

Report title: SELEP Operations Update	
Report to Accountability Board	
Report author: Keri Lawrence – Governance Officer	
Meeting Date: 12 January 2024	For: Information
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SELEP Partner Authority affected: Pan-LEP	

1. Purpose of Report

- 1.1. The purpose of this report is for the Accountability Board (the Board) to be updated on the operational activities carried out by the Secretariat to support both this Board and the Strategic Board. The report includes an update on the SELEP transition arrangements, risk management, compliance with the Assurance Framework and performance against governance KPIs.

2. Recommendations

- 2.1. The Board is asked to:
- 2.1.1. **Note** the update on decisions taken by the Strategic Board for the transition of the LEP and the integration of its activities into Local Authorities at Section 4;
 - 2.1.2. **Note** the Risk Register at Section 6 and Appendix B;
 - 2.1.3. **Note** the update on Assurance Framework compliance monitoring at Section 7 and Appendix C;
 - 2.1.4. **Note** the update on Governance KPIs at Appendix D.

3. General Operations Update

- 3.1. SELEP continues to deliver against its 2023/24 Delivery Plan, including the Growth Hub service, various activity on skills, maximising the benefits of our major projects, production of comprehensive economic data and supporting our partnerships to deliver. In addition to these business as usual activities, SELEP is in a transitional period and therefore the work of the SELEP Secretariat is focused on ensuring the effective integration of SELEP functions into Upper Tier Local Authorities (UTLAs) by March 2024, as outlined in Section 4.
- 3.2. Regarding the Deep Dive into East Sussex projects where the delivery partner is Sea Change Sussex, we are still waiting for an update from the Assurance Team from the Cities and Local Growth Unit, but were informed at the mid-

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year review that we will receive a draft report, prior to publication, as soon as internal sign off is complete.

4. SELEP Transition Update

- 4.1. In July 2023 Strategic Board took a decision on the future of the LEP and that was to work towards full integration of all LEP functions into UTLAs or Functional Economic Areas (FEA) by the 31 March 2024. On the 4 August 2023, alongside a letter to confirm cessation of core funding, technical guidance on LEP integration was issued to LEPs and UTLAs by the Department for Levelling Up, Housing and Communities (DLUHC)
- 4.2. Since then, the LEP secretariat has worked with all six UTLAs, the Accountable Body and other partners (as appropriate) to develop a SELEP wide integration plan. Following presentation of a draft plan to October's Strategic Board meeting, a further developed Final Integration Plan was presented to and approved by the SELEP Strategic Board on the 8 December 2023.
- 4.3. The Final Integration Plan outlines key dependencies for a successful integration These are:
 - 4.3.1 Confirmation from Government of the geographical coverage of new Accountable Body arrangements
 - 4.3.2 Clarification from Government to Local Authorities, regarding their future functions and funding, expected to be received by January 2024 and that this includes the new English Devolution Assurance Framework.
 - 4.3.3 All required Local Authority formal decision making concluded by March 2024, ahead of the March SELEP Strategic Board meeting.
- 4.4. The dependency highlighted in 4.3.2 has subsequently been addressed with the publication of the further guidance and funding allocation for functional economic areas in 2024/25, which was received on the 19 December 2023 (please see section 5). However, a further point of dependency is clarity around the accountable body arrangements for the functional economic area, which is also highlighted as a dependency in the Integration Plan.
- 4.5. The risks and dependencies are mostly associated with timescales and capacity, however there are some clarifications needed from Government that could, albeit unlikely, require a change of approach, particularly in relation to the capital programme, Accountable Body status, and ongoing monitoring and evaluation requirements. Associated risks are outlined further in section 6 below.

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- 4.6 At the December 2023 Strategic Board, Directors endorsed that the unallocated residual LEP budget should be utilised to resource the continued delivery of LEP functions within UTLAs from April 2024 onwards; including the redeployment of the SELEP team. There have been nine roles identified and submitted from across the UTLAs and whilst these roles do not fully align to the roles within the existing secretariat and the take up of them is subject to consultation outcomes, and within this choice of individuals, SELEP is working with Essex County Council's People Services (as the Accountable Body and current employer) will run a consultation in the New Year with the existing SELEP team to redeploy people into appropriate posts.
- 4.7 Please see section 3.9.5 in the SELEP Finance Update paper with reference to the allocation of SELEP unallocated residual funds to support the funding of these posts and as such the potential for continued employment of members of the LEP secretariat who are able and wish to secure these positions.
- 4.8 This is in alignment with the guiding principle of the Strategic Board's decision in July that it is the intention by all parties to retain the expertise, knowledge, networks and experience of the SELEP team. The decision on this will be presented to Accountability Board in February 2024.

