

Stephen Jones
Director, Cities and Local Growth Unit
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14th March 2018

Performance Review: SELEP

Dear Stephen

We refer to your letter of 20th February 2018 which follows on from our Annual Conversation meeting on 7th December 2017.

We note that there has been extensive correspondence between the unit and representatives of the South East LEP since your letter, and while our overall sentiments are aligned, we wanted to use this opportunity to address the technical aspects of the letter, as indicated by the letter sent last week by the Vice Chairmen of SELEP.

It is helpful that the 'Deep Dive' has now concluded and that we are able to write with some confidence about SELEP's operation and its governance. We are sure that you will receive a very positive report from the GIAA on SELEP which vindicates our position but, perhaps more importantly, gives you the confidence that this is a LEP which is well organised, well led, and well connected across a significant community of businesses and other stakeholders. And, one that is therefore well equipped to rise to the challenges presented to LEPs in the near future.

We can show progress or delivery across your 'Areas for Improvement':

Area	Response	RAG rating
Governance		
Recruitment process for the Federated Boards should be actively enforced by the LEP. This should improve the diversity of the board. Succession planning and limited tenures should also be considered	<p>In terms of formalising a more consistent approach within a SELEP framework, we are seeking board agreement on Friday 16th. We would welcome a further conversation with you so we can <u>illustrate the sheer depth of business engagement through the federal model</u>.</p> <p>Additionally, we have recently been fully involved in making two new appointments to the Board (our Social Enterprise representative and a change in South Essex) and both appointments will have a positive impact on the perception of diversity at the board table.</p>	

<p>Appointment of SELEP Governance Officer</p>	<p>This, and the recruitment of three other roles in support of the extended responsibilities of the LEP, is <u>underway</u>. The timing of the process is obviously dependent upon time resources at the employing body at a time of restructure elsewhere.</p> <p>In the meantime, work around governance is shared across the existing secretariat team and the Managing Director is taking personal responsibility for its implementation.</p>	
<p>Promptly updating the LEP's website with meeting papers</p>	<p>www.southeastlep.com is fully up to date and will remain as such.</p>	
<p>Attendance of s151 at SELEP meetings</p>	<p>Whilst the S151 Officer of the Accountable Body does not typically attend SELEP Board meetings, this is not different from other S151 Officers supporting LEPs around the country. The Essex County Council S151 Officer has a <u>very strong oversight of all relevant matters relating to the running of the LEP</u>, the Accountability Board and the Strategic Board – and this was reflected in feedback from the Deep Dive audit team following their conversation with her last week. She also has very regular meetings with the Managing Director and the finance team, and all have access to her at other times should that be necessary.</p>	
<p>Actions from s151 statement:</p> <ol style="list-style-type: none"> 1. Transparency of representation from federated boards 2. Succession planning for Strategic Board membership 3. Process for declaring interests 4. Enforcing compliance with the Assurance Framework 	<ol style="list-style-type: none"> 1. As above – fully addressed and in hand March 2018 2. As above – fully addressed and in hand March 2018 3. All clarified in 2018 Assurance Framework. Register of Interests is now fully up to date. 4. All federated areas are currently engaged with the Assurance Framework Implementation Plan. Furthermore they are asked to confirm that they are committed to its delivery at the 16th March board meeting. 	

Delivery

Developing a stronger pipeline of quality projects to draw upon underspends and slippage. Inaugurate 'Investment Panel'.

Detailed work is currently underway to establish a mechanism for handling underspends across the LEP and this will report to a future meeting of the Strategic Board. In addition to this, it has previously been established that the 'Infrastructure and Investment Plan' which will be produced when the Strategic Economic Plan is in place, will provide a full schedule of SELEP projects ready to access funding.

The Investment Panel was agreed as a sub-committee of the Strategic Board at its 9th June 2017 meeting. The Board is recommended to reaffirm its support for the Investment Panel as referenced in the Assurance Framework on 16th March and the Terms of Reference will be agreed by electronic procedure shortly afterwards.

Better demonstrate the private sector role in developing and prioritising projects

This is absolutely central to the federal model and happens extensively across the LEP and its federal model in a very deliberate and formulaic way. We provided ample evidence of this at the Deep Dive.

Better capturing and communicating project outputs

This is undertaken methodically by the SELEP Capital Programme Manager, now supported by LGF Programme Managers in each local area. We have previously advised the department on how LOGASnet and similar systems could be adapted to better reflect the information that it is possible to collect; we have also appealed to Government to provide more of an alignment between the requirements of different departments, particularly for large infrastructure schemes. We are engaged in this conversation at a national level with the LEP Network.

Strategy

Ensuring the refreshed SEP is underpinned by a robust evidence base

The stage I evidence base and consultation report was published November 2017.

Gaining strong buy-in to the refreshed SEP from across the LEP ensuring coherence between federated area priorities and SELEP priorities

Exactly our approach, as reported in September and December 2017 Strategic Board meetings and published papers.

Ensure that local partners actively promote the LEP's

This typically happens and we are monitoring use of branding guidelines with a view to achieving 100%



priorities, including using branding guidelines where necessary

deployment. We have provided photographic evidence of the use of Government's and the SELEP logo by local partners in our Core Funding Application to Government, submitted on 14th March.

The substantive 16th March Strategic Board paper is also sent for your information. This paper provides the SELEP board with a comprehensive record of our current position and the steps which we would like them to take next. It will give you further context around the impact of the letter.

Your team members have been perfectly clear that, despite the apparent flaws in a process which provided a disproportionately negative impact, it is unlikely that the letter will be rescinded. We must therefore reiterate our collective point at the Deep Dive wrap up session - one which has been emphasised by the Chairman and will be made abundantly clear by others on Friday - that we expect an urgent and formal note from Government which goes some way to acknowledging that SELEP and its governance arrangements are anything but 'inadequate'.

We look forward to, and very much welcome, closer ongoing engagement with you and the Cities and Local Growth Unit in the future.

Yours sincerely

Adam Bryan
Managing Director
South East Local Enterprise Partnership

Margaret Lee
Executive Director for Corporate and Customer Services
Essex County Council
s.151 for South East Local Enterprise Partnership

Also attached:
SELEP Strategic Board paper 16th March 2018
Governance and Transparency