

Coast to Capital

Reference: Coast to Capital Board Meeting
Date: 29 April 2021
Report Title: Executive Report
Report by: Executive Team
Item No: 4a
Part: A

Recommendation:

The Board is asked to note the Executive Report and:

- Approve the membership of the Finance and Resources Committee.

1. National Context

The Economy

- In 2020 UK GDP declined by 9.8%, the largest annual contraction since 1709.
- The OBR estimates in 5 years' time the UK economy will be 3% smaller than it should have been.
- ONS estimates UK unemployment at 5% as of January 2021. This is 1.2 percentage points higher than a year earlier and the same percentage as in February 2016 - showing how the furlough and SEISS schemes are helping keep the unemployment rate down.
- OBR estimates peak unemployment to reach 6.5% by end of 2021.
- Retail spend increased by 2.2% between January and February 2021 but spend is still below levels seen in February 2020.
- Food and drink exports collapsed in January 2021, plunging overall by 75.5%.
- By March 2021, the UK saw a 21% increase in the number of shipping vessels visits compared to the week before – however visits remain 7% lower than in March 2020.

Coast to Capital economy

- Estimates suggest our economy could have declined by between 15% and 17% in 2020.
- In February 2021, 27% of our working population were on some form of work related benefits.

- Crawley had the highest percentage of working age population on work related benefits with 35% of the population affected.
- Out of 63 cities and towns across the UK, Crawley saw the largest percentage point increase (6%) in the number of people claiming unemployment related benefits since March 2020, followed by Slough, Luton, and London.
- Crawley also had 3rd highest percentage point increase in claimant count between January 2021 and February 2021 at 0.6% just behind Luton and Slough at 0.7%.

LEP Landscape

Terms of reference of the LEP Review are being finalised with Ministers. Feedback from the LEP network is that we should expect the review to evolve the LEP model, making LEPs an even stronger business voice on a regional level. Further details are unclear, although we are expecting the review to conclude by the summer recess.

There has been significant engagement with local partners on the changing climate of Government regional investment specifically the introduction of the Levelling Up Fund. We have been asked to input to a number of local bids, particularly those where local MPs are keen to make an early bid to the fund. There has also been a significant level of interest in regional projects, as well as a number of requests from local government partners for additional support in the delivery of their work.

We had a series of very positive engagements with wider stakeholders on Regional Projects, including MPs and local business representative organisations.

As part of our Assurance Framework, we had a peer review meeting with the CEO and Chair of D2N2 LEP (covering Derby, Nottingham, and shires). Showed strong similarities in our structure, focus on LGF outcome delivery, and need to balance widest range of local political priorities. Feedback has validated our belief in adopting an ambitious business plan in advance of the LEP review. We are also deepening relations with the 'UK Innovation Corridor', a LEP-like group which is leading a successful narrative on the London-Stanstead-Cambridge corridor and has strong synergies with our own work.

We were disappointed not to be successful in our bid for a Gatwick Freeport. We were particularly disappointed to receive stark feedback that our bid was not competitive with most others submitted. This appears to be because we had not identified specific investors, sectors or industries who were prepared to commit to taking up the land identified for development: a natural consequence of preparing the bid from scratch in three weeks after Christmas and having no consultancy support.

The submission of the bid has helped to raise the profile of airport towns, such as Crawley, and this has a growing recognition in Whitehall. Jonathan will be leading a piece of work within Catalyst South to draw out some of these issues and to try and frame a wider set of policy issues on which the Government might want to engage.

2. Corporate update

Board Developments

We are delighted that Rosaleen Liard has been re-appointed to the Board for a further three-year term and Martin Harris has been re-appointed to the Board for a further one-year term. Our approach to Board recruitment is under review and will be developed in response to the Business Plan 2021/22.

Our approach to Board Development is currently under review. We would like to be able to hold a Board Away Day in the coming months to discuss further how the Board needs to develop in response to the Business Plan 2021/22.

Equality, Diversity, and Inclusion

Our focus on Equality, Diversity and Inclusion continues and we are pleased to have published an updated Equality, Diversity and Inclusion Policy and Anti-racist Policy which can be found on the [website](#). We are preparing a Management Plan for 2021/22 to progress our commitments even further.

Governance

The following governance updates should be noted:

- Our updated **Assurance Framework** was published on 1 April 2021.
- Brighton and Hove City Council started to deliver our **Accountable Body** service on 1 April 2021.
- A **Peer Review** meeting with D2N2 took place in March 2021 supported by the Centre for Governance and Scrutiny.
- **Company risks** are being actively managed, with the top risks identified in **Annex A**. A thorough review of risks will be conducted in light of the agreed Business Plan 2021/22.
- Our **Internal Audit** plan for 2020/21 is complete. Kreston Reeves has undertaken an independent audit of our Backing Business Fund and BDO has undertaken an independent audit of our compliance with GDPR regulations. A management response to these audits will be presented to the Audit and Risk Committee.
- The new **Finance and Resources Committee** is being established. Richard has agreed to Chair and the Committee and Martin has agreed to join the Committee as a member. Andrew Swain (Independent Member of the Audit and Risk Committee) has agreed to be seconded to the Committee in the short term whilst the Committee establishes itself. Paul Marshall has agreed to be a public sector member. Secondments are being confirmed and a verbal update will be given at the meeting. The Board will be asked to approve the appointments.
- We have no live **complaints**.

External Communications

Highlights include:

- **Post-Brexit transition Support communications** – issuing a [post-Brexit transition newsletter](#) to over 10,000 public and private sector contacts.
- **COVID19 Support communications** – sharing more Backing Business Grants [case studies](#). Business Recovery Grants case studies will be prepared over the coming months. **Annex B** highlights key Business Recovery Grants Data.
- **#RaceEqualityWeek** – supporting the campaign on [social media](#). Our email signatures have been updated across the company to include reference to supporting race equality as an organisation.
- **International Women’s Day** – launching a podcast series in collaboration with [SheRebelRadio](#), sharing inspirational stories from female business leaders across the region.
- **Accessibility** – undertaking audits on the Coast to Capital and Growth Hub websites to ensure that they are fully accessible.

Looking ahead we are reviewing the rolling company-wide communications strategy and plan for the next six months. Our refreshed plan will prioritise high impact engagement opportunities, such as the new Business Plan 2021/22 and regional project pipeline.

We issued the following press releases (including highlights from mentions in stakeholder news):

- [Place and Connectivity Programme steps \(and wheels\) into 2021](#) (featured in Mid Sussex Today, West Sussex Today, Mid Sussex Times)
- [Coast to Capital champions diversity as they take part in the UK’s first ever Race Equality Week](#)
- [Freeport bid seeks to rebuild Crawley economy, devastated by COVID-19](#) (featured in BBC South East (TV), BBC Sussex (Radio), BBC Surrey (Radio), More Radio, West Sussex County Times, Crawley Observer, West Sussex Today, Mid Sussex Today, Crawley News 24, Crawley Observer)
- [Improvement work to breathe new life into major town centre street will begin in the Spring](#) (featured in More Radio, The Argus, Shoreham Today, Worthing Today, Shoreham Herald,
- [Council to consult the public on plans to transform Place St Maur](#)
- [Celebrating Success from Making a Difference](#)
- [Accelerating gender equality on International Women’s Day](#)
- [Catalyst South LEPs Lead The Way With Innovative AI Programme To Help Support Female Business Leaders](#) (featured in Business Edge)

We also issued a blog [Support for businesses available across the Coast to Capital area - a statement from the Head of Services](#).

In total we were mentioned in 59 articles between January and March.

Internal Communications

Highlights includes:

- **Wellbeing** – hosting a Wellbeing and Social Afternoon on the year anniversary of working remotely which included a wellbeing talk on living with uncertainty and a charity quiz night.
- **Mental Health** – participating in the national [Time to Talk day](#) and continuing to host regular Time to Talk sessions for the team.

Stakeholder Engagement

We continue to provide regular updates on our response to the COVID-19 pandemic, as well as the UK transition from the EU. Updates are issued regularly to Local Authority Chief Executives, Leaders, Economic Development Officers and MPs across our area and Growth Hub partners (over 500 stakeholders and partners).

We have also formalised a strategic engagement approach on our 2021-22 Business Plan and regional project pipeline consultation. This is to ensure efforts are focused and prioritised to achieve the biggest impact. Recent activities undertaken have included briefings with key audiences, such as local authority leaders, MPs, and BIDs, Chambers, and regional partnership organisations. All of which were well attended, allowed for positive collaborative discussions across attendees, and received high interest for more in the future. Following the success of these meetings, we are now considering the next steps of stakeholder engagement and how the Business Plan 2021/22 could be effectively rolled out.

A mapping exercise has been delivered to improve our targeted stakeholder engagement with business network groups that represent minority groups.

Marketing

Over the past three months, we are pleased to report the following highlights:

- The Coast to Capital **Twitter** account was mentioned 436 times with 106,400 views (impressions). We have gained 91 new followers now with over 4,630 followers.
- Trending topics on Twitter included International Women’s Day, messaging around National Careers Week, Gatwick Freeport BID submission and our updated COVID-19 Skills and Labour Market Impact Assessment.
- Following an increase of 129 followers we now have 1,622 followers on **LinkedIn**. There was a total of 1,073 page views, with 468 unique visitors and 11,449 views on individual posts.
- Top trending topics on LinkedIn included the latest Skills 360 Board meeting, our participation in Race Equality Week, Gatwick Freeport BID submission, and

an update on our Growth Hub support services for COVID-19 and the Brexit Transition.

Organisational Developments

Following the 'stay at home' rule ending on 29 March, Executive Committee agreed to open the office twice a week after this date to allow a form of respite for those that have struggled with working from home on a full-time basis. The office is open on a first come first serve bookable basis with a maximum of 12 people per day. The Working Safely During the Coronavirus (COVID-19) Outbreak Risk Assessment and guidance to the team has been updated.

To ensure we are operating as effectively as possible as a team we moved from a hosted system to Office 365 in March. We have also reviewed our internal communications and sought feedback from the team to ensure we build on our strong communications activity over the past year.

The following changes have taken place in the Coast to Capital team:

- **Ivy Silverton** has come to the end of her internship as Services Intern.
- Growth Relationship Manager **Fiona Anderson** has left the Growth Hub team.

All recruitment is currently on hold.

3. Investments

The Investment Committee continues to be very active and is focussing on two main areas. Firstly, the monitoring of existing projects to ensure both accountability and delivery of outputs contracted to Government. Coast to Capital has direct contracts for delivery of outputs with our partners and therefore must continue to enforce these in line with good governance, until outputs are discharged. In some cases, this requires a robust approach and the issuing of formal letters to start an official funding reclaim process, where targets are not going to be met.

The second area of work that the Investment Committee is focussing on, is reviewing the overall economic outputs portfolio. A comprehensive review of outputs has been undertaken and a robust picture of the expected programme outputs against those planned has been gained. This will be reported to the Board at a future meeting.