5 Update on Government Guidance:

- 5.1 As highlighted in the September Operations Update to this Board, SELEP and the UTLAs sought clarifications from Government on the 16 August, regarding several points contained in their technical guidance, issued on the 4 August, to further inform the development of the Integration Plan. On the 3 November, SELEP received some responses to these clarifications as set out in Appendix A.
- 5.2 The clarification provided regarding Accountable Body arrangements for the legacy SELEP activity, namely the capital programme, provides a positive indication that DLUHC will release Essex County Council from its obligations as accountable body for SELEP and that the six UTLAs will take on this role for their own geographies from April 2024. A letter was issued to DLUHC formally setting out this request with proposals for how it could be achieved. We await a response, however given the timescales, preparation work has commenced on this basis.
- 5.3 Government indicated in the letter of the 4 August that they will provide some further guidance including the allocation of revenue funding to local and combined authorities/functional economic areas in 2024/25 to support them to deliver the functions currently delivered by LEPs. This guidance was received on 19 December and can be found [here](#). It states that up to £240,000 will be made available to functional economic areas in 2024/25, subject to submission and approval of a business case. Further details will be provided in due course, but it is expected that the application will request:
- 5.3.1 Brief details of how the area intends to use the funding (in line with this guidance)

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- 5.3.2 Confirmation from the accountable body that all upper tier local authorities in the area are included in delivery plans
- 5.3.3 Bank account details and S151 or S73 officer details for the accountable body
- 5.4 It is noted that this core funding is separate to any programme funding that may be provided to support the delivery of, for example, Growth Hubs or Careers Hubs. Funding for the delivery of government programmes as directed will be communicated to authorities by the responsible government department or body as per usual processes.
- 5.5 Funding beyond 2024/25 will be subject to future Spending Review decisions.

6 Risk Register

- 6.1 Integration: Overall, the most critical risks to timely integration are:
 - 6.1.1 Capacity with the SELEP Secretariat, Accountable Body and within UTLAs to action tasks at the required pace. (Risk 9)
 - 6.1.2 Lack of formal and/or timely response from Government regarding future accountable body arrangements for the existing capital programme and, as importantly, how they need to be implemented. (Risk 48)
 - 6.1.3 Breaks in continuity because of late confirmation of UTLA funding allocations, particularly in relation to Growth Hubs. (Risk 22)
- 6.2 Capital Programme:
 - 6.2.1 The risk of non-achievement of Outcomes/Outputs of the Capital Programme (Risk 19) continues to be classified as high risk, particularly in light of integration and the absence of the LEP post April 2024.
 - 6.2.2 Risk 46, rated as medium, is a reputational risk related to the number of requests for information about projects and questions raised about the delivery of outputs and outcomes of some projects. SELEP and the Accountable Body continue to look at opportunities to improve the management of the Capital Programme and the presentation of information to the Board and the public.

7 Assurance Framework Monitoring

- 7.1 The National Local Growth Assurance Framework will remain in force and will continue to apply up to a reasonable point before integration. SELEP continues to regularly manage its compliance with the National Assurance Framework and ensure that it is governed, and decisions are made, in line with the framework's requirements.

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- 7.2 LEPs are expected to continue to maintain a Local Assurance Framework and have this publicly accessible. It is the role of the Board to oversee the implementation of the requirements of the SELEP Local Assurance Framework.
- 7.3 It is anticipated that an Internal Audit for 2023/24 will be undertaken by Essex County Council (as the Accountable Body) from January 2024 to assess the robustness of governance over decision making, project delivery and financial / risk management processes, in order to provide assurance to the S151 Officer and SELEP that such areas of potential risk are being controlled to an acceptable level. The audit outcome of 2022/23 recognised that SELEP continues to have controls in place to help manage emerging risks to the best of its ability. However, it is important that these are proactively monitored throughout the transition period.
- 7.4 DLUHC wrote to LEP Chief Executives on 18 May 2023 setting out its position on LEP assurance and associated requirements for 2023/24. As per that letter, a light-touch Annual Performance Review (APR) assurance cycle will take place in 2023/24 where LEPs are still operational. The approach will continue the tiered structure implemented in the 2022/23 assurance cycle. Assurance activities will consider any residual LGF and GBF spend, via freedoms and flexibilities, brought forward into 2023/24 by LEPs.
- 7.5 DLUHC held an assurance conversation with the SELEP Secretariat and the Accountable Body on the 11 December 2023 as part of a light touch Mid-Year Review. We are yet to receive a note of the discussion, but no new issues were raised at the meeting and SELEP was thanked for its proactive response to LEP integration. The discussion considered:
 - 7.5.1 SELEP's performance and delivery in the last 6 months;
 - 7.5.2 SELEP governance and compliance;
 - 7.5.3 SELEP strategy, and developments in regard to integration pathways;
 - 7.5.4 Activities that have been undertaken, any risks identified, and any mitigations, including allocation of LGF/GBF.
- 7.6 The matter of Board diversity was discussed and SELEP confirmed it continues to work to achieve this but given the circumstances of imminent LEP transition, which will result in closure of SELEP in 2024, the main priority at present is to ensure the Board functions, is quorate and able to take all necessary remaining decisions to complete integration of LEP functions into local authorities by April 2024.
- 7.7 The Strategic Board composition requirements within the National Local Growth Assurance Framework are still in force, however the increasing difficulties LEPs are faced in meeting and maintaining compliant boards has been acknowledged. DLUHC expects LEPs to ensure a functioning quorate Strategic Board. For specific composition requirements, including the target of 50% female representation within the LEP board from 2023, it is expected that LEPs

make best endeavours to ensure these targets are met wherever possible, but will consider them from a best practice perspective.

8 Key Performance Indicators

- 8.1 A number of KPIs are being tracked to ensure there is compliance with the governance requirements in the SELEP Assurance Framework. These can be found at Appendix D.
- 8.2 All KPIs are delivering in line with targets except for those related to Federated Board publication of minutes and papers as Success Essex has not recently met. The Secretariat will continue to communicate with officers to improve and maintain compliance and ensure that this stays on track as conversations around integration gather pace across the area.

