or Thurrock.
- 11.6. The Board **agreed** to the potential investment being proposed by MHCLG in principle.
- 11.7. The Board **noted** that the Accountable Body would need to consent to the acceptance of funding following further information being available on the terms and conditions of the funding.
- 11.8. The Board **noted** the intention to bring back to the Board a proposition on how the funds will be invested in the SELEP area once terms and conditions and values are known.
- 11.9. George Kieffer updated the Board regarding the ESIF sub-committee, explaining that they met recently to consider a lot of applications, and were oversubscribed on ERDF. He added that all the money has now been allocated, and that the Board may wish to consider nominating a new chair for the sub-committee when he steps down from the Board.

Item 12: LIS Discussion

- 12.1. Chris Brodie opened this item by reminding the Board of the importance of the Local Industrial Strategy.
- 12.2. Ciaran Gunne-Jones, Senior Director, Head of Economics at Lichfields



12- LIS Board
Presentation FINAL (

- 12.3. Sharon Spicer, Strategy and Intelligence Manager, explained that this is the current stage of the LIS, and that they are seeking a collective mandate to continue to develop this detail.
- 12.4. Peter Fleming expressed concern regarding the table of contents, as there is one section that is looking outside the area, and he was expecting to see the three stories from the Federated Boards front and centre.
- 12.5. Sharon Spicer explained that the Government want a single set of coherent objectives.
- 12.6. Peter Fleming responded that SELEP has been based around the fact that the different areas are coming together, with rich differences between the areas, and that he thought the Federated Boards were producing separate narratives, rather than being merged into one.
- 12.7. Helen Russell, Strategy and Intelligence Manager, explained that the structure is set through the National Industrial Strategy, and that a lot of the content from the Federated Boards has been incorporated into the LIS, however it must be represented to match Government expectations.

- 12.8. Mike Whiting commented that he would rather that “Skills” was a set activity rather than a potential activity, and should be further up the agenda.
- 12.9. David Finch expressed the importance of being ambitious and strong in this document, and that some of the wording could be strengthened. He suggested that more exact numbers and more ambitious statements would help with this, and gave the example of Manchester as a LEP with a more passionate tagline.
- 12.10. Chris Brodie agreed with David Finch, adding that he doesn’t feel that the passion is coming through.
- 12.11. Ana Christie added her agreement to increasing the passion, and also raised the point of a possible climate emergency in the future which would necessitate careful communication.
- 12.12. Miles Adcock commented that the impact of more people working in London may actually have a greater impact than some other points identified.
- 12.13. Penny Shimmin stated that she would like to see more regarding inclusivity, and commented that there is a risk of insensitivity to other housing developers when the garden communities are being discussed.
- 12.14. Geoff Miles added that the new minister is also responsible for the Northern Powerhouse, so the SELEP will have to work harder to be on top.
- 12.15. Ron Woodley commented that there needs to be more detail regarding skills, and that the skills agenda will be pivotal in facilitating other aspects.
- 12.16. Douglas Horner agreed with Miles Adcock’s point, and asked why proximity to London is not a strategic opportunity.
- 12.17. Helen Russell explained that the “Global Gateway” as a wider aim plays to a wider London and SELEP interest, and that there is not enough to make proximity to London an opportunity in itself.
- 12.18. Miles Adcock suggested that a good starting point could be to work out how much income tax comes from London.
- 12.19. Angela O’Donoghue commented that there could be more added to the skills section, and suggested stronger statements such as “we will eliminate our skills shortages by doing X”.
- 12.20. Graham Peters suggested adding an additional skillset to the team to create a more “catchy” message. Colette Bailey added her agreement to this.
- 12.21. Carole Barron added her agreement to the comments so far, and said that it could make more of having the biggest cluster of universities outside London. She continued that the examples of the testbeds and Living Labs are too small scale, and that a bigger research and development facility is needed. She summarised that in general she feels the ambition should be bigger and that the Coastal header seems like a catch-all.

- 12.22. Chris Brodie emphasised that the important aspect for this meeting is to give the team the mandate to continue.
- 12.23. The Board **noted** that feedback from Board members would be incorporated into the drafting of the LIS document, to be presented to the Strategic Board on 31st January 2020.
- 12.24. The Board **noted** that the draft SE LIS would be presented to the Board on 31st January 2020 for approval to submit to Government.
- 12.25. Adam Bryan explained that there would be workshops in early January to test what had been produced, and confirmed that these dates would be sent out as soon as possible.