The Investments team have started work on a pilot consultancy project for Tandridge District Council. This involves both advisory and delivery services to implement processes and systems and undertake appraisals for forthcoming Community Infrastructure Levy projects. The pilot will run for one month with a joint review. The intention would be, subject to successful mutual outcomes, to enter into a more commercial relationship to continue to deliver the service for Tandridge over the longer term. Later this month a pilot project with Epsom & Ewell Council is also expected to start which will see members of the Coast to Capital team developing

business cases for the authority, for future funding rounds. These two pilots will inform the potential to generate alternative revenue streams for the LEP, through provision of a range of project related services, playing to the LEP's strengths and expertise.

Finally, the Growing Places Committee continues to be active and a separate paper on this agenda details the work that they are doing in the management of our loan portfolio.

4. Services

Coast to Capital Growth Hub

Diversity Disaggregation

Coast to Capital is the first LEP in the country to procure mnAI which enables us to identify women business owners in the Coast to Capital area. Coast to Capital has led the adoption of the platform by all the Catalyst South LEPs and Growth Hubs. Our activity in this area was showcased at the Innovate UK South event on 8 March 2021. It has also been discussed with 7 of the area's MPs who have taken great interest in this nationally significant piece of work.

Our activity has been showcased in the recently published and launched Rose Review and presented to the Rose Review Board meeting chaired by Paul Scully MP, Parliamentary Under Secretary of State in the Department for Business, Energy and Industrial Strategy and Minister for London on 13 February 2020.

The data provided by the mnAI platform has helped Coast to Capital identify, record and report on our engagement with women business owners and will enable us to track our improvement over time in this area.

From the data we can identify that approximately 16% of businesses in Coast to Capital are women-majority led. Our current engagement levels are much lower than this and will be addressed through partner collaboration to reach more women led businesses. Brighton and Hove and Reigate and Banstead will be initially targeted as these are the areas with the greatest density of women led businesses.

Tandridge based business Godstone Farm Ltd, a children's activity centre, has been supported since the beginning of the pandemic. Godstone Farm has a 100% women Board. A Business Recovery Grant application was successful and has enabled the business to invest in animatronic dinosaurs as part of a new attraction called The World of Dinosaur Roar – Discovery Trail. Richard Butcher, their Growth Relationship Manager, has also provided the MD with valuable introductions to Visit Surrey and other CEO running major attractions.

Core Growth Hub Funded Activity

In this financial year the Growth Hub team have dealt with record numbers of

business enquiries. Key areas of support requested have related to COVID 19 impacts, and increase in start up enquiries, funding to recover and grow and general advice regarding pivoting and making businesses more resilient.

The Growth Hub completes weekly reports to the Cities and Local Growth Unit (CLGU) provided intelligence on business issues and local economic conditions, particularly around COVID-19 response/recovery and the pre and post Brexit Transition period.

EU Transition Activity

From January 2021 Coast to Capital has delivered EU Transition Business Readiness Activity from £203,550 Department for Business Energy and Industrial Strategy (BEIS) funding. Coast to Capital has collaboratively partnered with Newable, Gatwick Diamond Business, Surrey Chambers of Commerce, Worthing and Adur Chamber, Brighton Chamber and Grow Global to deliver specific Brexit related business advise and support.

The majority of clients are businesses with less than 10 employees, with advanced manufacturing and consumer goods and retail being the most prominent sectors supported.

We have worked at a cluster level with Enterprise M3 and Thames Valley Berkshire to engage KPMG to deliver specialist high profile webinars covering the key topic areas related to Post Brexit transition including VAT and Customs.

Along with cluster partners we engaged Blueberry to undertake 600 surveys with businesses in Coast to Capital. The challenges faced by businesses are primarily related to import/export documentation and costs, complying with new legal requirements and other standards and regulations including VAT and Customs.

Some of the feedback from businesses has included:

- Many smaller businesses have decided to stop exporting to the EU. However, some of these companies are now thinking about exploring new markets including North America, Asia, Australia, and New Zealand instead.
- Both IT and manufacturing businesses, which are required to send workers over to clients in the EU for servicing of systems/equipment, are facing concerns around regulations.
- VAT registrations across multiple countries and tariffs continue to be frequently mentioned as a key area in terms of need for support/advice. Additionally, the time to register for VAT numbers is very long and hindering exports.
- We continue to receive feedback about shipping material delays and long lead times, both from Europe and Asia (particularly China and India). Shipping costs have escalated in recent months.

Peer Networks programme

The final Peer Networks cohort sessions were delivered in March 2021 with every cohort receiving 18 hours' worth of peer to peer sessions facilitated by a professional facilitator and every participating business receiving 3.5 hours of one-to-one coaching. The response to the Coast to Capital programme has been exceptionally well received with a 96.0% satisfaction rate.

We introduced a number of unique and innovative elements to the programme including the use of graphic recording at the start and end of the Peer Network sessions. We are producing "Talking Heads" videos as a piece of evaluation research and to get testimonial feedback from participants. These are reflective of the gender, age, and ethnicity diversity of participants. 37% of participants are women.

Some insights gained from participants included:

- The pandemic has impacted all the participant's businesses, although the impact has been different depending on the industry and nature of the business. For some consumer demand has been significantly up and for others, sales and profits have been obliterated.
- Leaders shared stories of resilience and creativity as a response to the pandemic including diversifying the business to survive the Pandemic and losing sales because of Covid outbreaks.
- Three businesses that had previously been entirely B-to-B have been forced to transition to B-to-C sales because of the lockdown and the drop in wholesale business as a result of retail and hospitality businesses being forced to close.
- Whilst the general consensus is that consumer demand has remained buoyant the issue has been ensuring there is an online sales platform and that the supply chain is working effectively.

Coast to Capital has been contracted by BEIS to deliver another programme of Peer Networks. The programme will be made up of 10 cohorts of 11 members.

Coast to Capital Business Recovery Grants

The Coast to Capital Growth Hub team has successfully delivered a £2.1m Business Recovery Grants programme supporting businesses across the Coast to Capital area. The grant programme provided up to 50% of an expansion project for organisations that can demonstrate a clear link to COVID-19 recovery and future growth.

An impressive 451 expressions of interest were received with grants request worth £16.5m, leading to 201 full applications totalling £8.1m - finally resulting in 61 full applications worth £2.1m passing through the due diligence and panel approval stages and being contracted. The contracted projects are set to create 220 new jobs throughout the Coast to Capital area. 44% of the 61 approved grants have been awarded to women owned/led businesses.

There have been applications from across the Coast to Capital area and from a wide variety of sectors. Most applications have been from entertainments and arts, manufacturing, sports and leisure, hospitality and CDIT businesses.

Annex C illustrates an example of this grant being used to help a business in the local area.

The potential approved grants exceeded the available funding by over £400,000.

ERDF Kickstart Tourism Grants and Restart and Renew SME Grants

Coast to Capital, alongside its Cluster Growth Hub Partners in EM3, and Thames Valley Berkshire, delivered the ERDF Kickstart Tourism Grants and Restart and Renew SME Grants providing grants of up to £5,000. Exemplas delivered these grants for the cluster.

The visitor economy grants totalled £134,000 to 44 businesses and the wider economy grants totalled £221,600 to 74 businesses.

Should the funding be repeated in the future, we would recommend that these 100% grants are focussed on revenue expenditure around expert advice rather than capital expenditure which was often used to purchase new IT equipment.

Lisa Aitken, MD of Shovelstrode Ltd, an East Sussex Woodland Retreat, was delighted to have been awarded a £2,400 grant. This has enabled them to improve ventilation and reduce damp in their bathrooms to make COVID secure.

Experts in Residence

Vicky Stevens, our banking Expert in Residence, has left NatWest and we will now be supported by Luke Cartwright who will help the Growth Hub promote our programmes to women business leaders.

5. Strategy and Policy

Skills

Our growing responsibilities in this area include the day-to-day operation of the Skills 360 Board and implementation of the Skills Strategy and Action Plan (now within the Local Skills Report); ensuring that the remainder of our £28m allocation of European Social Fund is fully contracted and supports delivery of our strategy; and delivery of the Enterprise Adviser Network and Careers Hub.

Skills 360 Board

The Skills 360 Board met in February 2021 and are due to meet again in April 2021 to bring the meetings in line with the Coast to Capital Board meetings.

Senior representatives from both the Surrey and Sussex Chambers of Commerce have recently been recruited on to the Board, and we are in the process of offering membership places to each of the three upper tier local authorities. There is one business representative vacancy (Horticulture or Viticulture) which we aim to recruit by the next meeting in June.

At this time of significant change, and as we continue to understand and the address the impact of COVID-19 and exit from the European Union, local authorities will be developing their own strategies and plans for recovery, including for skills and employment. As such, we have offered a seat on Skills 360 Board to each of the three upper tier local authorities in the area to ensure a joined up and collaborative approach and provide mutual support to achieve our aspirations for skills and employment the region.

There is one business representative vacancy (Horticulture or Viticulture) which we aim to recruit by the next meeting in June.

Local Skills Report

The Local Skills Report has been published and can be found on the Coast to Capital website [here](#). The next Local Skills Report will be published in November 2021, and from there the report will be published annually.

We are working on a set of measurable outcomes for the action plan which will be included in the November iteration of the Local Skills Report and will be updated annually going forward to assess progress.

Construction Sector Spotlight Project

Following on from the Construction Sector Spotlight presentation at the February Skills 360 Board meeting, the Construction Board Champions have convened a working group to deliver on a series of activities to make the most of the employment opportunities in the construction sector now and into the future.

The project will look to raise the profile of the sector and of sector specific initiatives which support economic recovery; highlight career opportunities in the sector and ensure that the relevant training is available for young people and adults to meet project demands, including skills for regeneration and net-zero.

As part of the project, we are procuring external resource to undertake a research and mapping exercise to build and share a picture of the planned infrastructure construction programme in the Coast to Capital area over the next 10 years. This will help us to understand the type and quantity of skills needed with a particular focus on opportunities for young people, local people, and people from disadvantaged groups.

European Social Fund (ESF)

The ESF allocation in Coast to Capital supports people in the area to gain employment, integrate into society and progress their careers by providing

innovative skills and training opportunities. There have been 25 projects contracted in the area to date, with 19 currently delivering and six in the pipeline with Department of Work and Pensions (DWP) Managing Authority (including the three new applications mentioned below).

Eight of the live projects are co-funded by the National Lottery Community Fund (NLCF) through their Building Better Opportunities programme. We received news that NLCF intend to extend most of these projects to mid-2023. This will provide a continued provision for those furthest from the labour market to support them to move towards and into employment at this time of great need. We expect to hear detail on which projects will be extended soon.

We launched two Calls from the ESF reserve fund in January for new projects which closed for applications in mid-March 2021. Two applications were received for the Call to support people into employment (ESF investment priority 1.1), and one to support employees to upskill and/or retrain (ESF investment priority 2.1). The total value of the applications for investment priority 1.1 exceeds the value of the Call therefore it is likely that only one of them can be funded however, Coast to Capital will explore options for both to be funded with DWP.