9 Accountable Body Comments

- 9.1 It remains a requirement for SELEP to have an Assurance Framework in place that complies with the requirements of the National Local Growth Assurance Framework. Whilst it is noted that the government guidance for LEP transition makes allowance for the National Local Growth Assurance Framework to remain in force and to continue to apply up to a reasonable point before integration, there remains an expectation for the s151 Officer of the Accountable Body to continue to provide assurances of compliance.
- 9.2 Additional guidance has been sought from Government to clarify their expectations in this respect, however, it is anticipated that there will need to be some pragmatism in approach to ensure that the decision making needed to bring about the required changes can be effected, provided that decisions meet minimum requirements, such as being legal, transparent and meet any relevant grant conditions.
- 9.3 A key role of the Accountable Body through LEP transition will be to ensure consideration and transference, as appropriate, of any residual accountabilities in respect of funding being held and managed by Essex County Council on behalf of the SELEP.
- 9.4 It is anticipated that a number of close down activities will need to continue to be managed post closure of SELEP which will need to be funded through the residual funding to support the SELEP transition (see Agenda item 6.)
- 9.5 Through the life of SELEP, the purpose of the Assurance Framework has been to ensure that the necessary systems and processes are in place to manage delegated funding from Central Government budgets effectively.
- 9.6 The S151 Officer of the Accountable Body is required to provide the following confirmation to Government on an annual basis:
 - 9.6.1 That all the necessary checks have been undertaken to ensure that SELEP has in place the processes to ensure the proper

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administration of their financial affairs and that they are being properly administered; and

- 9.6.2 That SELEP's Local Assurance Framework is compliant with the minimum standards as outlined in the *National Local Growth Assurance Framework (2021)*.
- 9.7 This confirmation was provided by the S151 Officer on the 28 February 2023; Government have advised that a similar confirmation statement is expected to be required through the Annual Performance Review process for 2023/24.
- 9.8 The S151 Officer of the Accountable Body is required to ensure that oversight of the proper administration of financial affairs within SELEP continues throughout the year.
- 9.9 In addition, the S151 Officer is required to provide an assurance statement to Government as part of the Annual Performance Review; this must include information about the main concerns and recommendations about the arrangements which need to be implemented for SELEP to be properly administered.
- 9.10 A number of risks to the future financial position of SELEP are noted in this report and considered further in the Finance update (agenda item 6).
- 9.11 The outcome of the Annual Performance Review 2022/23 identified that challenges were being experienced with regards to Delivery and risks across the LGF and GBF capital programmes (as is regularly reported to this Board through the wider agenda items). Due to GBF slippage from 2021/22 and 2022/23, quarterly reporting of spend to Government will continue to be a requirement in 2023/24. Monitoring of all GBF projects will be required on-going and any reporting requirements complied with by Partners in line with the agreed arrangements.
- 9.12 A number of LGF projects are continuing to be identified as high risk, with significant delays to delivery highlighted. The on-going role of the Board in monitoring progress to assure delivery in line with the decisions of the Board remains an important requirement as part of the wider governance and assurance role of the LEP.
- 9.13 Government are expected to continue to request reporting on either the LGF or GBF programmes following closure of the LEP for at least 12 months; as such, it is expected that this will be a key consideration of any transition agreements with Local Partners and Government.

10 Financial Implications (Accountable Body comments)

- 10.1 Government have allocated Core funding to SELEP for 2023/24 at a reduced allocation of £250,000. Government have also confirmed that this will be the final year in which LEPs will be allocated core funding due to the expectation that their functions will transfer to Local Authorities from 2024/25 – Government

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have indicated that there may be some funding to support the Local Authorities in 2024/25, although this remains to be confirmed. On-going funding, beyond 2024/25 also remains subject to confirmation through future spending reviews.

- 10.2 The finance update in agenda item 6 provides an updated forecast of the revenue spend for 2023/24. The current level of reserves continue to be monitored, but are considered sufficient to support the SELEP budget for 2023/24, with some reserves remaining to meet known commitments into future years.
- 10.3 The recent announcement by Government in their Budget statement that no further Core Funding will be available post 2023/24 means that options with respect to the future position of the Essex County Council employees that support the SELEP Secretariat, the existing funding agreements and other contractual arrangements in respect of SELEP being managed by the Accountable Body, now need to be considered with respect to potential future transition arrangements that align to the requirements across the six partner authorities in the SELEP geography.

11 Legal Implications (Accountable Body comments)

- 11.1 There are no significant legal implications arising out of this update report.

12 List of Appendices

- 12.1 [SELEP Final Integration Plan](#)
- 12.2 Appendix A - Clarifications from DLUHC to SELEP Queries on LEP Integration Technical Guidance
- 12.3 Appendix B - Extract from Risk Register
- 12.4 Appendix C – Assurance Framework Compliance Monitoring
- 12.5 Appendix D – Governance and Transparency KPIs

13 List of Background Papers

- 13.1 [Strategic Board 8 December 2023 – Final Integration Plan](#)
- 13.2 [Accountability Board 22 September 2023 -Operations Update](#)

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(Any request for any background papers listed here should be made to the person named at the front of the report who will be able to help with any enquiries)

Role	Date
Accountable Body sign off Michael Neumann (On behalf of Nicole Wood, S151 Officer, Essex County Council)	04/01/2024

Appendix A – Clarifications from DLUHC to SELEP Queries on LEP Integration Technical Guidance

