

Meeting:	Coast to Capital Board Meeting no. 40
Date:	4 July 2018
Report Title:	Chief Executive Report
Report by:	Jonathan Sharrock
Item No:	6
Part:	A

Recommendation:

The Board is asked to consider the items raised in this paper and:

- **Approve** the recommendation to extend Nick Juba's term as Further Education Sector Director to May 2019 to bring his appointment in line with the Coast to Capital Articles.

1. Introduction

The Minister led LEP Review continues; however, the timing of the publication remains unclear. There is no confirmation yet that the Review will be published before summer recess, and no clarity about when a new National Assurance Framework will be issued.

This paragraph has been redacted.

Board Development

Due diligence has been completed on Rosaleen Liard (Board Director) and Martin Harris (Co-opted Board Director and Transport Sponsor). Rosaleen has agreed to join the Audit Committee and Martin has agreed to join the Investment Committee which has been approved by the Board.

Garry Wall has confirmed that he would like to stand for a further year as the District Council Director which has been confirmed by the Gatwick Diamond Councils. In line with our Articles this will be confirmed at the AGM in July.

The new Higher Education Sector Director has been confirmed as University of Sussex Vice Chancellor Adam Tickell. Debra Humphris is unable to attend the July Board meeting so Adam will attend as an observer. Adam's appointment will be confirmed at the AGM in July.

Nick Juba's term as Further Education Sector Director is due to come to an end in November which is not in line with the Articles as this appointment, along with the District Council Director and HE Director, needs to be nominated between 4 and 2 months prior to the AGM in July. We have proposed that his term is extended by six months to May 2019 which brings it in line with the Articles and gives some continuity for the implementation of the SEP. This has been agreed by Chairman's Committee and will need to be agreed by the Board.

One aspect of the LEP Review is a focus on LEP leadership. It is expected to make

recommendations on stronger business leadership including diversity; standard recruitment processes, especially Chairman recruitment; formal training and induction processes. Once this is published and more information is available we will need to consider the implications of this for our current systems and processes which could include the involvement of specialist recruitment professionals.

As you can see from the table below a number of our business Board members are coming up to the end of their term, specifically Ravi and Steve. We will be starting a recruitment process in July.

Name	Current term	Term ends
Ravi Shankar	First term as Co-opted Director	November 2018
Steve Allen (Vice Chairman)	Third term	November 2018 (VC) May 2019
Mike La Rooy	Second term	January 2019
Phil Jones	Third term	June 2019
Julie Kapsalis	Second term	November 2019
David Joy	First term as Co-opted Director	November 2019
Martin Harris	First term as Co-opted Director	April 2020
Tim Wates (Chairman)	Third term	July 2020
Daryl Gayler	Third term	November 2020
Rosaleen Liard	First term	April 2021

2. Corporate update

Governance

The focus on LEP governance continues and the main area of focus is our Accountable Body arrangements.

Organisational Developments

The appointment of our new accountable body will lead to the recruitment of a Head of Finance and other relevant roles as part of our new structures. Please also note the following staff developments within our existing team:

- Sue Maddin has retired. We are delighted to welcome Kristel Smith as her replacement. Kristel joins us from Chandlers BMW in Brighton.
- Lou Williams has joined the Services team as Growth Champion Manager. Lou has significant experience in supporting growing businesses, most recently with Grant Thornton.
- Leah Parry will be joining the Services team as the new Coast to Capital intern, as a gap year from her Business Studies Degree at Brighton University. She will replace Will Challis who returns to his studies at Brighton University.
- We are interviewing candidates for an Auditor in the Investments team.
- Jamie Watson has left the company, and we will be recruiting additional resource for the Strategy & Policy team.

3. Communications and stakeholder engagement

We continue to deliver our communications framework which is resulting in increased and strategic communications. During April and May we issued the following press releases:

- [Major Proposals Unveiled to Upgrade Gatwick Airport Station](#) (mentioned in [Global Rail News](#), [Global Railway Review](#), [Rail Technology Magazine](#), [Infrastructure Intelligence](#), [The Argus](#), [Transport Network](#), [Crawley Observer](#), [Mid Sussex Times](#), [West Sussex County Times](#), [construction.co.uk](#), [City A.M.](#), [CIHT](#), [Construction News Magazine](#), [Construction Index](#), [Insider Media](#), [West Sussex Gazette](#), [Rail Professional](#), [railway-technology.com](#), [International Airport Review](#), [CI of Logistics & Transport](#), [planner.co.uk](#), [Building Design & Construction Magazine](#), [Railway Gazette](#), [Rail Technology Magazine](#), [Modern Railways](#), [Rail Professional Magazine](#), [Railways Illustrated](#))
- [Coast to Capital Funding Announced for The Charleston Trust](#)
- [Coast to Capital Investment Supports Bognor Regis Creative Digital Hub](#) (mentioned in [Bognor Regis Observer](#))
- [New Advanced Engineering Building Officially Opened](#) (mentioned in [Brighton & Hove News](#), [construction.co.uk](#), [Engineering Specifier](#), [Refurb Projects](#), [The Argus](#), [Process and Control Today](#), [Industrial Plant & Equipment](#), [Edquarter](#), [Building 4 Education](#))
- [Coast to Capital Enjoy Unique Behind-The-Scenes Tour](#) (mentioned in [Worthing Herald](#), [Shoreham Herald](#), [The Argus](#), [Worthing Advertiser](#))
- [Coast to Capital Investment Supports Southern Gateway Development](#)
- [Local Businesses Honoured with Queen's Awards for Innovation](#)
- [£14.09 million European Social Fund Launched](#)