DWP wrote in January to inform that well performing ESF projects would be offered the opportunity to apply for additional funds from the reserve fund. Extensions will be limited to a maximum 50% increase against the original project value. This will ensure that projects that are performing well, and that are able to, can continue delivery and provide much needed support through the critical upcoming recovery period. DWP will release more detail on eligibility for these extensions shortly. It will be down to the individual eligible projects to decide if they will apply for additional funding.

More information on ESF in Coast to Capital, including detail of projects currently delivering in the area, can be found on our website [here](#).

Enterprise Adviser Network (EAN) and the Careers Hub

EAN Programme

Education centres have been closed since December due to the spike in Covid-19 cases and young people have again been accessing learning from home. The Enterprise Coordinator team have continued to listen to feedback and work closely with our Careers Leaders to agree the most impactful ways to deliver careers activity.

To help Careers Leaders to prepare for National Careers Week in March, the team developed a series of [subject](#) and [tutor time](#) careers resources for each key stage that could be easily embedded into the curriculum. The resources were well-received at a time when teachers had little time to create their own lesson plans.

In collaboration with East Sussex Careers Hub and Uni Connect, [Career Share](#) has been launched. We have put together a suite of materials to support schools to engage with their parents and carers so students across Sussex can benefit from the knowledge, experience and networks parents and carers offer. These new materials have been shared with all education centres.

Planned events for the remainder of the academic year include the development of Hello Future – a collaborative careers event designed with partners American Express, Albion in the Community and Laing O'Rourke. Hello Future will be offered to Years 11-13 students in schools and colleges across Sussex in July. A panel of young and inspirational speakers from local employers will help to raise aspirations, develop employability skills, and give hope to young people in two 'careers lounge' style talks.

Careers Hub

Following careful analysis of where the gaps are this year in careers provision, the Careers Hub EC team presented three new projects to the Hub Steering Group and Cornerstone Employers Group to be delivered in Summer term.

The Coast to Capital Virtual Careers Fair will be live for all Careers Hub schools on 16 June 2021. Pupils will be able to access the Vfairs platform to explore virtual employer and college/university booths and ask live questions via a group chat facility. A series of pre-recorded videos will be available to view in the Auditorium. The Careers Fair will be accessible to all schools across the network for 1 month after the live event.

Our Open Doors talks in May and June will enable Sixth Form students in Year 12 to hear from recent Apprentices and Graduates about what employers look for and their experiences post education. As we can offer the talks virtually, Open Doors 2021 has been extended to all schools in the network.

Speakers for Schools are helping us to develop a Virtual Insight Day targeted towards disadvantaged pupils within Careers Hub schools who will otherwise find it difficult to access work experience this year. The Virtual Insight Day will introduce pupils to a well-known organisation through Q&A sessions with key employees, a virtual tour and participating in a small project or activity whereby feedback will be received.

Our Cornerstone Employers have been incredibly generous in their offers of support for the projects outlined above.

Coast to Capital Skills for Net-Zero - Home Decarbonisation Academy Pilot

This nationally led project to create future skills supply for Home Decarbonisation needs is jointly led within Coast to Capital by both our Skills and Energy Leads, along with a number of external partners.

A presentation on the project is included under item 3 of the agenda.

Energy Strategy

We continue to fulfil our regional strategic energy coordination role, including our LEP membership on the [Greater South East Energy Hub Board](#). The Energy Hub has a growing remit in terms of allocating BEIS post COVID-19 energy funds across the region. Currently, the Energy Hub is coordinating the roll out of a c.£69 million allocation for the Green Homes Grant Local Authority Development ('LAD2') fund. Allocations are being made to similar consortia groupings of local authorities dependent on population size and evidence of need based on energy efficiency ratings. There are two such consortia groups in the Coast to Capital area, West Sussex (including Brighton & Hove) and Surrey, both set to receive in the region of c.£3m funding.

Additionally, we continue to meet regularly with local authority sustainability leads and other partners, on their own energy priorities and projects to support local climate change and COVID-19 Recovery Strategy strategies, including new areas of broad, cross-sector opportunity like Hydrogen Sussex.

6. Diversity Statement

Our approach to Equality, Diversity, and Inclusion has been covered above.

7. Legal Statement

This paper has been reviewed by Brighton and Hove City Council in the role as the Accountable Body to Coast to Capital.

8. Finance Statement

There are no decisions to be taken in this report and therefore no financial implications.

Annexes:

- **Annex A** – Company Top Risks
- **Annex B** – Backing Business Grant Data Infographics
- **Annex C** – Business Recovery Grants Applicant Case Study & Testimonial – Monza Sports Tuning Ltd

Coast to Capital

Reference: Coast to Capital Board Meeting
Date: 29 April 2021
Report Title: Chair's Report
Report by: Julie Kapsalis
Item No: 4b
Part: A

Recommendation:

The Board is asked to note the Chair's Report.

1. Chair's Report

It has been a busy time for Coast to Capital since the Board meeting in January and I am pleased to provide the following summary of my activity as Chair during this period.

Corporate Activity

I attended the Annual Performance Review meeting with Government in February and highlighted our achievements to help confirm that we meet the requirements expected of us by Government. I also enjoyed my first Peer Review meeting with D2N2 (the Local Enterprise Partnership that covers Derbyshire and Nottinghamshire) set up by the LEP Network and supported by the Centre for Governance and Scrutiny. This provided us with an interesting perspective on the impact of Covid on our economies and the similar challenges for example in relation to skills.

Governance Meetings

I continue to lead and contribute to the Governance meetings of Coast to Capital including attending the Growing Places Committee in February and Chairing the Board Forum meeting in March. I also chaired the last meeting of the Chair's Committee in March which will be replaced by the newly formed Finance and Resources Committee. I would like to take this opportunity to thank Board members for their contribution to the Coast to Capital Committees.

Catalyst South

I attended Catalyst South Chairs and CEO meetings February and March. These meetings are crucial in understanding the role LEPs will be playing moving forward

and for us to influence this agenda. Along with the Chair of SELEP, I also interviewed candidates for the post of Catalyst South Project Manager.

I have spoken to Board Diversity Champions at Enterprise M3, SELEP and TVLEP to discuss the work on gender disaggregated data and how we work together on our wider E&I priorities and share best practice. In May, I am bringing together all the Catalyst South Board Diversity Champions for a discussion.

Freeports

The Freeports Bid has highlighted the importance of our key working relationships with partners around Gatwick. As Project Sponsor I saw firsthand the outstanding work delivered by the project team. Whilst the bid was unsuccessful the importance of the related projects in this area is clear.

Regional Projects

As you will see from the Executive Report several external meetings on our approach to regional projects were held by Coast to Capital which I attended, including a briefing session with MPs. A roundtable discussion with BIDs and Chambers in the area also took place. I am particularly keen to establish a regular opportunity for Coast to Capital to engage with Business Representative Organisation so it is good to see that this event was well received, and colleagues were keen to continue these sessions on a regular basis.

External Stakeholders

On behalf of Coast to Capital I presented at the following external events:

- All-Party Parliamentary Group for Professional Sales - SME Sales Inquiry Report Launch. I have now been invited to join the Parliamentary Advisory Committee
- All-Party Parliamentary Group for Women & Enterprise
- Lovechibiz event – organised by Chichester Chamber of Commerce
- Westminster Business Policy Forum on SME Business Support
- Federation of Small Business Women in Business Event
- The Institute of Directors International Women's Day Event
- 'Leading your business through recovery – how to reduce the impact of COVID-19 on cash flow' event with Kreston Reeves and DMH Stallard
- 'Unlocking Business Intelligence through AI' session at the Innovate UK Southern Pioneers conference with Catalyst South to introduce the pilot of a new AI platform which will use transformative data-gathering to identify, approach and engage with female-led businesses across the South.

Jonathan and I also attend regular meetings with the following partners:

- UK Innovation Corridor
- East of Surrey Taskforce (chaired by Claire Coutinho MP)

- Gatwick Airport Ltd.
- Local Authority Leaders briefing

I also virtually met with the following stakeholders:

- Coastal Sussex FE Chairs' Forum and follow up meetings with the Chair of the Skills 360 Board
- PWC
- Vail Williams and Burgess Hill Science & Technology Park
- NatWest Group
- Gatwick Diamond Initiative
- Rural West Sussex Partnership
- Federation of Small Businesses
- Cecilia Bufton, Chair of Dorset LEP
- British Business Bank
- Finance South East
- The Great Sussex Way

Equality Diversity and Inclusion

I am incredibly proud of the leadership role that Coast to Capital continues to play in supporting women's enterprise. It has been a privilege to contribute to the Rose Review and to have the opportunity to bring together a dynamic partnership between mnaI and the LEP to take forward ground-breaking work on the gender disaggregation of business data using artificial intelligence. Coast to Capital's work was cited as best practice for the second year running (previously the Expert in Residence) in the Rose Review update in March 2021 (p 13-15):

<https://media.natwestbusinesshub.com/fDKsZ0HfRMMy95SB5D4LA>

As a result of this work, I have spoken at the All Party Parliamentary Group on women's enterprise and the World Business Women Caucus on the importance and power of gender disaggregated data. I have also been invited to join the Board of the Gender Index.

It was important to be able to scale our work on data and in January, I was pleased that the Chairs and CEOs of all the Catalyst South LEPs agreed to join our pilot and work together to support women's enterprise. I was able to promote this collaboration and the work of our Growth Hub speaking at Innovate UK and IoD events in March on International Women's Day. .By working at scale across Catalyst South, we can have a greater impact on our local communities.

Board Engagement

I have also valued the chance to speak with many fellow Board Directors over the past few months and thank you for your ongoing support and wisdom. I plan to formalise more regular communications over the coming months – further details to

follow.

Jonathan and I also continue to have a weekly one to one catch up.

2. Diversity Statement

Equality, Diversity, and Inclusion activity has been covered above.

3. Legal Statement

No legal position has been sought on this paper.

4. Finance Statement

There are no decisions to be taken in this report and therefore no financial implications.