August Guidance	Issue raised	Response
<p>Local Growth Fund and Getting Building Fund. Where a LEP ceases to operate, its Accountable Body will subsume any loan books and be responsible for ongoing monitoring requirements.</p>	<p>The Accountable Body, Essex County Council and the other UTLAs agree that it is not practical or desirable that one Accountable Body remains for the LEP area, once the LEP has closed and its governance arrangements ceased.</p> <p>It was requested that Government release ECC as Accountable Body and agree to six, or three (as to be decided by UTLAs) Accountable Bodies from April 2024. (It should be noted that a formal letter has been sent to DLUHC in relation to this).</p> <p>It was also requested that Government clarify what the expectations of an Accountable Body are going forward.</p>	<p>Provided it is in line with local agreements to be set out in the integration plan, Essex can be released from role if the geography is agreed but best to wait till the end of the financial year to reduce complications (as the LEP is still the delivery body until then). The LEP team will ask other area teams and assurance about actual process for this.</p> <p>In response to future expectations: UTLAs will receive and distribute the 24/25 funding allocation for the whole area (in line with agreements made as part of their integration plans) and be responsible for any M&E/assurance requirements. Monitoring of GBF and LGF continues to March 25.</p>
<p>The National Local Growth Assurance Framework (NLGAF) will remain in force and will continue to apply up to a reasonable point before integration. In principle, the LEP should adhere to the requirements for as long as they are applicable. For all LEPs that have</p>	<p>It was requested that Government clarify what they consider a 'reasonable point'.</p> <p>It was also requested that Government clarify what framework,</p>	<p>This has not been directly clarified. However, the following was stated: On LEP assurance and associated requirements for 2023/24 we have set out that a light-touch Annual Performance Review (APR) assurance cycle will take place in 2023/24 where LEPs are still operational.</p> <p>Government will publish an Assurance Framework in due</p>

<p>integrated into local institutions, or do so in 2023-24, the English Devolution Accountability Framework (EDAF), 2023 applies to the integrated organisation.</p>	<p>if any, local authorities will need to comply with, if devolution deals are not in place by March 2024.</p>	<p>course setting out the assurance process required to be delivered. We understand this will be an amended version/ amendment to the EDAF and UTLAs will need to adhere to this as of 1st April 2024.</p> <p>No date has yet been provided for when we will receive this. A reasonable expectation would be January 2024, alongside the further guidance promised.</p>
<p>In areas where there is no devolution deal, government expects local authorities to work together to ensure seamless Growth Hub provision.</p>	<p>It was requested that Government confirm the allocation of funding for 2024/25 at the earliest opportunity to enable not only an effective establishment of Accountable Body functions but also the time for considered procurement to ensure continuity of service, where needed.</p>	<p>Not clarified directly; however, the response stated: The level of funding for 2024/25 will be subject to future Department for Business and Trade spending decisions. We will inform those MCAs/Local Authorities delivering Growth Hubs, and LEPs and their Accountable Bodies where integration has yet to take place, once decisions are made.</p>
<p>Wherever possible, government expects local authorities to work together to deliver LEP functions within potential devolution deal geographies (whole county or functional economic areas with a minimum population of 500,000, in line with the principles set out in the Levelling Up White Paper)</p>	<p>What support is there from Government to aid local discussions about functional economic areas, as per the guidance thresholds.</p>	<p>No FEA further guidance, but Government will not provide funding to areas that intend to deliver LEP core functions at a lower-level geography (i.e., below whole county or functional economic area).</p>

Appendix B: Risk Register South East LEP

Risk Register - All Risks

Ref	Risk Title and overview	Risk Type	Likelihood	Impact	Score	Rank	Description	Mitigation	Risk Owner	Dates/Deadlines
9	Change to Policy Direction	Team/Service Delivery	5	5	25	High	The confirmation that LEPs will not receive any further Government funding from April 2024 has decreased morale within the team, and staff retention may be challenging over the next year. The implications of a reduced team have been communicated to the Board and workload planning for next year is on the basis of available resource.	Planning for 2023/24 continues to be made on the basis of the resource available and known. Future resourcing (for Local Authorities) is a workstream of the transition planning and involves all 6 Upper Tier Local Authorities to plan for a smooth transition of functions and resource from the LEP, where this is desired. SELEP also remains involved in devolution discussions where applicable.	All Man Team	Ongoing
10	Recruitment and Retention of Board Members	Team/Service Delivery	5	5	25	High	The Chair has been appointed for a two-year term and the Deputy Chair appointment was confirmed in May 2023. The risk around retaining Board members is high with confirmation that LEP funding will end from April 2024. Impact on ensuring quorate for decision-making at key meetings, in particular in-person meetings.	Clear communication and engagement with public and private stakeholders as to business continuity via future Local Authority arrangements, to improve retention. Workstreams seek to gain early (as possible) clarity on the future arrangements within Local Authorities to ensure continuity despite different and more local geographies. SELEP's federated model aligns well to this.	CEO	Ongoing
12	GPF Project Repayments	Funding/Financial	4	4	16	Med	Any risks to repayment of the existing GPF loans have been flagged to the Board and there are ongoing discussions between the Capital Programme Team and the loan recipients'. Whilst these risks have been taken into account when planning, there is an increasing risk with regards to repayment due to one project having defaulted on their agreed loan repayment, with an extended alternative repayment schedule agreed by the Board and another project identifying significant repayment challenges.	The Capital Programme Team are working with project leads to understand where GPF repayments are at risk. Whilst a new round of GPF funding is not planned for 2023/24, proposals for ongoing use of the GPF funding post SELEP will take into account the remaining balance owed against the existing GPF loans.	H Dyer	Ongoing
15	Misadministration of grants	Funding/Financial	3	4	12	Med	Grants issued by HM Government can potentially be clawed-back by HM Government if SELEP cannot demonstrate that they have been used in line with the conditions and restrictions set at the time of award by the grant awarding body. Back to back agreements are in place but should HM Government claw back we would be required to pay immediately whilst legal action to claw back from the recipient of the grant could take some time. The number and value of grants is decreasing so the likelihood of this risk occurring has reduced.	Back to back agreements are in place and the Accountable Body provides advice on the correct application of grants by SELEP. A full review of the capital programme and assessment of the application of grant funding is planned for 2023/24. Consideration will be given as to how oversight of the application of grants can be structured and in a virtual manner if necessary. Each Management Team member who has grant funded activity takes responsibility for ensuring that grant conditions are understood and met.	All Man Team	Ongoing