Our strategic approach to stakeholder engagement is ongoing and will be kept under review. We are also undertaking a project to introduce an organisational-wide CRM system to support our stakeholder engagement work.

The short term focus of our stakeholder engagement has been getting buy-in for our Strategic Economic Plan in the run up to its launch at the AGM in July. The will take place at the Amex Stadium in Brighton. The agenda will include the launch of the SEP, a keynote address linked to the Industrial Strategy and a response from business. The final item on the agenda will be the formalities of the AGM. The event will also include summer networking drinks to celebrate this important milestone.

4. Investments Pillar

Project Control

The team have been working on developing a high risk project monitoring protocol. (See Agenda item 3). Continued Local Growth Fund project monitoring is taking place with Level 1 reviews recently completed on the Charleston Trust project, Crawley Growth Programme, Brighton Pavilion, Valley Gardens, Circus Street and the University of Sussex Bio Innovation Centre.

The Investment Committee also met recently to consider the business grants programme forward proposal, Burgess Hill odour mitigation project, New Monks farm development and Charleston Trust.

The programme dashboard (see Appendix 1) is continuing to show progress with delivery of outputs. Appendix 2,3 and 4 provide further detail around Project risk.

A project spotlight report on the top ten high profile investments that Coast to Capital has made can be found at Annex 5.

Growing Places Fund

This paragraph has been redacted.

Dorking Transport Project

The Dorking Town Centre Forum had raised a complaint regarding Surrey County Council's delivery of this project. We commissioned a Local Partnerships Level 3 Review into it and whilst their report raised constructive recommendations, the substance of the complaint from the Town Centre Forum was not upheld. Surrey have agreed an action plan but unfortunately the Town Centre Forum are still not content. We have now closed the matter and are comfortable with Surrey's management and execution of the project based upon the Local Partnerships report.

Accountable Body Procurement

This is covered under a separate report on the Agenda (see item 5) but again has involved extensive work.

We have also recently provided advice to the Birmingham LEP on Accountable Body procurement.

5. Services Pillar

The Services Pillar includes three key areas including the Coast to Capital Growth Hub, the Enterprise Adviser Network and International Trade (both export and foreign direct investment). A Services Pillar Committee meeting was held on 6 June 2018.

A major development since the last Board has been confirmation by the Investment Committee of the mandate for a Grants Panel to administer the Coast to Capital Growth Grants programme. This scheme replaces the previous Small Business Grants scheme, and will decide investment of LGF money into small businesses of high growth potential. As with its predecessor, the Panel will bring together independent experts from the financial services sector under the chairmanship of a Board member.

This paragraph has been redacted.

Coast to Capital Growth Hub

The Growth Hub is now focussed on delivering support to growth companies. A new structure has been introduced and we are developing a network of Growth Champions, led by Lou Williams, to provide specialist support to Scale Up businesses. The Investment Committee on 6 June 2018 agreed to the outline proposals in principal subject to CEO approval of the terms and governance of the Growth Champion funded support. New proposals to develop events and peer to peer groups which are of particular interest to Scale Up businesses are also being developed.

In the period April 2018 to May 2018 250 businesses were assisted – 60 provided with more in-depth diagnostic support. Further details are available on the Growth Hub dashboard.

Enterprise Adviser Network

The Enterprise Adviser Network continues to perform very well with 107 Enterprise Advisers signed up and matched with 98 schools. This is just below the target of 100 schools matched.

The Enterprise Coordinator team have done exceptionally well to recruit 170 Industry Champions who are volunteers from any level of any industry who share their knowledge and careers experience with young people. We have had a detailed meeting with the GLA's London Partners team, who are keen to understand our delivery model as they roll out their own EA service across London. There is an ambition to extend our close relations in Croydon out to the Gatwick Diamond to increase awareness in London of job opportunities in our area.