Item 13: AOB

- 13.1. Chris Brodie informed the Board that the South East College Corporate Board is currently advertising a vacancy.

Chris Brodie closed the meeting at 1:30pm.

Item 4: Draft Communications Strategy and Protocols

1. Purpose

- 1.1. This paper presents a draft communications strategy and protocols for agreement by the SELEP Strategic Board.

2. Recommendations

- 2.1. The Board is asked to:
 - agree the adoption of the communications strategy and protocols;
 - note the communications narrative and key messages set out in the communications strategy and protocols; and
 - note the responsibilities of SELEP Members and partners when communicating the work of SELEP and its projects.

3. Background

- 3.1. The draft communications strategy and protocols is a key document for SELEP. SELEP has a duty to be open and transparent in its activities – particularly in its decision making and in its role in administering public funding. Government has made clear that the agreement of a Communication strategy will be necessary if SELEP is to satisfy conditions set out in the assurance framework.
- 3.2. The draft strategy and protocols sets out SELEP’s core communication objectives and the results we intend to achieve through our communication activities. The plan supports the continued evolution of SELEP’s approach to communication. It reflects the Economic Strategy Statement (agreed in December 2018) and builds on our current communications programme. This will be a working document which will continue to evolve as the Local Industrial Strategy is developed and agreed, and as we move to establish SELEP Ltd. The draft strategy and protocols includes a narrative for both SELEP and the South East economy. It identifies SELEP’s core messages, the audiences towards whom these messages will be targeted and the channels through they will be delivered. The key messages will evolve with the development of the Local Industrial Strategy and SELEP Ltd.
- 3.3. Crucially, the communications strategy and protocol sets out guidance for partners and makes clear the roles and responsibilities of SELEP member organisations when communicating publicly about SELEP, the work of the partnership and about specific projects where SELEP provides funding or support. This includes the responsibilities around transparency.
- 3.4. The Communications strategy has been shaped by engagement with Senior Officers and each of SELEP’s federated boards.

4. Appendices

- 4.1. Appendix A: Draft Communications Strategy and Protocols

5. Accountable Body Comments

There are no comments from the Accountable Body

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Date: 14th January 2020

Item 6: SELEP Assurance Framework and Board Recruitment Policy 2020/21

1. Purpose

- 1.1. The purpose of this report is to present to the Strategic Board (the Board) with revised versions of the Assurance Framework and Board Recruitment Policy. These documents have been updated to reflect the changes in governance that are necessary under the LEP Review, in particular the establishment of SELEP Ltd, and these changes have been discussed with the Board at length. Should the Board choose to agree the changes, the new governance documentation will be formally adopted from the date of incorporation of SELEP Ltd, currently planned to be 28 February 2020. Until that time the current documentation will apply..
- 1.2. This report provides details on the changes made to the documents, which are principally formatting and updating to reflect the incorporation of the SELEP Ltd.
- 1.3. The Board is also asked to consider the Terms of Reference for the revised Strategic Board. This is provided for information as a decision to adopt these will be made at the first meeting of the revised Strategic Board at their meeting on 20 March 2020.

2. Recommendations

- 2.1. The Board is asked:
 - 2.1.1. to agree the SELEP Assurance Framework 2020/21, to be formally adopted on incorporation of SELEP Ltd;
 - 2.1.2. to agree the revised Board Recruitment Policy, to be formally adopted on incorporation of SELEP Ltd; and
 - 2.1.3. to note the revised Strategic Board Terms of Reference, which will be considered by the Board of Directors of SELEP Ltd at their first meeting on 20 March 2020

3. Background

- 3.1. In January 2019, the Government published an updated National Assurance Framework which sets out guidance on how LEP's should develop their own Assurance Framework. Government have confirmed that there are no further revisions to the National Assurance Framework in this (2019/20) financial year.
- 3.2. The National Assurance Framework incorporates the requirements of the LEP Review in to Local Enterprise Partnership Governance and Transparency and the National Review into LEP's Strengthening Local Enterprise Partnerships.
- 3.3. LEP's are required to comply, in full, with the requirements of the National Assurance Framework in order to receive funding from Central Government. For SELEP, the main new requirements are moving to incorporated status and amendments to the Board composition and membership, including the requirement for:
 - 3.3.1. The LEP to explain how they will ensure representation at Board and sub Board level which is reflective of their local business committee (including geographies, gender and protected characteristics);
 - 3.3.2. The LEP Board members to have at least one third female membership of appointed members by March 2020;