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19	Non achievement of Outcomes/Outputs of the Capital Programme	Outcomes/Outputs of programmes	4	5	20	High	Given the ongoing impacts of the COVID-19 pandemic, Brexit and the Russia Ukraine conflict on the economy, there is a risk that the outputs, outcomes and impacts stated in the approved Business Cases for the LGF, GBF and GPF projects may not be fully realised. Economic recovery will not be uniform across all sectors and therefore some projects may be more significantly impacted than others and this will be managed within the normal risk management of the relevant funding streams. The delivery of outputs from projects which are still in the delivery phase are most likely to be impacted due to increasing materials and labour costs and high inflation levels. This risk is further exacerbated by a lack of robust post-scheme completion monitoring and evaluation, which may mean that non-delivery of expected outcomes and impacts is occurring without being identified.	The Capital Programme continues to be monitored and the team work closely with delivery partners. The team is also providing regular updates to HM Government. Award of available GBF funding to existing GBF projects helped to mitigate the risk to realisation of expected project outputs and outcomes. All known changes to GBF outcomes and outputs have been approved by DLUHC. However, an exercise to rebase the outcomes of the LGF programme needs to be undertaken. Further work on the robustness of monitoring and evaluation data, particularly in relation to the LGF, is required. Quality of information provided from delivery organisations will need to improve.	H Dyer	Ongoing
22	Growth Hub Service delivery	Team/Service Delivery	3	3	9	Med	SELEP has received a notional allocation of £475,000 for Growth Hub service delivery in 2023/24 and a grant funding agreement with DBT is now in place. The agreement was late in finalising and so the Q2 claim to DBT will be combined with the Q3 claim in October. Southend-on-Sea City Council withdrew from hosting the BEST Growth Hub from 1 April 2023, Essex County Council has agreed to host and has procured a third party provider (Colbea) to reinstate BEST in early July 2023 and run for the remaining 9 months of the f/y. New expectations of core funding for 2023/24 (monthly reporting, data sharing and alignment with Govt depts) need to be embedded into service delivery in-year, which poses a minor risk to compliance. Ongoing risk to service continuity and retention of experienced staff due to uncertainty around future Growth Hub funding and transition of Growth Hub as a LEP function to Local Authorities.	SELEP is leading the process of GH funding claims with lead Local Authorities to draw down quarterly Growth Hub funding from DBT. SELEP has raised the risks to continuous delivery and staff retention with DBT via the Growth Hub Network, the LEP integration questionnaire and the LEP Network. Growth Hub and Business Support is a workstream in the LEP Integration planning process with UTLAs. Should Growth Hub funding be forthcoming in 24/25, the preferred scenario is to operate three independent GHs that mirror the BES, BEST and KMGH geography, with three individual Accountable Bodies.	J Simmons	Ongoing
29	Uncertainty in application of LGF grant awarded to Hadlow College	Outcomes/Outputs of programmes	5	4	20	High	£11m of LGF funding across 4 projects has been awarded to Hadlow College which entered into Education Administration in 2019. It is currently unclear whether the outputs and outcomes related to this funding will be delivered. Whilst the educational activities have resumed at the college, the grant agreements have not transferred to the new providers and therefore SELEP may be unable to recoup any monies that were not applied in line with the agreement. The Secretariat and the Accountable Body have responded to queries from the Education Administrators, BDO. There is a potential risk that monies weren't utilised in line with the grant agreement in place between the Accountable Body, on behalf of SELEP, and the college. If grant monies weren't correctly utilised, the outputs and outcomes in the Business Case will not be delivered or not delivered in full.	The Secretariat and the Accountable Body supported the administration process which has now concluded. We have made the then MHCLG (LGF awarding body) aware of the position and responded to their queries in this respect. Consideration has been given, and an update provided to the Board, as to what protections can be put into place to prevent this situation occurring in future, recognising that any action needs to be proportionate and balance the risk against the resource impact.	CEO	Ongoing
34	COVID-19 - Secretariat Risk	Team/Service Delivery	2	4	8	Low	Risk that the operations and activities of the Secretariat are impacted by members of the team being unwell and unable to work. It seems likely that further waves of variants could impact on staffing levels in the future.	Remote working for the Secretariat is continuing for the foreseeable future. Team members have been encouraged to get vaccinated. Management Team to consider business continuity issues on a regular basis and ensure that safeguards on priority activities are put into place as far as possible.	All Man Team	Ongoing