Annexes:

None

Exco Risk No	Risk Grouping	Risk Examples	Risk Owner	Inherent Combined Score	Key Current Mitigations	Residual Combined Score	Planned Actions	Due Date
1	Coast to Capital does not continue to be a going concern	<p>Expected income streams are not realised.</p> <p>Local authorities facing significant financial challenges.</p> <p>Ongoing costs become unmanageable.</p> <p>Unplanned costs materialise. (Cost are not aligned with income).</p> <p>Local Authorities in the Coast to Capital area experience significant financial challenges.</p>	KE	12	<p>Chair & Chief Executive working closely with the LEP Network to secure longer term income commitments</p> <p>Head of Finance ensuring strong financial governance in place including:</p> <ul style="list-style-type: none"> - Annual Budget, followed by quarterly forecast. - Quarterly review of cash flow and adoption of Treasury Policy - Formal tracking and monitoring of income put in place <p>Monthly Reporting to the Board.</p>	8	Create separate finance risk register (KE/ND)	Ongoing
2	Major Defaulting on Growing Places Fund Loan	<p>Events of default that impact upon the loan repayment and/or its interest.</p>	AM	16	<p>Dedicated Investment Manager to oversee loan management.</p> <p>Active Growing Places Committee that regularly scrutinises and monitors projects</p> <p>Chair of GPF committee is highly active and engaged with all loans.</p> <p>Regular contact and meetings with all loan recipients.</p> <p>A schedule of delegation is in place and approved by the Growing Places committee.</p>	16		
3	Change in political climate creates remit, funding and strategic priority uncertainty	<p>Political uncertainty: around the Government devo white paper in the spring which will confirm the context of LEPs.</p> <p>Uncertainty around the Government Industrial Strategy</p> <p>Lack of clarity and certainty on Gov grant funding leads to inability to fund businesses longer term, or to plan strategically.</p> <p>Lack of clarity about funding/LEP involvement in the 'Leveling Up' agenda</p> <p>Uncertainty around the level of Local Authority contributions</p>	JS	16	<p>Engagement with local authorities to build regional identity.</p> <p>Working closely with local businesses on strategic projects for the region.</p> <p>Development of Stronger Smarter Greener, plus further engagement with ministers and senior civil servants.</p> <p>Stakeholder strategy around Stronger, Smarter, Greener covering MPs to raise our profile in parliament.</p> <p>Development of a 'Glossy' to explain why investment is needed in our region.</p> <p>Proactive work through Catalyst South, to ensure that our analysis, collaborative work and influence sets the right context across the wider South East.</p> <p>Clear Board mandate to develop and lead on regional projects where the LEP will lead the development of strategic investments for the region.</p>	12	<p>Coast to Capital is being proactive, and building our identify: developing tools to increase our influence.</p> <p>Initiating discussions with Local Authority leaders regarding contributions for 2021/22.</p> <p>Plan to go out to partners for expressions of Interest, to help develop a pipeline of regional projects.</p>	
4	Grant Recipients not meeting terms of their Funding Agreement (without prior warning) creating sub-optimal results	<p>Delivery Bodies change project scope without prior approval of Investment Committee and/or Board,</p> <p>Delivery Bodies are unable to spend grant Funding to the agreed spend profile - likely impacted by Covid lockdown</p> <p>Getting Building Fund projects are not approved in time for funds to be deployed and the project to delivery within the Government timescale.</p> <p>Project outcomes are not achieved - or outcomes reduce from the impacts of Covid19.</p> <p>Projects do not give recognition to Coast to Capital for their grant award</p> <p>Poor delivery or fund expending rates jeopardises future funding</p> <p>Quality of delivery on ground substandard because of network of remote workers do not follow procedures, or exhibit CZC behaviours, values</p> <p>Project failure</p> <p>Local Authorities financial position creates uncertainty around matched funding, creating delays or changes to the project scope.</p>	AM	12	<p>Careful monitoring of projects</p> <p>Audit Programme in place</p> <p>Regular contact with Delivery Bodies - increased engagement, including AM conducting regular calls with Local Authorities CE. Regular calling to account of Delivery Bodies</p> <p>Accountable Body oversight on all financial claims</p> <p>Quality risk management process and role of Investment Committee.</p> <p>Appropriate project selection processes</p> <p>Project quarterly monitoring to gain sufficient understanding on project spend and delivery timescales/delays.</p> <p>Early initiation of High risk monitoring protocol and funding withdrawal protocol to get projects back on track.</p>	12	<p>To continue engaging with all live LGF projects to understand the true project delivery/timescale.</p> <p>To review the monitoring of project delivery and outputs up to 2025, with a new RAG rating system based on deviation.</p> <p>To conduct a review on project outcomes in light of Covid19 delays, and where required agree new realistic targets to report to Government.</p> <p>To enter into DOV with projects where output and milestone deviation are agreed by Investment Committee/Investment Team</p>	01 March 2021
5	Legacy of previous management of GPF	<p>Litigation resulting in associated legal costs</p> <p>Reputational impact in adverse press and/or Government sponsoring partner</p> <p>Liabilities to make Loan awards</p> <p>Time consumed by Board members and staff</p>	AM	12	<p>Active monitoring</p> <p>Mitigation action plan</p> <p>Engagement with the Board, Directors, CEO, COO and DMH Stallard.</p> <p>Media handling strategy- Response plan for complex cases</p> <p>Internal controls and checks through the project investment lifecycle</p>	12		

6	Commercially-sensitive personal data breaches, or staff confidentiality	Commercial and personal data breaches including staff confidentiality subject to duty of care to share information Staff not following GDPR legislation Focusing on diversity results in sensitive data mishandling. Contact details for events are used/shared without consent. Use of external consultants could lead to breach of commercial confidentiality and loss of IP - C2C's and others (e.g. Business Cases)	KN	12	Data Protection Policy published. Cyber security issues considered. Data Protection training given to all team members. Data Manager identified and completed training Confidentiality agreements with consultants to be reviewed. GDPR Champions established and well managed. Planned Audit for this financial year of GDPR (Q3/Q4) (KS).	12	Microsoft 365 project (as above). Complete GDPR Audit Management Response once report is received (KN/KS) - 31/03/2021	Ongoing
7	Significant emergency means offices or systems/data not accessible for a prolonged period	Government/PHE advises significant self-quarantine/area lockdown. Major transport disruption IT failure means systems and data not accessible for a prolonged period Building not accessible	KN	12	COVID-19 Business contingency plan developed and implemented Contingency communications plan developed and implemented General contingency plan under review. Cloud system project planned. Contingency Plan regularly reviewed following learnings of Covid-19	12		
8	The European Structural Investment Fund strategy does not result in significant investment or impact for the area	Pipeline projects are withdrawn, rejected or not contracted by the deadline date, particularly as a result of COVID-19 The remaining central pot of ESIF has little or no impact locally, especially failure to support recovery from the impact of COVID-19 Existing ESIF projects fail to support the recovery from the impact of COVID-19 Inflexibility of ESF application and appraisal processes delay future ESF projects meaning delivery is too late to respond to the impacts of COVID-19 or projects do not have sufficient time to deliver by deadline of December 2023	MB	12	Maintain regular contact with DWP and CLG regarding all pipeline and impact of existing projects (MB, MH) Support ESIF Sub-committee to influence progression of projects in the pipeline (MB, CW, MH) Launch of Calls under the ESF reserve fund for projects that will support recovery from COVID-19 impact (CW, MB)	9		
9	Enterprise Adviser Network does not result in significant impact for the area	Enterprise Adviser Network funding is withdrawn by the Careers and Enterprise Company or by the Coast to Capital Board as a result of not achieving annual KPIs Staff capacity issues resulting from illness or lockdown personal circumstances mean that the team is under-resourced and unable to meet KPIs Schools/Colleges within the Network do not meet Gatsby Benchmark 5 and/or 6 which will impact on the teams ability to meet KPIs - currently this could be due to schools and/or parents reluctance for students to engage with virtual work experience Schools/Colleges within the Network are not able to commit to careers and the EAN programme as it isn't a priority Schools/Colleges are gradually reopening however will be working at reduced capacity and careers is unlikely to be a priority which will impact the team's ability to meet KPIs Enterprise Advisers and Schools/Colleges within the Network do not give favourable feedback in the annual satisfaction surveys (70% or higher) which will result in not meeting KPIs COVID-19 prevents businesses undertaking employer engagement activities with schools operating under lockdown/social distancing measures. Virtual employer engagement opportunities offered but may not be taken up by schools. These factors will affect the teams ability to meet KPIs Reputational impact due to loss of goodwill and relationships with businesses and schools/colleges within the network	MB	12	Ensure all EC's objectives include KPIs which are monitored on a monthly basis at 1:1 meetings with EAN and Careers Hub lead (CW) Put in place contingency plans should the team find itself under-resourced on a short, medium or long term basis (LM) EC team supporting schools with completion of Compass reporting to ensure accurate and consistent recording of achievements against benchmarks / KPIs (LM) Request schools/colleges share their Compass reports with EAN team at the end of each term (LM) Continuous review of Compass tracking spreadsheet which enables EC to monitor individual schools and areas (LM) Regular communication with schools regarding current operational status and resources, including virtual employer engagement, to enable continuation of careers activities including intelligence gathering regarding recovery plans with individual schools (LM) Help to provide virtual careers activities to reach students (LM) Planning for EC's for the remainder of the academic year for virtual project and activity delivery (LM) Regular communication with CEC regional lead regarding operational impact of COVID-19 on EAN KPIs, including update on schools/colleges commitment to careers (CW) Prioritise communications with businesses and schools/colleges within the network to ensure information is received in a coordinated way, including the use of Padlet and reducing frequency of e-mails (LM)	9	Review resource contingency plan to ensure personal lockdown circumstances are accounted for	31st March 2021
10	Under utilised Growing Places funds	Funds re-deployed during COVID-19 crisis and increase in non-performance of loans due to COVID19 impacts future income for the business.	AM	12	Upcoming GPF meeting to discuss strategy on utilising remaining funds. Implementation of strategy following decision to enable income generation. Work with portfolio companies to regenerate their businesses post Covid19 and back on track with capital repayments and interest payments. Discuss possible 'top up' internally/externally	90		