- 3.3.3. The LEP Board membership to have at least two-thirds representation from the private sector by 28th February 2020; and
- 3.3.4. The LEP Board membership to have a maximum of 20 people, (with the option to co-opt an additional 5 Board members), by 28th February 2020.
- 3.4. The Board has considered the requirements of the LEP Review at great length over the last 18 months. Decisions on the changes that were necessary to comply with the LEP Review and the National Assurance Framework January 2019 have already been made by Board. These changes to the governance of the Partnership have now been reflected in the governance documentation. There are no material changes to the governance documentation that the Board has not previously considered.
- 3.5. The governance documentation therefore needs to be updated to reflect the changes to the LEP, and the Board are being asked to agree the key policies at this stage. All other policies will be adopted at the first meeting of the SELEP Ltd,

4. The Documentation

- 4.1. These policies have been written as though the SELEP Ltd is already incorporated as they will not be adopted until the SELEP Ltd is incorporated. The Assurance Framework and Board Recruitment Policy, if agreed, will come into force upon incorporation at the end of February. The Terms of Reference will be formally adopted at the first meeting of the SELEP Ltd.
- 4.2. The previous Board Recruitment Policy, Chair Recruitment Policy and Deputy Chair Recruitment Policy have been combined into a new Board Recruitment Policy. No changes are proposed regarding this process, although wording has been made clearer and duplication with other policies has been reduced.
- 4.3. The main changes to the Board Recruitment Policy are:
 - 4.3.1. the addition of information around the Chair and Deputy Chair;
 - 4.3.2. information around Succession Planning has been added
 - 4.3.3. details around substitutions have been removed as these are now contained within the Terms of Reference.
- 4.4. The Terms of Reference has been updated to reflect the new incorporated status of SELEP Ltd. It is important to note that much of the information previously in the Terms of Reference is now encapsulated in the Articles of Association and Assurance Framework, and that some text has been deleted where it is duplicated elsewhere. A guide around where to find information will be developed for the Induction Training. The Articles have been included at Appendix D for your reference.
- 4.5. The main changes to the Terms of Reference are:
 - 4.5.1. information has been removed that is duplicated in other policies (for example the Working Groups section which is now in the Assurance Framework);
 - 4.5.2. the wording has been updated to reflect the new incorporated nature of the SELEP;
 - 4.5.3. the composition of the Board has been updated to reflect the new Board.
- 4.6. The structure of the Assurance Framework has been updated to make the information more accessible. It is now divided into clearer sections to make it easier to find information, and there is also now an index to increase efficiency.

4.7. The content of the Assurance Framework has been updated to reflect the new incorporated SELEP Ltd and improved to reduce the amount of duplication with other policies.

4.8. The main changes to the Assurance Framework are:

4.8.1. the composition of the Board has been updated to reflect the new Board;

4.8.2. the wording has been updated to reflect the new incorporated nature of the SELEP;

4.8.3. an index has been added to the end of the document.

4.9. Tracked changes version of the documents are available as background information.

5. Accountable Body Comments

5.1. It is a requirement of Government that the SELEP agrees and implements an assurance framework that meets the revised standards set out in the LEP National Assurance Framework.

5.2. The purpose of the Assurance Framework is to ensure that SELEP has in place the necessary systems and processes to manage delegated funding from central Government budgets effectively.

5.3. The S151 Officer of the Accountable Body is required, by the revised Assurance Framework, to ensure that their oversight of the proper administration of financial affairs within SELEP continues throughout the year.

5.4. In addition, the S151 Officer is required to provide an assurance statement as part of the Annual Performance Review and, by 28 February each year, they are required to submit a letter to the MHCLG's Accounting Officer. This must include:

- Details of the checks that the S151 Officer (or deputies) has taken to assure themselves that the SELEP has in place the processes that ensure proper administration of financial affairs in the SELEP;
- A statement outlining whether, having considered all the relevant information, the S151 Officer is of the opinion that the financial affairs of the SELEP are being properly administered (including consistently with the National Local Growth Assurance Framework and SELEP's local Assurance Framework); and if not
- Information about the main concerns and recommendations about the arrangements which need to be implemented in order for the SELEP to be properly administered.