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Risk Register - All Risks

Ref	Risk Title and overview	Risk Type	Likelihood	Impact	Score	Rank	Description	Mitigation	Risk Owner	Dates/Deadlines
35	COVID-19- Board Risk	Team/Service Delivery	3	4	12	Med	Risk that business cannot be conducted at Board meetings because insufficient Board Members are available to meet quorate requirements. Whilst Strategic Board can meet virtually and virtual meetings are now well established, Accountability Board must meet in person to be able to take decisions. A hybrid approach has been set up but the quorum for Accountability Board is small as a result of the limited numbers of voting members. If Accountability Board voting members do have to self isolate, there is limited resilience on the quorum.	The Secretariat will work with Accountability Board members and their supporting officers to identify potential deputies for the meetings and ensure that DoI etc are in place and up to date for short notice replacements.	CEO	Ongoing
36	COVID-19 - Work Plan Risk The continued uncertainty in the economy makes it very difficult to construct strategies and plan as former economic models and approaches may no longer be valid	Team/Service Delivery	3	2	6	Low	Previous uncertainty relating to external economic impacts and the policy response from HM Government impacted on the planning and delivery of SELEP strategies. In July 2023, the SELEP Strategic Board approved a Delivery Plan for 2023/24 which reflected the impact of transition work and the need for a more focused approach in 2023/24. The future focus for SELEP has therefore moved towards transition planning rather than strategy development.	The SELEP Economic Recovery and Renewal Strategy continues to inform our approach, and the delivery plan for 2023/24 highlights our important roles in convening partners to continue to deliver economic growth and in supporting the transition of responsibilities to Upper Tier Local Authorities from 2024/25.	All Man Team	Ongoing
40	Getting Building Fund - programme delivery	Outcomes/Outputs of programmes	4	3	12	Med	At the outset of the GBF programme, Government indicated that all funding had to be spent by 31 March 2022 and that all projects had to be substantially delivered by that date. In reality, this couldn't be achieved and a process was agreed by the Board to allow projects to retain their GBF funding beyond March 2022 for a limited period of time. This still required projects to work to tight timescales for both project delivery and spend of funding. A number of projects have now sought approval for retention of their GBF funding for a longer time period. Whilst noting that there is a significant reputational risk for both SELEP and local partners if full GBF spend is not achieved in a timely manner, following cancellation of approved projects and receipt of updated advice from Government, the Board agreed that in exceptional circumstances GBF spend could extend beyond 31 March 2023.	Programme slippage is being managed by both Accountability and Strategic Board. An agreed process has been introduced to manage delays to GBF projects, similar to that used on the LGF. The programme is being actively managed with funding being reallocated to other projects if existing projects are unable to deliver in accordance with the required timescales. Retention of GBF funding beyond March 2022 has been agreed in relation to a number of projects and there is a mechanism in place to ensure that all GBF funding is spent in a timely manner.	H Dyer	30/06/2023
46	Risk of damage to SELEP reputation from delays or non-delivery of projects or perception thereof	Service Design/Reputation	3	4	12	Med	There has been an ongoing series of requests for information and assurances concerning a number of projects which are being or have been delivered in East Sussex. Whilst responses to these requests are being provided in accordance with statutory requirements or internal policy (as applicable), there is a risk that the reputation of the LEP will be impacted if continued requests are received against a background of perceived lack of transparency.	Responses to requests for information and public questions will continue to be answered fully and in compliance with statutory and internal policy. Linking to risk 19, improvements to the quality of output and outcome data reporting are required and will be worked on. An internal review is underway to ensure that SELEP policies and procedures have been fully complied with, and opportunities to improve the management of the Capital Programme and the presentation of the information to the Board and the public are being sought. Consideration will be given to any recommendations made by Government following the completion of the deep dive into projects in East Sussex which are being delivered by Sea Change Sussex. Most importantly, compliance with the National Assurance Framework, Local Assurance Framework, local policy and other applicable regulations must continue, not just by SELEP but by all delivery partners. All delivery partners and third party recipients of funding will be referred to their contractual obligations in responding to requests for information in a timely, open and transparent manner. SELEP and the Accountable Body will take action where it can be evidenced that requirements of the SLA are not being met.	CEO	Ongoing

