

Meeting: Coast to Capital Board Meeting No. 35	Item No. 35.04 B
Date: 13 July 2017	
Report Title: Chief Executive Report	
Report by: Jonathan Sharrock	

Recommendation

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

1. Introduction

The General Election saw 16 of the 19 MPs in our region being returned. The three new MPs for the region are Sarah Jones (Croydon Central), Lloyd Russell-Moyle (Brighton Kemptown) and Gillian Keegan (Chichester). Our region is now represented by 14 Conservative MPs (down 2), four Labour MPs (up 2) and one Green MP.

I have written to all new and returned MPs congratulating them on their success in the election. We will be hosting a lobbying event on the Brighton Mainline in Parliament on 18 July and hope to see many of them there.

Greg Clark and Sajid Javid have both returned to their Cabinet roles. The new Minister for Local Growth in CLG is Jake Berry, MP for Rossendale and Darwen. The LEP network reports that Margot James MP and Clare Perry MP will be leading on the development of the Industrial Strategy.

2. Corporate update

Katie Nurcombe, the new Head of Communications and Corporate Affairs started on 1 June. She will lead the development of a new approach to stakeholder engagement and communications; and will ensure that our internal processes and functions are delivered efficiently and are fully compliant with the Assurance Framework. Any revisions to the Assurance Framework will be brought forward in early 2018.

The corporate risk register has been updated following discussion at the Audit Committee meeting on 20 June, and is attached for the Board's information. The risk register is reviewed twice a year by Chairman's committee and is owned and updated in real time by the Executive Committee. The Audit Committee has also recommended a number of internal audits and identified the financial control environment and cyber security as priorities.

The Audit Committee met on 20 June and minutes are attached. The Committee has expanded its work to what would be expected of a standard Audit Committee function. We are still looking for another Board member to join the group.

Vacancy levels within the Executive team are low. In response to organisational need, we have taken the decision to appoint a permanent Communications Officer rather than a Communications Intern who will be responsible for supporting the delivery of all

aspects of internal and external communication at a more appropriate level. We expect to have a fully resourced Projects team in place by the end of the summer. We are going to market to identify candidates for a new senior position to support delivery of our mandate on regeneration, business space and housing.

3. Communications and stakeholder engagement

Under her communications remit Katie will also be focusing on developing an organisation- wide communications strategy and stakeholder engagement plan. The communications strategy will cover the use of different media with a focus on compelling and consistent promotion of the work of Coast of Capital. We have a wide range of stakeholders and effective engagement is fundamental to the success of the delivery of the business plan and our longer term strategic economic plan.

We are continuing with a series of briefing sessions across the region to advance our goals in relation to investment in the Brighton Mainline. Briefing meetings with business have been arranged across the region; Croydon (4 May), Gatwick (15 May) and Brighton (7 July). These events culminate in a Parliamentary Roundtable with regional MPs and other political stakeholders on 18 July. This work is being supported by Gatwick Airport and Network Rail and allows us to build support for regional rail investment priorities. The emerging consensus from these meetings is that Coast to Capital will be the natural lead organisation for a regional campaign to lobby in favour of this investment, backed by business and local partners. We will need to identify revenue lines to fund a promotion campaign for our work, most likely from business contribution.

4. Projects Pillar

Projects

Gateway audit training has now been conducted across the team and we are starting a round of gateway reviews on all red and amber rated projects. This approach will enhance governance and monitoring.

An independent confidence assessment and audit is being commissioned on all key transport projects. Until this work is completed, risk ratings on these projects will not be shown. This audit will examine the likelihood of transport projects delivering within the spending period and delivery body remediation plans. The results of this will be presented in due course and will provide detailed evidence for a final risk rating.

The assessment will also be issued to DfT and BEIS to highlight any issues where projects are delayed and likely to overrun the end of the designated spending period.

Investment Committee

The Investment Committee will be meeting on 14th of July and will consider the priorities for a new call for funding applications. Subject to this meeting, a new call, based upon a more focused commissioning led approach should be launched in August.

Dashboard LGF

We have acted on the feedback given at the last Board meeting. The dashboard has been further modified to include in year to date targets to give a better idea of overall progress. We are reviewing the inherent risk in relation to LGF projects, including a deep dive into projects with a higher risk.

Growing Places Fund

This item has been redacted.

4. Services Pillar

The Service Pillar includes three key areas including the Business Navigator Growth Hub, the Enterprise Adviser Network and international trade (both export and foreign direct investment). A Service Pillar Committee meeting was held on 8 June 2017. Synergies between the different elements of the Service were identified.