11	Grant Recipients may not be able to fully meet the terms of their Funding Agreement (with prior warning) creating sub-optimal results	<p>Delivery Bodies seek to change project scope and will require prior approval of Investment Committee and/or Board.</p> <p>Delivery Bodies are struggling to spend Local Growth Funding to the agreed spend profile and have requested a spend profile amendment. This will be even more so due to COVID- 19.</p> <p>Project outcomes are delivered slower, or are under-achieved.</p> <p>Projects do not always give recognition to Coast to Capital for their grant award</p> <p>Poor delivery or fund expending rates jeopardises future funding</p> <p>Quality of delivery on ground substandard because of network of remote workers do not follow procedures, or exhibit C2C behaviours, values</p> <p>Project failure</p>	AM	12	<p>Careful monitoring of projects.</p> <p>Audit Programme in place</p> <p>Regular contact with Delivery Bodies & calling to account of Delivery Bodies</p> <p>Accountable Body oversight on all financial claims</p> <p>Quality risk management process and role of Investment Committee.</p> <p>Appropriate project selection processes</p> <p>Engagement with BEIS around flexibility of spending deadlines.</p> <p>Early initiation of High risk monitoring protocol and funding withdrawal protocol to get projects back on track.</p>	9	<p>To continue engaging with all live LGF projects to understand the true project delivery/timescale.</p> <p>To review the monitoring of project delivery and outputs up to 2025, with a new RAG rating system based on deviation.</p> <p>Letters being sent to 'high risk' projects as part of the withdrawal protocol.</p> <p>Engaging with SELEP and the London LEP regarding the handover of projects</p> <p>To enter into DOV with projects where output and milestone deviation are agreed by Investment Committee/Investment Team</p>
12	Adverse publicity as a result of investment decisions in contentious projects	<p>Negative press in relation to Local Growth Fund or Getting Building Fund awards</p> <p>Risk of Judicial Review that could potentially cause reputational damage of the LEP</p> <p>Risk of negative publicity and legal action if projects enter funding withdrawal protocol.</p> <p>Risk of negative publicity if one of the GBF projects is not funded following FBC scrutiny.</p>	AM	12	<p>Media handling arrangements in place for complex projects (KN).</p> <p>Regular monitoring and reporting to BEIS on all projects including those which pose risk.</p> <p>Working closely with all delivery partners to ensure LGF/GBF money can be utilised..</p>	9	
13	The Careers Hub does not result in significant impact for the area	<p>Careers Hub funding is withdrawn by the Careers and Enterprise Company or by the Coast to Capital Board as a result of not achieving annual KPIs</p> <p>Staff capacity issues resulting from illness or personal lockdown circumstances mean that the team is under-resourced and/or unable to meet KPIs</p> <p>Schools/Colleges within the Careers Hub do not meet Gatsby Benchmarks which will impact on the teams ability to meet KPIs - currently this could be due to schools and/or parents reluctance for students to engage with virtual work experience</p> <p>Schools/Colleges within the Careers Hub are not able to commit to careers and the Careers Hub as it isn't a priority</p> <p>Schools/Colleges are gradually reopening however will be working at reduced capacity and careers is unlikely to be a priority which will impact the team's ability to meet KPIs</p> <p>Lack of support for Careers Hub from stakeholders and partners.</p> <p>Due to pressures of work Careers Hub steering group members are unable to be effective participants</p> <p>Reputational impact due to loss of goodwill and relationships with partners and stakeholders</p> <p>COVID-19 prevents businesses undertaking employer engagement activities with schools operating under lockdown/social distancing measures. Virtual employer engagement opportunities offered but may not be taken up by schools. These factors will affect the teams ability to meet KPIs</p> <p>Cornerstone employers may not have capacity to engage due to the lockdown / business priorities</p>	KT	12	<p>Ensure all EC's objectives include KPIs which are monitored on a monthly basis at 1:1 meetings with EAN and Careers Hub team (CW)</p> <p>Put in place contingency plans should the team find itself under-resourced on a short, medium or long term basis (LM)</p> <p>Request schools/colleges share their Compass reports with EAN team at the end of each term (LM)</p> <p>Continuous review of Compass tracking spreadsheet which enables EC to monitor individual schools and areas (LM)</p> <p>EC team supporting schools with completion of Compass reporting to ensure accurate and consistent recording of achievements against benchmarks / KPIs (LM)</p> <p>Regular communication with Hub schools and colleges to maintain engagement and relationships (LM)</p> <p>Regular and transparent communication with stakeholders and partners (LM)</p> <p>Regular meetings with CEC regional lead, education lead and cornerstone employer lead to take forward activities within the Careers Hub plan (LM/CW)</p> <p>Regular calls with CEC regional lead regarding operational impact of COVID-19 on EAN KPIs, including update on schools/colleges commitment to careers (CW)</p> <p>Ensure effective relationships with steering group members and ensure the steering group has effective terms of reference including realistic actions and outcomes (LM)</p> <p>Maintain good relationships with Cornerstone employers through meetings to keep engagement (LM)</p> <p>List of potential Cornerstone employers reserves (LM)</p> <p>Prioritise communications with businesses and schools/colleges within the network to ensure information is received in a coordinated way, including the use of Padlet and reducing frequency of e-mails (LM)</p>	9	
14	Loss of key staff, Board members and corporate knowledge	<p>Loss of senior team member.</p> <p>Senior team member needs to take time out of the business for a period of time, or multiple members of the SMT are off sick, or multiple key members of the team.</p> <p>Loss of investment background and decision making (team and Board)</p> <p>Loss of positive relationships with key Board members.</p> <p>Cost and effectiveness of recruitment</p> <p>Loss of key staff member with poor handover of knowledge</p> <p>New Board members take time to acclimatise</p>	KN	16	<p>Board succession planning in place.</p> <p>Board induction process in place.</p> <p>Chair appointed and in post.</p> <p>Staff succession planning in development.</p> <p>Approach to recruitment under review.</p> <p>Deputising and prioritisation of roles under different scenarios agreed by SMT.</p> <p>Deputising and delegation information updated and saved centrally..</p> <p>SMT ongoing review of resource pressure.</p>	8	

15	Delivery of Stronger Smarter Greener (SSG) does not result in significant investment or impact for the area	<p>COVID-19 is causing re-prioritisation internally and from partners including Government which may affect capacity to engage with Coast to Capital on upcoming projects.</p> <p>If Government review of the UK Industrial Strategy creates the need for us to produce an alternative economic plan, such as a LIS or other form of recovery plan, there would be a lack of capacity due to a prioritisation and focus on implementation of SSG.</p> <p>Government requests for prioritised projects with business cases in response to COVID-19 (e.g. July MHCLG call for projects) does not align with the transformational projects identified in SSG.</p> <p>Fiscal events (e.g. Budget Statement) do not provide funding for projects prioritised through the SSG plan.</p> <p>Lack of buy-in for SSG plan from stakeholders and partners.</p> <p>Failure to develop successful business cases for SSG pipeline projects resulting in no investment</p>	KT	12	<p>We have published a full COVID-19 Economic Impact Assessment for the area, in addition to our extensive LIS evidence base.</p> <p>Collect business intelligence and evidence of economic impact of COVID-19 to inform economic recovery, i.e. quarterly reporting of COVID-19 Economic Impact Dashboard (MR)</p> <p>We have published Stronger, Smarter, Greener (SSG) as an investment plan for COVID-19 recovery and transformational productivity growth (KT)</p> <p>Using our networks and influence to pre-empt continuing changes to Government policy for regional economic growth and devolution and demonstrate strong transformational leadership, i.e. SSG delivery (Board/SMT)</p> <p>Continued consultation and engagement and co-creation with partners on SSG programme development and delivery, i.e. third party project pipeline (KT, MW, MR)</p> <p>SRO informs and involves the Board in SSG development and implementation (JS/KT)</p> <p>Ensure creation and embedding of appropriate governance arrangements including the establishment of an Investment Committee - Sub Committee and Integrated Programme Office. (JS)</p> <p>Ensure sufficient capacity, resource and expert advice to deliver the agreed SSG project pipeline. Additional staff and agency resource and experts needs to be identified and kept under review (KT)</p> <p>Interact regularly with the programme office to ensure compliance (MR)</p> <p>Funding for SSG implementation is kept under constant review. Future funding requests to be made to SRO (KT)</p> <p>Agency resource to be kept under review (KT)</p>	8	<p>Creation and embedding of new governance arrangements for SSG programme control and delivery, i.e. investment committee sub-committee and IPO</p> <p>Request to use LGF underspend on SSG pipeline development</p> <p>Covid-19 economic impact dashboard covering January - March 2021 data published</p> <p>Begin ongoing tracking all other possible sources of funding to deliver SSG</p>	<p>31st March 2021</p> <p>31st March 2021</p> <p>7th May 2021</p> <p>31st March 2021</p>
16	Breakdown of internal control and/or approval processes leads to errors, fraud, complaints, litigation or employment tribunal	<p>Litigation resulting in associated legal costs, reputation risk and staff time consumed</p> <p>Decisions inappropriately taken (e.g. not proper authority, conflicted, badly advised)</p> <p>Rogue employee</p> <p>Complaint, FOI or Whistleblowing, absorbs staff and Board time and potential to damage reputation</p> <p>HR Function is external & not so close to organisational issues therefore may not be able to advise effectively on our processes.</p> <p>Accountable Body not delivering adequate service</p>	KN	12	<p>Internal controls, checks, risk management and audit for LGF investment lifecycle. Strong and Robust Investment Committee in operation.</p> <p>Fully compliant Assurance Framework which details decision making processes annually reviewed.</p> <p>Media handling arrangements in place for complex cases including GFP.</p> <p>Robust Complaint Policy and Whistleblowing Policy in place.</p> <p>Employee handbook launched on 1 January 2020. Strong contract management in place with SME Adviser.</p> <p>Strong contract management with Accountable Body. Delegation of Authority confirmed for Lis.</p> <p>Financial process contingency in place including sign off and payments. Delegation of Authority determined.</p> <p>Audit Plan 2020/21 agreed by Audit Committee.</p> <p>Risk Policy updated and risk appetite confirmed.</p> <p>Procurement Policy approved and implemented.</p>	8	<p>Deliver Governance Review and approve updated Assurance Framework. (KN) 29/04/2021</p> <p>Deliver Audit Plan 2020/21. (KN)</p> <p>Approve Audit Plan 2021/22. (KN) 25/02/2021</p> <p>Guidance to be issued on use of e-signatures process/principles across organisation (JD). - 23/02/2021.</p> <p>Agree process for contracts and create templates (KE/ND/DS) - 25/02/2021</p>	Ongoing
17	Health and safety breach causing actual or potential impact on employees or the organisation.	<p>Health and safety of lone workers not addressed</p> <p>Employees health and safety outside of the office not addressed</p> <p>Occupational Health requirements not met</p> <p>Health and safety of employees not addressed in the office trial</p>	KN	12	<p>Annual Health and Safety assessment undertaken.</p> <p>New Health and Safety Policy introduced including policy for lone working. (Policy to be reviewed annually)</p> <p>Fire safety assessment undertaken and majority of requirements met. Regular fire alarm test are underway and plans for an evacuation drill are in place (on hold during office closure). Fire marshals are fully briefed on their responsibilities.</p> <p>Health and Safety WFH forms completed by all staff.</p> <p>Existing insurance cover confirmed as adequate for remote working (90 day check).</p> <p>Mental Health 'Three Month Plan' in place and reviewed on an ongoing basis.</p> <p>COVID-19 Secure office risk assessment completed for office trial and shared with Board.</p>	8	<p>Additional DSE advice to be issued in March by new health and safety advisor. (KS), - 31/03/2021</p> <p>Undertake internal comms audit and respond to results. (JD) - 31/03/2021.</p> <p>Implement mental health training for managers. (KS/KN) - 30/6/2021</p> <p>Complete implementation of Office 365 across the business to provide further tech support. (KS/KN) - 15/03/2021</p> <p>Review DBA report to identify further actions that can be taken for staff diversity (KS/KN) - 30/04/2021</p>	Ongoing
18	Risk to businesses associated with new relationship with the European Union	<p>Increased demand on the Growth Hub from businesses seeking support that cannot be met.</p> <p>Potential economic downturn and the impact on businesses compounded by COVID-19.</p> <p>The area experiencing economic shocks through lower demand, higher costs and barriers to trade, e.g. business failures compounded by COVID-19</p> <p>Logistical issues and strains placed upon critical infrastructure.</p> <p>New soft barriers to trade such as increased documentation requirements.</p> <p>Lower resilience to increased costs for businesses compounded by COVID-19 and weaker reserves</p>	MB	12	<p>New funding acquired to deliver increased support post-transition.</p> <p>Increase business resilience and planning support - focusing on sectors at greatest risk.</p> <p>Implementing enhanced support activity and engaging with stakeholders, including LAs, membership organisations and other support agencies including DIT.</p> <p>Brexit deal has removed uncertainty for many businesses</p> <p>Support business to plan for different supply chain scenarios, including alternate suppliers for importers.</p>	6	<p>Keep up to date with developments and keep businesses advised of support available.</p> <p>Ensure the team are trained to support businesses with resilience related issues. Ensure businesses are engaged with to identify issues and provide support and signposting to address them</p> <p>Increase the level of communications with businesses through the use of newsletter, emails, workshops and social media linking with the new Government campaign. Work with partners to deliver EU Transition related support. Reallocate resources to increase front line support. Bid for additional funding if the opportunity arises.</p> <p>BID to be submitted on 6 January 2021 for more Post Brexit support</p>	Completed and ongoing