South East LEP

Risk Register - All Risks

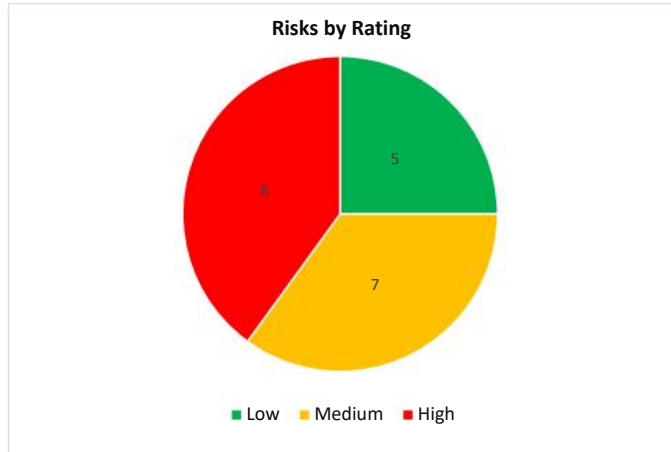
Ref	Risk Title and overview	Risk Type	Likelihood	Impact	Score	Rank	Description	Mitigation	Risk Owner	Dates/ Deadlines
48	Delays to transition process from lack of Government guidance/clarity impacting integration arrangements	Team/Service Delivery	3	4	12	Med	Long-awaited Government guidance has limited technical detail, and is focused on a case-by-case localised agreement on integration of LEP core functions. Lack of clarity with respect to Government expectations of, and funding for, Local Authorities potentially hinders future planning particularly with respect to expectations of the role of the Accountable Body. Further government guidance is indicated for January 2024, however this will be significantly late for the development of transition plans across the LEP area.	Clarity has been sought from Government with respect to the role of the Accountable Body post transition, ongoing monitoring arrangements for both GBF and LGF programmes, s151 return, compliance with the National Local Growth Assurance Framework up to a reasonable point before transition, etc. Whilst swift clarity is not necessarily expected centrally, local partners continue to work on the basis of local solutions and, if need be, will seek to gain Government agreement to these.	CEO	Ongoing
47	Risk to service delivery from lack of engagement by stakeholders	Team/Service Delivery	5	4	20	High	As a result of changes to policy, there has been an appreciable move away from the LEP by some key stakeholders.	Through its convening role, SELEP continues to have strategic engagement with stakeholders through its Strategy Network, including its 10 working groups, where engagement remains strong. Through the transition workstreams, SELEP is working closely with Local Authorities and other partners to try and ensure a smooth transition of work that keeps stakeholders engaged in the work for the remaining time that SELEP leads it, and hopefully beyond.	CEO	Ongoing

South East LEP

Risk Register - scoring matrix

Likelihood	Likely	5	5	10	15	20	25	
	4	4	8	12	16	20		
Likelihood	3	3	6	9	12	15		
	2	2	4	6	8	10		
Unlikely	1	1	2	3	4	5		
	0	1	2	3	4	5		
		Low impact				High Impact		
		Impact						

Graphs	Risks by Rating	
	Low	5
	Medium	7
	High	8
		20





SOUTH EAST
LOCAL ENTERPRISE
PARTNERSHIP

ASSURANCE FRAMEWORK MONITORING

Updated December 2023



ONGOING ACTIONS

INCORPORATION

Requirement	Status
Maintain the records at Companies House and fulfil all legal requirements	COMPLETE/ONGOING (supported by the Accountable Body)

BOARD COMPOSITION

Requirement	Status
To improve the gender balance and representation of those with protected characteristics on the Board.	ONGOING

DECLARING INTERESTS

Requirement	Status
To publish all Registers of Interest on the SELEP website for all Strategic Board, Accountability Board and Federated Board members, with signatures redacted.	ONGOING, continually updated annually and Board members change
Declarations of interest must be noted at the outset of each meeting.	COMPLETE/ONGOING
All members of the Strategic Board, Accountability Board and Federated Boards are required to complete a Register of Interests form.	COMPLETE/ONGOING
All senior members of staff or staff involved in advising on decisions must also have a valid register of interests, reviewed the same as for board members.	COMPLETE/ONGOING

CAPITAL PROJECTS

Requirement	Status
To use the SELEP Business Case Template for all strategic outline business cases.	COMPLETE/ONGOING
To inform the Accountability Board where there are concerns around a project, including presenting the Board with legal options around recovering funding	COMPLETE/ONGOING
Implementing the monitoring and evaluation of projects including reporting on delivery of outputs and outcomes against the delivery of the ESS/Recovery and Renewal Strategy	ONGOING

POLICIES AND PROCEDURES

Requirement	Status
For each Federated Board to apply the prioritisation process as approved by the Strategic Board.	COMPLETE/ONGOING
To have a delivery plan in place for the year.	COMPLETE/ONGOING
To create and maintain a log of SELEP engagement activities.	COMPLETE/ONGOING
To hold Annual General Meetings open to the public to attend	COMPLETE/ONGOING
To collaborate across boundaries, with other LEPs and the LEP network, and be open to peer review	COMPLETE/ONGOING
Review of Assurance Framework to be a standing item on the last Strategic Board meeting of each calendar year.	COMPLETE/ONGOING
To ensure that all policies are refreshed annually according to the requirements in the Assurance Framework.	COMPLETE/ONGOING

ACCOUNTABLE BODY

Requirement	Status
The Secretariat to extend invitations to the Section 151 Officer or representative for all board meetings.	COMPLETE/ONGOING
The Secretariat should ensure that Business Case Templates include a section for assurance from the Section 151 Officer of the promoting authority that the value for money statement is true and accurate.	COMPLETE/ONGOING
For the Section 151 officer or their representative to review and comment on all board papers in advance of publication	COMPLETE/ONGOING

PUBLISHING INFORMATION

Requirement	Status
To publish Strategic and Accountability Board papers to agreed timescales	COMPLETE/ONGOING
To publish the Local Assurance Framework on the website	COMPLETE
To create, maintain and publish a register of all board member expenses and hospitality costs.	COMPLETE/ONGOING
To publish the Gate 2 outline business case at least one month in advance of Accountability Board meetings.	COMPLETE/ONGOING
To publish the Gate 4 and 5 full business cases for relevant projects at least one month in advance of Accountability Board meetings.	COMPLETE/ONGOING
To publish information around the process for applying for funding on the SELEP website, as agreed by the Strategic Board.	COMPLETE/ONGOING
To publish on the SELEP website a rolling schedule of projects, outlining a brief description of the project, names of key recipients of funds/contracts and amounts of funding designated by year.	COMPLETE/ONGOING
To publish on the SELEP website the Terms of Reference, calendar of dates and papers of the Working Groups.	COMPLETE/ONGOING
To use Government and SELEP branding on all marketing.	COMPLETE/ONGOING
To publish all key decisions of the Strategic and Accountability Boards on the Forward Plan, SELEP website and upper tier authority websites.	COMPLETE/ONGOING

Appendix D - Governance Key Performance Indicators

Forward Plan of Decisions

Is the Forward Plan of Decisions, including any associated business cases, published at least 28 days in advance of the Accountability Board meeting?