5.5. At this time there are no specific issues of concern to be raised on governance or transparency. There are areas identified in the LEP review that are now included in the Assurance Framework which SELEP is currently implementing, as follows:

5.5.1 Board Diversity - SELEP Ltd commits to diversity and representing the local business community, including a gender balance within the Directors of at least one third female directors, with a view to equal representation by 2023;

5.5.2 Board Member Induction and Training - Induction sessions will be run by SELEP Secretariat prior to the first Board meeting of the new SELEP Ltd in March 2020. The training should ensure full understanding of the requirements of the SELEP Assurance Framework and the respective new Corporate Governance policies, in particular, how these apply to decision making, and the responsibilities of Directors of a Limited company who have certain duties under law;

5.5.3 Incorporation - The Government's requirement for incorporation by the SELEP partnership is underway and a company limited by guarantee without share capital will be registered at Companies House on 28 February 2020.

6. Appendices

- 6.1. Appendix A: Assurance Framework
- 6.2. Appendix B: Terms of Reference
- 6.3. Appendix C: Board Recruitment Policy
- 6.4. Appendix D: Articles of Association

7. Background Information

- 7.1. Background information 1: Assurance Framework with tracked changes
- 7.2. Background information 2: Terms of Reference with tracked changes
- 7.3. Background information 3: Board Recruitment Policy with tracked changes

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Item 7: Chair Term Extension

1. Purpose

- 1.1. The purpose of this report is to provide the Strategic Board (the Board) with details of the Chair's term of office and to allow the Board to consider whether they would wish to extend the Chair's tenure for a final two years.

2. Recommendations

- 2.1. The Board is asked to agree one of the following two options:

- 2.1.1. Option 1: to extend the term of the current Chair, Christian Brodie, by a further two years to 21st March 2022 or by a period of up to two years, to be determined by the Board.

- The Board is asked to note that a two year extension would take the term served to a full six years which is the maximum term for the position, after which an open and transparent recruitment in line with the agreed process as set out in the Board Recruitment Policy would be required.

- 2.1.2. Option 2: to not extend the term of the current Chair, Christian Brodie, noting the requirements to agree interim arrangements in advance of the establishment of SELEP Ltd and to undertake a recruitment of a new Chair in line with the Board Recruitment Policy.

- The Board is asked to note that under this option, a report setting out the proposals for the interim arrangements will be presented to the Board via Electronic Procedure, in advance of the Company being established on the 28th February 2020.

3. Background

- 3.1. The current Chair was appointed in March 2016 and the Board agreed to extend his term by a further two years in March 2018. As set out in the Board Recruitment policy, the Chair's term is for two years with the Board being able to extend for two years and a further two years, bringing a total term that can be served to six years.
- 3.2. Christian Brodie has indicated that he wishes to continue as Chair of SELEP beyond the current end date of his term of 21 March 2020. At this point the term served would be four years and therefore the Board could choose to extend his term by up to a further two years until 21 March 2022. The Board could extend for shorter period of time or chose not to extend the term.
- 3.3. If the Board declines to extend the term further, the current term would end on 21 March 2020. A full recruitment process will be required in line with the Board Recruitment policy.
- 3.4. The recruitment process can be expected to take at least nine months so interim arrangements would be needed to cover the period from 21 March 2020 to the appointment of a new Chair.

4. Option 1 (Recommended Option) - Extension of Term

- 4.1. If the Board is content with the performance of the current Chair, they can extend his term by up to a further two years. The extension is not required to be a full two years, the Board could select a shorter term if minded. This would be on the same basis as current arrangements, including an allowance of £20,000 per annum; the allowance would be pro-rated in accordance with the

agreed period.

- 4.2. If the Board does agree to extend the term, the Secretariat will work with the Accountable Body (Essex County Council) to ensure that contractual arrangements which are compliant with HMRC requirements are put into place. These arrangements may differ from earlier arrangements as the Chair will be required to be a Director of SELEP Ltd which may have implications regarding taxation/National Insurance.
- 4.3. No further extensions of term can be made so, at least nine months in advance of the end of any extension offered, a recruitment process must begin for the identification and selection of a new Chair. A longer period of time may be required if the Board wants to make changes to the job profile or person specification. Therefore, it is proposed that the process should be instigated at the meeting of the Board in June 2021 if a full two-year term extension is offered or an earlier meeting, as appropriate, for a shorter extension.