Enterprise Adviser Network

The Enterprise Adviser Network (EAN) works to connect senior, local business leaders with senior leaders in local schools helping to motivate and inspire young people, to make a major impact on their future career prospects. The dashboard highlights that 69 schools have been recruited and matched with 66 Enterprise Advisers. The Enterprise Coordinators are at early stages of engagement with business leaders in Croydon and East Surrey and are actively working with partners to identify leads. The Careers and Enterprise Company have confirmed a commitment of funding to August 2020. The Coast to Capital Board previously agreed in May 2016 to match fund the CEC funding until March 2018. There is paper at this Board recommending match funding from Coast to Capital core funding to August 2020. There will also be a presentation regarding the Enterprise Adviser Network to this Board meeting.

International Trade

Inward investment activity has struggled in the last financial year on the back of the EU referendum decision. Businesses are still not making funding decisions due to Brexit. For the last financial year 38 projects successes have been identified projecting 2,753 new jobs and an additional 1280 safeguarded jobs. However the successes and jobs include national job creation and safeguarding due to DIT reporting. 50% of investments are from Europe, Africa or the Middle East. 56% of FDI successes have been expansions or new project with the remainder being mergers and acquisitions. Only 32% of projects have been classified by DIT as good or high quality investments.

DIT are launching the ERDF funded export support programmes across the Coast to Capital region over the next few months. The recent Service Pillar Committee agreed to the establishment of an International Task Force and a revised, and updated brief, for the group is being developed by a small sub group. It is proposed that the International Task Group will be chaired by Board Director – Mike LaRooy. One key focus will be the running of trade visits to growth markets targeting business with growth potential in key sectors.

Business Navigator Growth Hub

In April and May 2017 the Business Navigator Growth Hub Service has supported a 234 businesses with 57% of businesses taking up at least one service that they were signposted to. 60% of businesses supported in April and May 2017 were new Growth Hub clients.

The three new Business Advisers fulfilling the new roles are starting to focus on businesses with growth potential – providing them with a greater level of support than

could be provided previously with the Business Navigators roles.

5. Strategy and Policy Pillar

Strategic Economic Plan

Our planned approach to the re-write of the SEP was agreed at Chairman's Committee at their meeting in May and the paper agreed by the Committee is attached which we are now putting into practice. An ambitious vision for the region and an understanding of what success will look like will be developed by the task group, identification and recruitment of which is underway. An immediate priority is to ensure we have a comprehensive evidence base for the vision group to work from and identify what we may need to develop / commission if we can't do all of the work in-house.

We are working up a plan for partnership involvement and wider stakeholder engagement - our first engagement activity will take place at the Partnership Board on 29th June with a wide range of partners and stakeholders present. Chairman's Committee will be accountable for the delivery of the SEP and the Board will be updated and consulted at future meetings. We are awaiting further clarification of the Government's intentions around the Industrial Strategy, and the status of our SEP within that, but are planning to deliver final Board sign off in January / February.

ESIF

As the Board is aware we have experienced significant blockages in our ESIF programme to date, particularly around our delivery of the ERDF element of the programme. This led to a complaint directly to the Secretary of State for CLG in respect of the quality of the service being offered to Coast to Capital. DCLG accepted the complaint and addressed the blockages which has led to a change in behavior with full transparency on DCLG activity to support the programme.

However, this remedial action has only brought us to a point that we should already have been at. We will continue to challenge progress on a weekly basis and expect to see progress by the ESIF Committee meeting on 7 July. We have made it clear that if progress is not satisfactory then we will escalate this further through the newly elected Chair of the Committee (to be elected 7 July).

Newhaven Enterprise Zone

The launch event for the Enterprise Zone took place on 26th June and was attended by between 50 – 70 attendees from local businesses, local authorities and a number of other civic dignitaries. As well as sharing the opportunities that the Enterprise Zone brings for new businesses and the town, the event reinforced the importance of Newhaven as a town with great untapped potential and space for growth and with the right support can play a key role in driving the economy in the region. We issued a [press release](#) after the event, and you may also be interested in a recent [article](#) on the future of Newhaven from the Metro newspaper which is a promotional piece for the town.

Sub-national transport body

The first Shadow Partnership Board meeting of Transport for the South East met on 26th June. Steve Allen holds one of the two LEP seats on this Board. LEPs play an important

role in developing the transport strategy for this body and the four LEP study which sought to influence strategic transport in the South East along with our Strategic Economic Plans are key.

Airports

We submitted a response to the Government's NPS draft airports consultation in May (available to view on our website).

Regeneration and Housing Work Stream

We have now written to local authority Chief Executives to advise them of the mandate given by the Board and to let them know what they can expect from us. As a part of our offer we are hosting an event with DIT in September to which all authorities will be invited to explore the possibilities for inward investment in the region. The new housing role which will support the delivery of this work stream.