The Careers and Enterprise Company had a very challenging select committee where the MPs were questioning the value for money, focus and financial support of the Careers and Enterprise Company. We have included a related risk in our risk register in case the government review future funding of the CEC who provide match funding for the Coast to Capital Enterprise Adviser Network.

International Trade

In the last financial year Coast to Capital was reported by DIT to have 27 inward investment successes compared with 38 the previous year. Most of the successes relate to investments made by foreign owned businesses already based in the area. Coast to Capital also suffers from a very patchy and fragmented FDI service delivered by partners and poor reporting of known successes through a lack of account management. We are seeking a secondee to support and lead on this area of work.

This paragraph has been redacted.

6. Strategy and Policy Pillar

Strategic Economic Plan

Since the last Board meeting we have finalised the Strategic Economic Plan (SEP) taking on comments from the Board and stakeholders. Following this and extensive engagement with local leaders I am pleased to confirm that the SEP was approved by the Joint Committee on June 20. The design for the SEP is currently being finalised and will be completed by 13 July. The SEP will be launch at the AGM on 19 July. Work is ongoing to develop a 100 days plan to maximise the impact of the SEP launch and build collaborative relationships to deliver the SEP as we begin preparations for negotiations with Government on the Local Industrial Strategy.

MP meetings

There have been meetings with a wide range of local MPs to discuss the SEP, project delivery and other issues of local interest.

Briefing meetings on the SEP for all MPs in the area are being arranged at Surrey and West Sussex level and have already taken place in Croydon and Brighton. Board members have been able to join me in these which has been very helpful.

Newhaven Enterprise Zone

The Enterprise Zone strategic framework is in the final stages of development and will

be officially launched to a business audience on 12th July, following sign-off by the Programme Board on 22 June. The Rampion wind farm operations base officially opened on the port within the Enterprise Zone on 29 May. This will significantly add to the level of income received for reinvestment into Newhaven. This sentence has been redacted. A communications plan has been drawn up with a range of different activities to promote the Enterprise Zone, starting with the strategy launch event. Over the coming year the plan will target media and business audiences and describe the wider benefits of the zone for the community through case studies.

European Structural Investment Fund programme

European Social Fund (ESF)

The ESF Dashboard for June 2018 (see Appendix 10) gives an overview of the status of our allocation.

There are four ESF applications still in the pipeline and we are working closely with the applicants to provide support and with DWP to address any potential delays. Two further projects that have been in the pipeline for some time are due to receive funding agreements from DWP imminently – the projects will have a focus on engagement activities for young people ‘not in education, employment or training’ activities under Investment Priority 1.4.

Three Direct Calls (requiring 50% match funding) have recently been launched. These calls are for a total of £14.09m and are looking to attract innovative projects that will support unemployed and inactive adults into employment/self-employment and provide training and progression routes for the adult workforce. The call window is open until week commencing 20 August 2018.

European Regional Development Fund (ERDF)

We continue to work closely with both MHCLG and the projects in the ERDF pipeline to offer technical assistance and support. The value of the pipeline is now at £18.4m ERDF (69% of our total ERDF allocation) - an analysis of which, including estimated contracting dates, is available in the ERDF Dashboard for June 2018. See Appendix 11.

We are pleased to let you know that the Sussex Business Research Academic Innovation Network (BRAIN) £1.2m (£600k ERDF) Priority Axis 1 (Innovation) project, led by the Sussex Innovation Centre has now been fully contracted. This is our 4th fully contracted ERDF project and it now means that we have projects contracted under all 3 priority axes (PA1: Innovation, PA3: Business Support, PA4: Low Carbon).

This paragraph has been redacted.

The rest of the projects in the pipeline are progressing as expected and we are working to tight timelines agreed and monitored closely in regular weekly pipeline progress update meetings with our new MHCLG Coast to Capital Relationship Manager who has been driving things forward since her recent arrival in the role.

ERDF funding calls have now been announced for October 2018 and March 2019.

Energy Strategy and Greater South East Energy Hub

Work continues to progress on the Local Energy Strategy and is on course to be

delivered in mid-July on time and in budget. The intelligence tool, which will support business cases for energy projects, is in beta testing with colleagues who have significant energy experience. The series of three stakeholder workshops have been completed and have generated significant buy in from local partners.

The strategy will inform the work of the Greater South East Energy Hub and recruitment of the team that will run the hub has begun. This team will be commercially focussed and be tasked with delivering energy projects across the hub area. Interviews will take place in early July and the team will be in place by the end of the summer to begin work.

Full Fibre

We continue to work with partners across the region to develop a regional approach for a Local Full Fibre Network Fund Wave three bid for which a call will come out late July. DCMS is looking to develop a rolling pipeline of projects and successful projects will need to be fully delivered and all funding spent by 2021. This sentence has been redacted.