19	Funding support for sub-optimal projects, and or sub-optimal decisions being taken	<p>Scope change of projects, where projects are past the point of no return. Scope changes due to COVID- 19 - what is the LEP willing to accept.</p> <p>Tied to government & public sector funding rules (LGF spend by March 2021, GBF by March 2022)</p> <p>Lack of funding to enable high quality projects to deliver</p> <p>Challenging political influences</p> <p>Poor value for money achieved on investments</p> <p>Getting Building Fund projects are not successful at Full Business Case stage leading to reputational damage.</p>	AM	12	<p>Value for Money policy to be worked up to ensure only suitable future projects are funded. (CG)</p> <p>Continuous review at the Investment Committee in relation to project scope and delivery:</p> <p>Utilising flexibilities allowed as per Government guidance</p> <p>Using third party consultants to conduct thorough due-diligence on future investments to help make decisions, and to assist with proper prioritisation.</p> <p>Specific clauses and conditions within Covid19 grant agreements for protection of funds.</p>	6	
20	Financial impropriety of beneficiaries - loans and grants	<p>Grant recipients not spending funds against the agreed project and/or funding agreement.</p> <p>Fraud</p> <p>Loan recipients not spending funds in accordance with the Loan agreement</p> <p>Incorrect accounting treatment meaning Grant funding is spent on revenue instead of capital</p> <p>COVID- 19 grant fund administered without sufficient due-diligence leading to fraud.</p>	AM	12	<p>Detailed funding agreements/contracts, including clauses to 'clawback' funds if required.</p> <p>Due diligence on application process.</p> <p>In project monitoring against contractual commitments.</p> <p>Quick and early action taken to mitigate or deal with impropriety.</p> <p>Developed a stronger funding agreement template, with more robust clauses.</p>	6	
21	Lack of resources, prevents delivery, inhibits growth, or reduces morale	<p>Teams are not able to meet stretching objectives, and are not resilient to staff absence/ peaks of work. Delay in corporate projects because of peaks in demand</p> <p>Resources are limited, so unable to respond to increases in demand. Staff unable to complete all aspects of complex tasks.</p> <p>Limitation on staff rewards, talent management, investment in staff leads to poor staff retention</p> <p>Staff overloaded leads to decline in morale, well-being, long term sickness, mental and physical health issues.</p>	JS	12	<p>Business planning exercise for 20/21 financial year. Includes budget setting and use of contingency.</p> <p>Reviewing performance management process for 2021 to ensure objectives are clear and system is easy to use.</p> <p>A training programme is in place focusing on management, professional skills, and linking to our Values.</p> <p>CEO to review pay strategy in light of 20-21 budget.</p> <p>Staff welfare policy and wellbeing of staff</p> <p>Prioritisation of key business areas will be implemented in light of the COVID- 19 pandemic, with SMT highlighting key priority areas.</p> <p>CE and Chairmans Committee forum to discuss key business areas.</p>	6	Exco to review and re-prioritise work to ensure that key business needs are addressed.

Coast to Capital Funding Data Infographics

The following slides illustrates how funding from the Backing Business Fund (BBF) and Business Recovery Grant (BRG) have been distributed across the Coast to Capital area. The final section combines both data sets to give an overall picture of funding distribution

Order of Data:

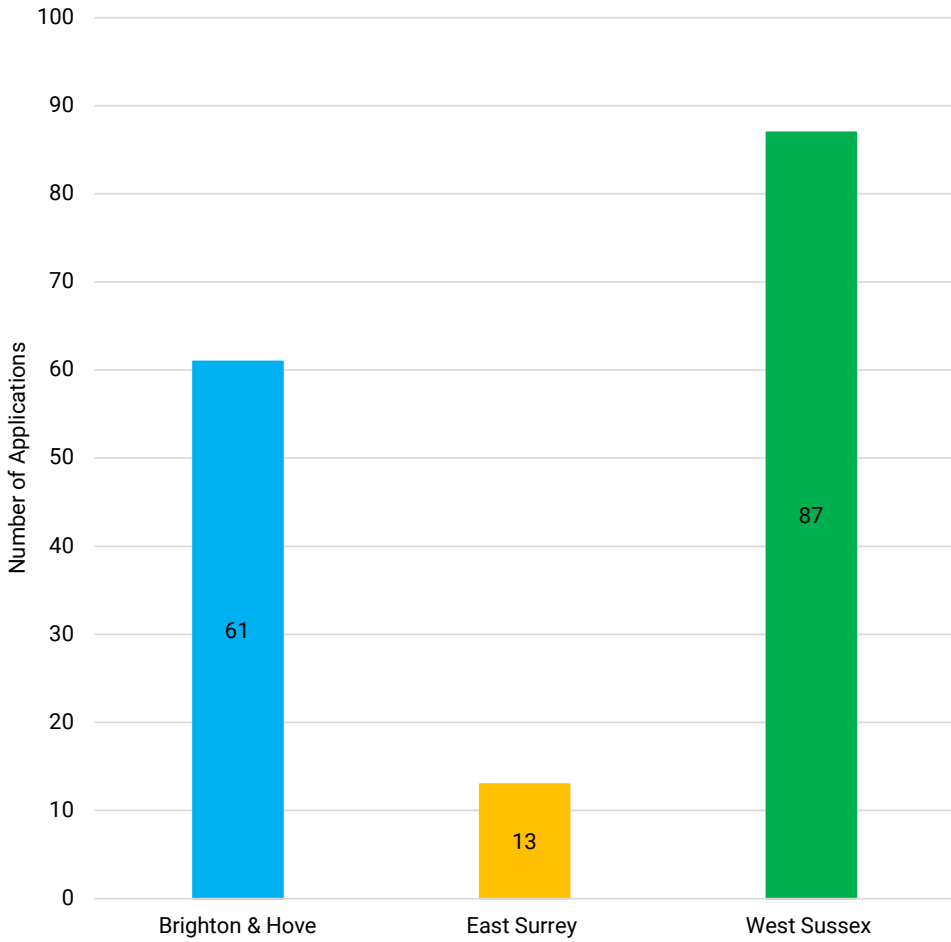
1. Backing Business Grant Data
2. Business Recovery Grant Data
3. Combined Grant Funding Data

1) Backing Business Grant (BBG) Data Infographics

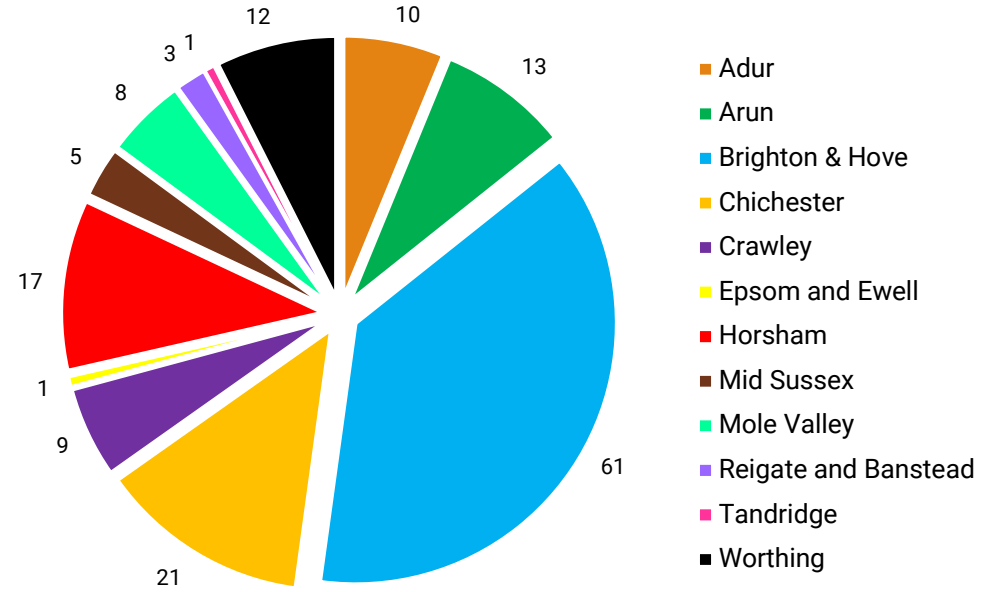
DATA CORRECT AS OF 16/04/2021



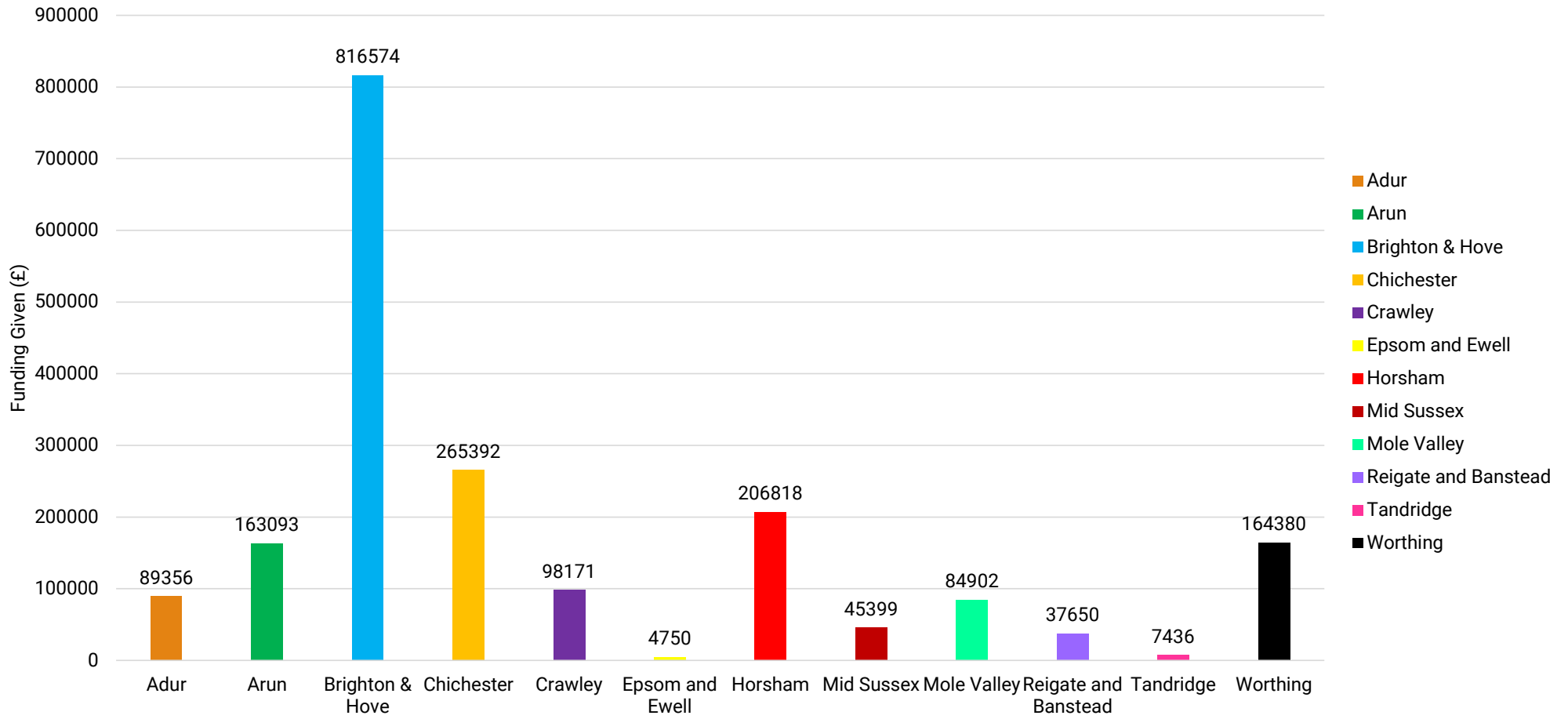
BBG Successful Applications by Upper Tier Authority