Meeting date	Met (Y/N)?
27/05/22	Y
15/07/22	Y
23/09/22	Y
25/11/22	Y
27/01/23	Y
13/04/23	Y
16/06/23	Y
22/09/23	Y
17/11/23	Y
12/01/24	Y

Publication of Papers

Are all papers published 5 clear working days in advance of the meeting?

Board	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?
Accountability Board	15/07/22	Y	23/09/22	Y	25/11/22	Y	27/01/23	Y	13/04/23	Y	16/06/23	Y	22/09/23	Y
Strategic Board	24/06/22	Y	21/10/22	Y	09/12/22	Y	10/02/23	Y	07/07/23	Y	13/10/23	Y	08/12/23	Y
SE	06/06/22	Y												
KMEP	22/11/22	Y	21/03/23	Y	20/06/23	Y	19/07/23	Y	06/09/23	Y	03/10/23	Y	05/12/23	Y
OSE														
TES	05/12/22	Y	06/02/23	Y	15/05/2023	Y	03/07/23	Y	09/10/23	Y	04/12/23	Y		

Draft Minutes

Are all draft minutes published within 10 clear working days following the meeting?

Board	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?
Accountability Board	27/05/22	Y	15/07/22	Y	23/09/22	Y	25/11/22	Y	13/04/23	Y	16/06/23	Y	22/09/23	Y		
Strategic Board			24/06/22	Y	21/10/22	Y	09/12/22	Y	10/02/23	Y	07/07/23	N	13/10/23	Y	08/12/23	Y
SE			06/06/22	Y												
KMEP	22/11/22	Y	21/03/23	Y	20/06/23	Y	19/07/23	Y	06/09/23	Y	03/10/23	Y	05/12/23	Y		
OSE																
TES	03/05/22	Y	20/06/22	Y	17/10/22	Y	05/12/22	Y	15/05/23	Y	03/07/23	Y	09/10/23		04/12/23	Y

Final Minutes

Are final minutes published within 10 clear working days following approval?

Board	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?	Meeting date	Met (Y/N)?
Accountability Board	11/02/22	Y	27/05/22	Y	15/07/22	Y	23/09/22	Y	13/04/23	Y	16/06/23	Y	22/09/23	Y		
Strategic Board	18/03/22	Y			24/06/22	Y	21/10/22	Y	10/02/23	Y	07/07/23		13/10/23	Y		
SE					06/06/22	Y										
KMEP	14/06/22	N	20/09/22	N	22/11/22	Y	21/03/23	N	19/07/23	Y	06/09/23	Y	03/10/23	Y		
OSE	09/03/22	N														
TES	14/03/22	Y	03/05/22	Y	20/06/22	Y	17/10/22	Y	15/05/23	Y	03/07/23	Y	09/10/23	Y		

Registers of Interest- Board Members

Are registers of interests in place for all board members?

Board	Comments
Accountability Board	All complete, ongoing updates where appropriate
Strategic Board	All complete, ongoing updates where appropriate
SE	All complete, ongoing updates where appropriate
KMEP	All complete, ongoing updates where appropriate
OSE	All complete, ongoing updates where appropriate
TES	All complete, ongoing updates where appropriate

Registers of Interest - Officers

Are registers of interest in place for all officers?

Category	Percentage completed
SELEP Secretariat	100%
Accountable Body	100%
Federated Board Lead Officers	100%

Declarations of interests in meetings

Are all interests declared and recorded in the meetings as a standing item with a note of any actions taken?

Board	Met (Y/N)?
Accountability Board	Y
Strategic Board	Y
Investment Panel	Y
SE	Y
KMEP	Y
OSE	Y
TES	Y

Business Case Endorsement

Have all new and amended projects/business cases been endorsed by the respective Federated Board in advance of submission to any of the SELEP boards?

Board	Met (Y/N)?	Comments
LGF	Y	Through prioritisation process for LGF3b
GPF	Y	Through prioritisation process
SSF	Y	Applications are considered by Federated Boards in advance of being brought forward for Strategic Board endorsement.

Publication of Business Cases

Are all business cases published 1 month in advance of funding decisions at Accountability Board meetings?

Meeting date	Met (Y/N)?
15/07/22	Y
23/09/22	Y
25/11/22	Y
27/01/23	Y
13/04/23	Y
16/06/23	Y
22/09/23	Y

Date	Percentage of female board members (excluding co-opted)
24/05/19	18%
05/08/19	21%
28/01/20	25%
16/04/20	35%
01/02/21	35%
10/06/21	35%
22/10/21	35%
18/05/22	35%
04/11/22	32% (vacancy)
22/02/23	35% (2 vacancies)