5. Option 2 - No Extension

- 5.1. If the Board selects not to extend the term, the current Chair's term will finish on 21 March 2020. The final Board meeting of his term will be on 20 March 2020, however SELEP Ltd will be in place by this time and the meeting of 20 March 2020 will be a meeting of the Board Directors.
- 5.2. If the term is not extended, the Board and Mr Brodie may not consider it appropriate for Mr Brodie to become a Director and Chair of the company for such a short period, ending 21 March; in this circumstance, the Board will need to consider the options for interim arrangements in accordance with the Board Recruitment Policy; a report setting out the options will be presented to the Board via Electronic Procedure, in advance of the Company being established on the 28 February 2020. These options would need to consider the following:
 - 5.2.1. Whether the Board would wish to invite Mr Brodie to attend and Chair the meeting of 20 March 2020 as a non-voting member should it be agreed that he will not become a Director of SELEP Ltd for the short period between incorporation and 21 March;
 - 5.2.2. whether the Board would want to ask the newly appointed Deputy Chair to act as Interim Chair;
 - 5.2.3. if not or if the Deputy Chair would be unwilling or unable to do so, how would an Interim Chair be selected;
 - 5.2.4. if more than one Board Members expresses an interest in becoming Interim Chair, what process would be used to select the preferred member or if the post could be shared;
 - 5.2.5. if no Board Members express an interest, what would the backstop arrangement be;
 - 5.2.6. whether the Interim Chair(s) should be eligible for an allowance; and
 - 5.2.7. clear timelines for term of the post, with a realistic assessment of recruitment of a new Chair and any handover that would be necessary

6. Accountable Body Comments

- 6.1 Agreement by the Board for the extension of the current Chair by a further 2 years to 20 March 2022 is in line with an amendment to the Chair tenure following the LEP review, extending from 2+2 years to 2+2+2 years. This would be the final term for Mr Brodie.

- 6.2 In the event that the Board does not agree to extend the term of Mr Brodie, the Board will need to agree the interim arrangements for the Chair of SELEP Ltd and initiate a recruitment process for the Chair.
- 6.3 The recruitment process of the Chair of SELEP Ltd must follow an open and transparent Succession Plan and the Board Recruitment Policy as per the Assurance Framework.

7. Appendices

- 7.1. None

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Item 9: Board Membership

1. Purpose

- 1.1. The purpose of this item is for the Chief Executive Officer (CEO) and the Chair to provide an update on the membership of the SELEP Strategic Board (the Board). At the time of publication there are ongoing selection processes by Federated Board therefore an updated list of membership will be provided on the day of the meeting.

2. Recommendations

- 2.1. The Board is asked to:
 - 2.1.1. note the updated list of membership to be shared at the meeting; and
 - 2.1.2. note those Board Members who have left the Board, or are soon to do so, and their contribution to the Board and the wider partnership.

3. Background

- 3.1. As the Board is aware, SELEP has been through a significant change in governance structure over the last 12 months following the publication of the LEP Review recommendations. The meeting on 31 January 2020 is the final meeting of the the unincorporated partnership and the current 28 member Board. SELEP Ltd is due to be incorporated on 28 February 2020. The new Board of Directors for SELEP Ltd will be meeting shortly after incorporation on 20 March 2020.
- 3.2. In order to meet the requirements of the LEP Review the Federated Boards have also considered their own memberships. Team East Sussex had a full refresh and recruitment in September 2018 and were fully compliant with the LEP Review at the start of this financial year. However, the other three Federated Boards have been through processes more recently to renew their membership.
- 3.3. The Essex Business Board went through a refresh over the summer of 2019 and relaunched as Success Essex. The Kent and Medway Economic Partnership (KMPEP) and Opportunity South Essex (OSE) are currently in the process of refreshing their membership through an open recruitment at the time of publication of this report.
- 3.4. The changes to Federated Board membership and the changes to the SELEP Strategic Board structure means that a number of Board members are, or will shortly be, stepping down and new members will be coming forward. The CEO and Chair would like to use this opportunity to update the Board on potential new members and to thank those departing members for their service.

4. New Members

- 4.1. The structure of the new Board was agreed in October 2019 and the governance arrangements for the new company were agreed in December 2019 and early January 2020. Following these decisions it is now necessary for Federated Boards and other partner organisations to inform SELEP Secretariat of the names of those individuals who will be taking the seats on the Strategic Board. In some cases there are governance processes to be completed so names provided to date are indicative.
- 4.2. An up to date table showing the name for each seat will be provided at the 31 January 2020 meeting.

5. Members Stepping Down

- 5.1. Following the changes to Strategic Board and Federated Boards a number of Board members have either stepped down or will be stepping down at the end of today's meeting. A full list of departing members will be provided at the meeting and the CEO and Chair will take some time to reflect on the contributions of those Board members and thank them for their efforts.

6. Accountable Body Comments

- 6.1. The Accountable Body has no comments to add.

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Position: Chief Operating Officer

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