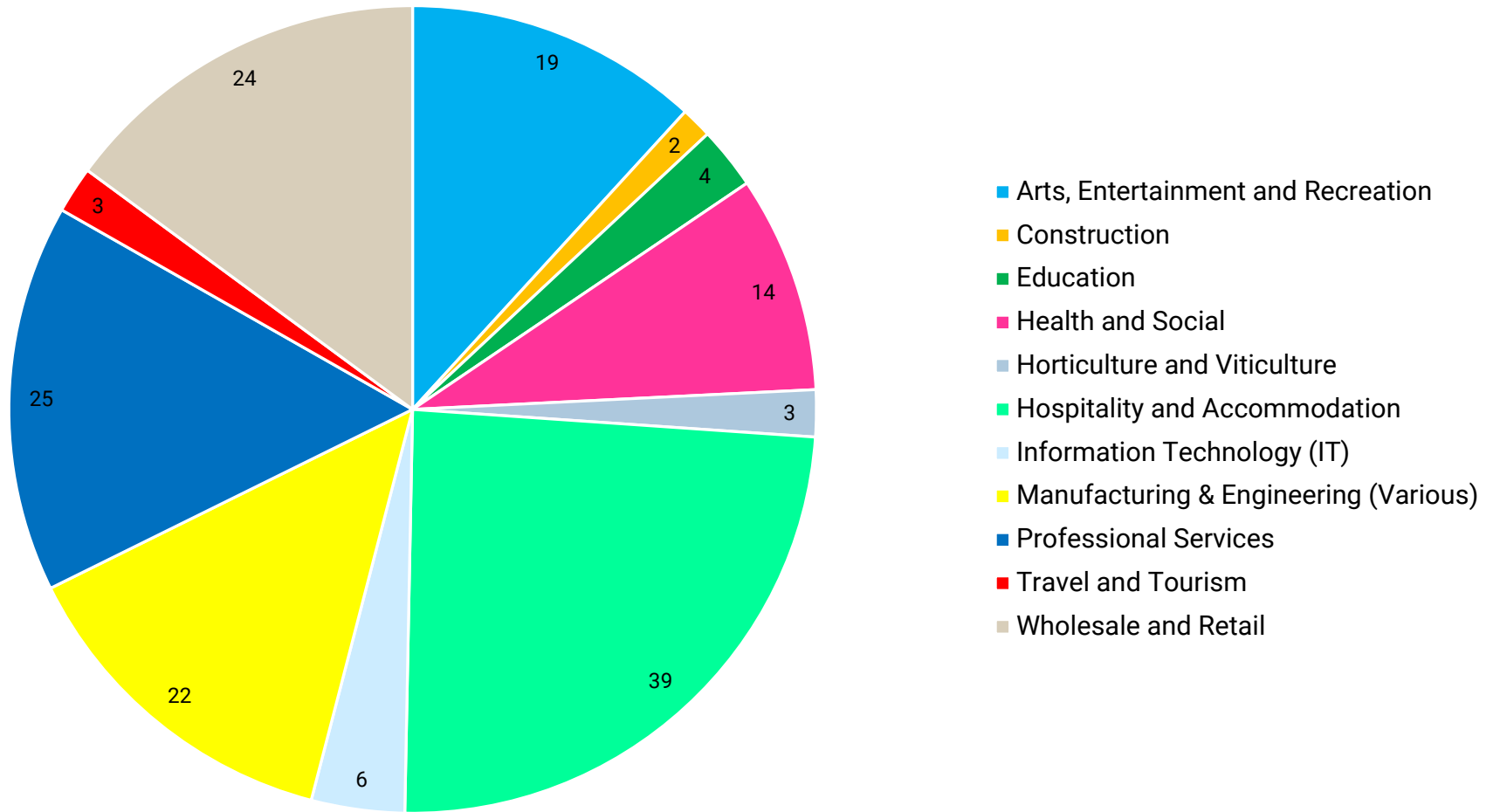
BBG Successful Applications by Local Authority



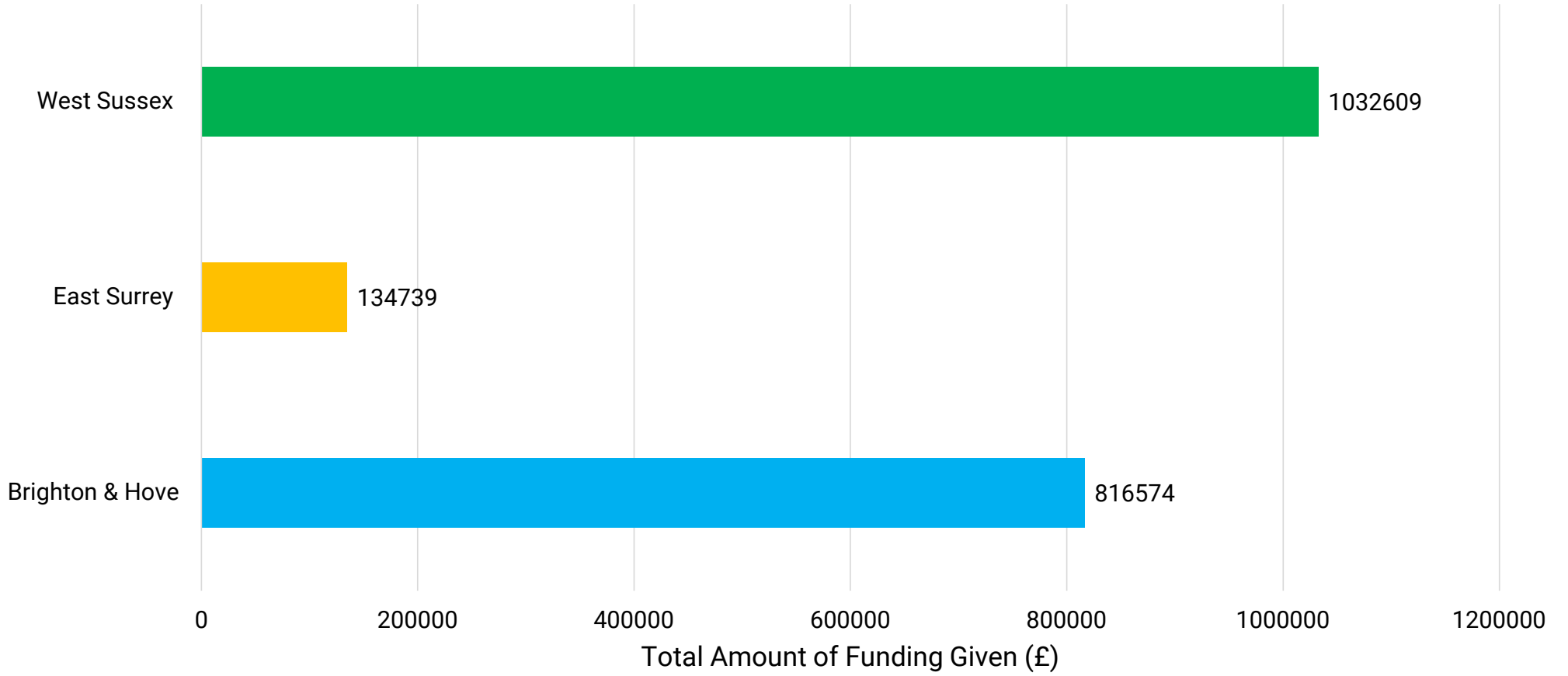
BBG Funding Given by Local Authority Area



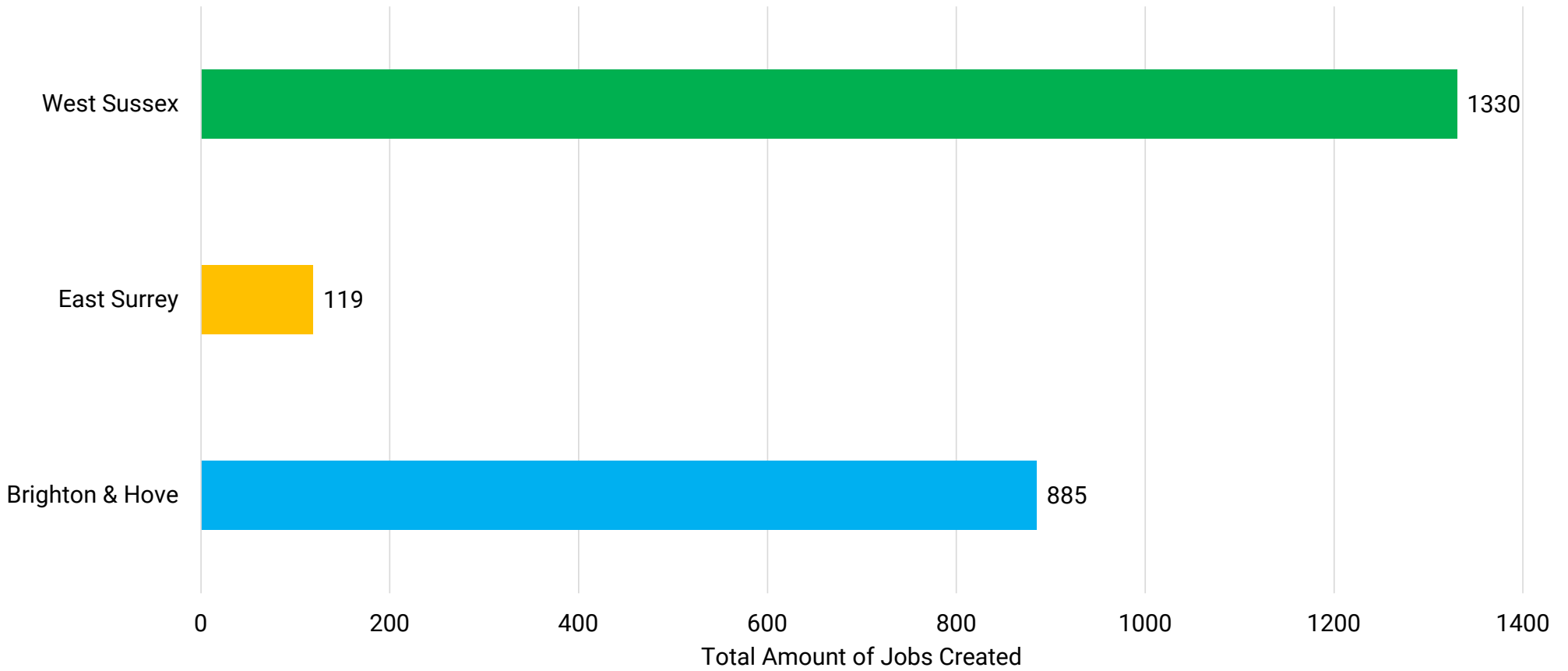
BBG Number of Successful Applications by Sector



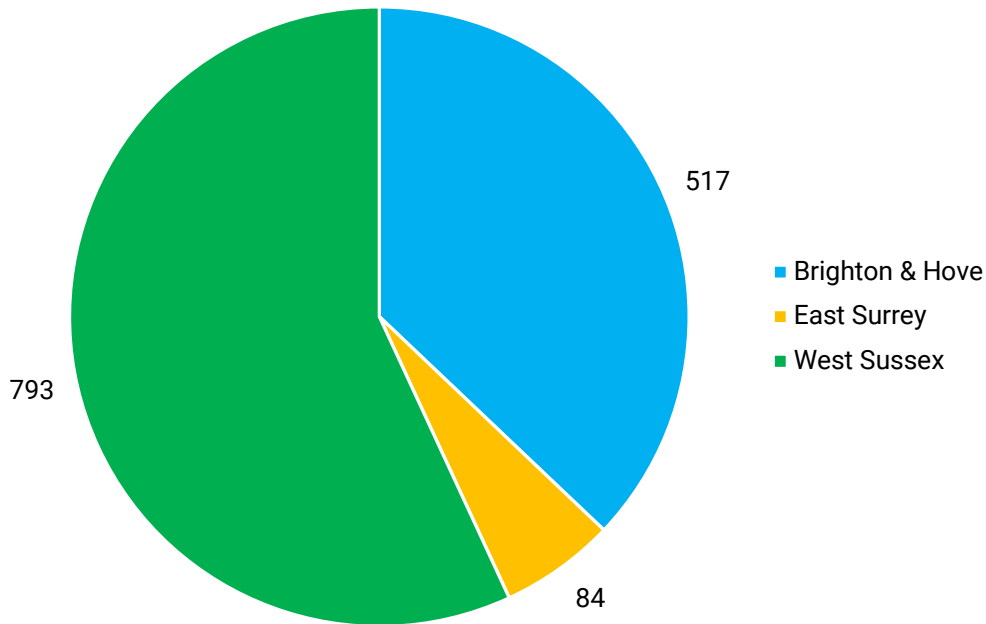
BBG Funding Given by Upper Tier Authority Area



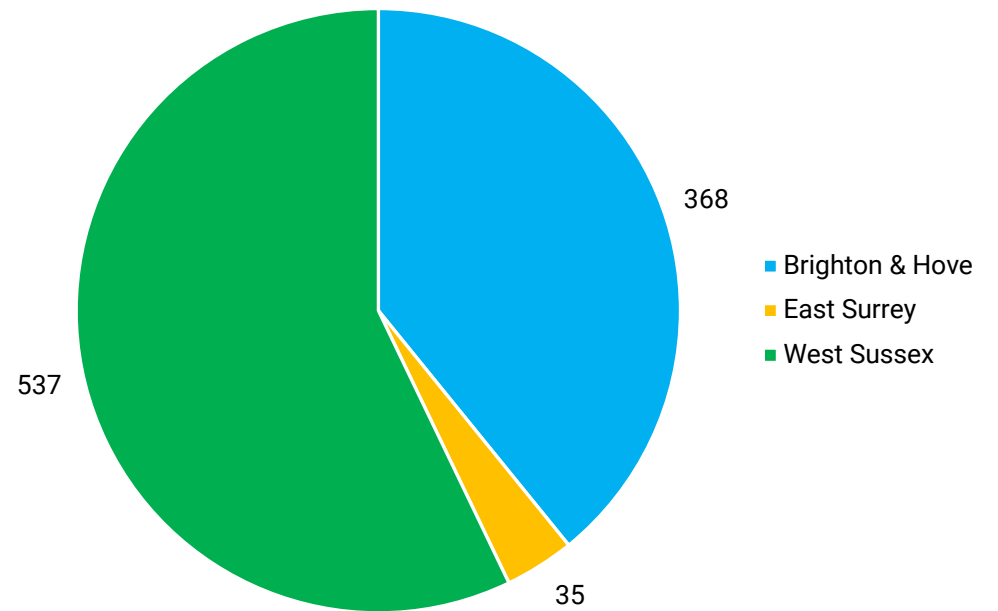
BBG Total Jobs Created/Protected by Upper Tier Authority Area



Total Full Time Jobs Created/Protected by Upper Tier Authority Area



Total Part Time Jobs Created/Protected by Upper Tier Authority Area

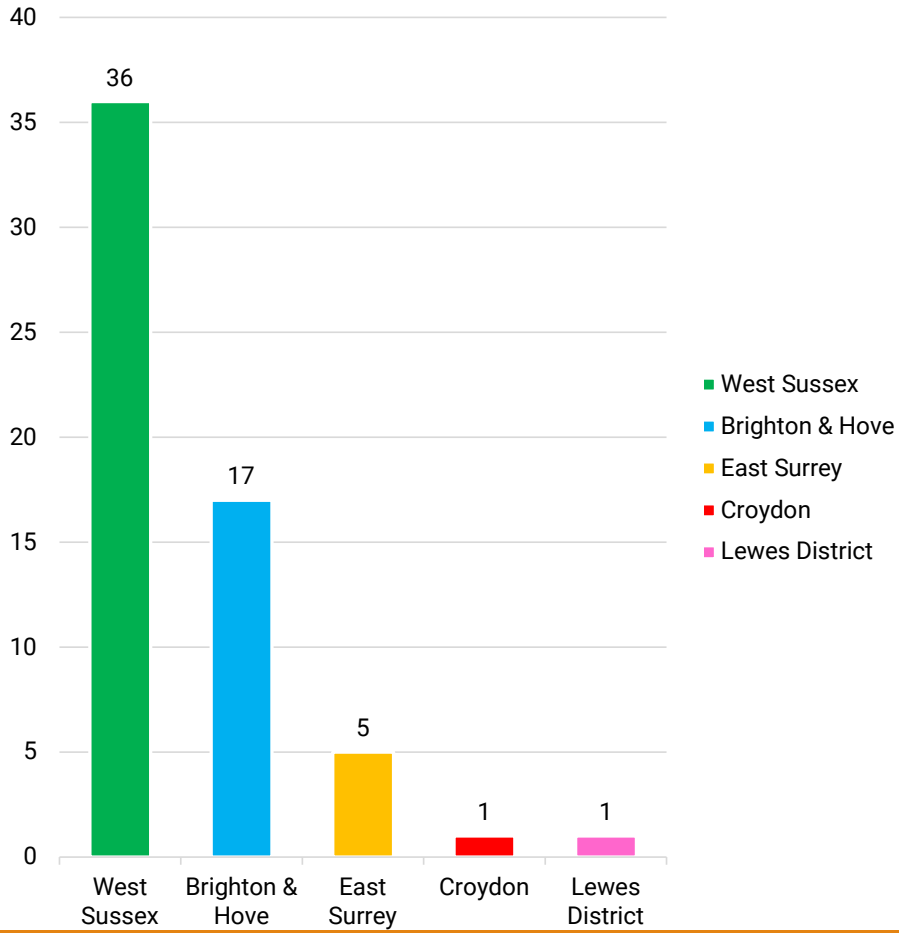


2) Business Recovery Grant (BRG) Data Infographics

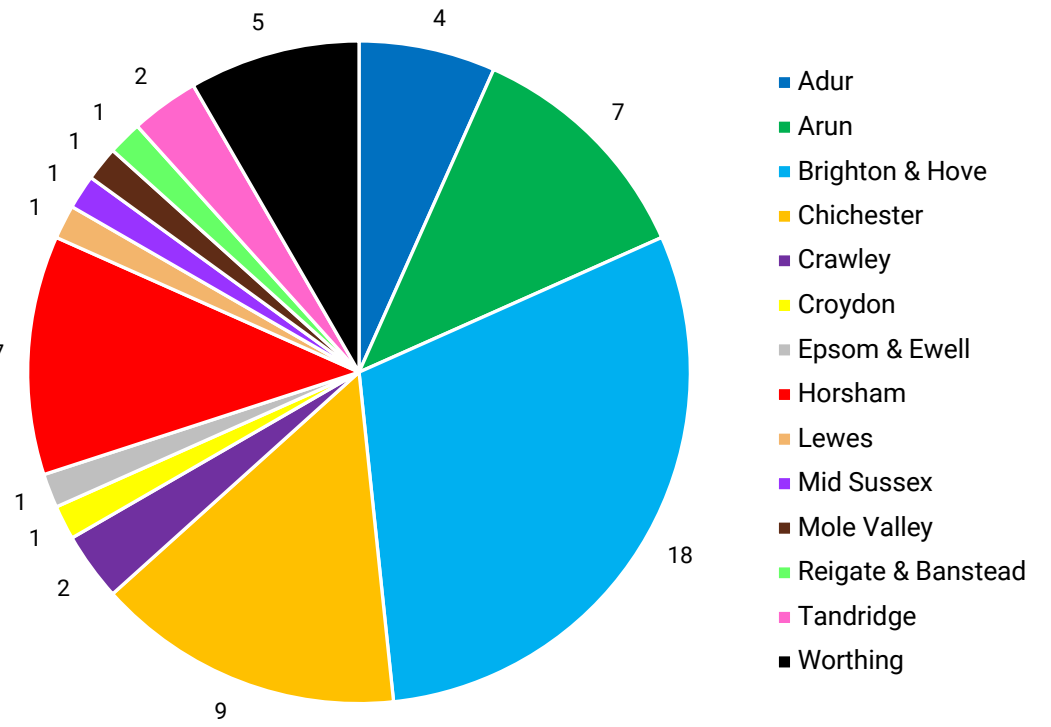
INFORMATION CORRECT AS OF 16/04/21



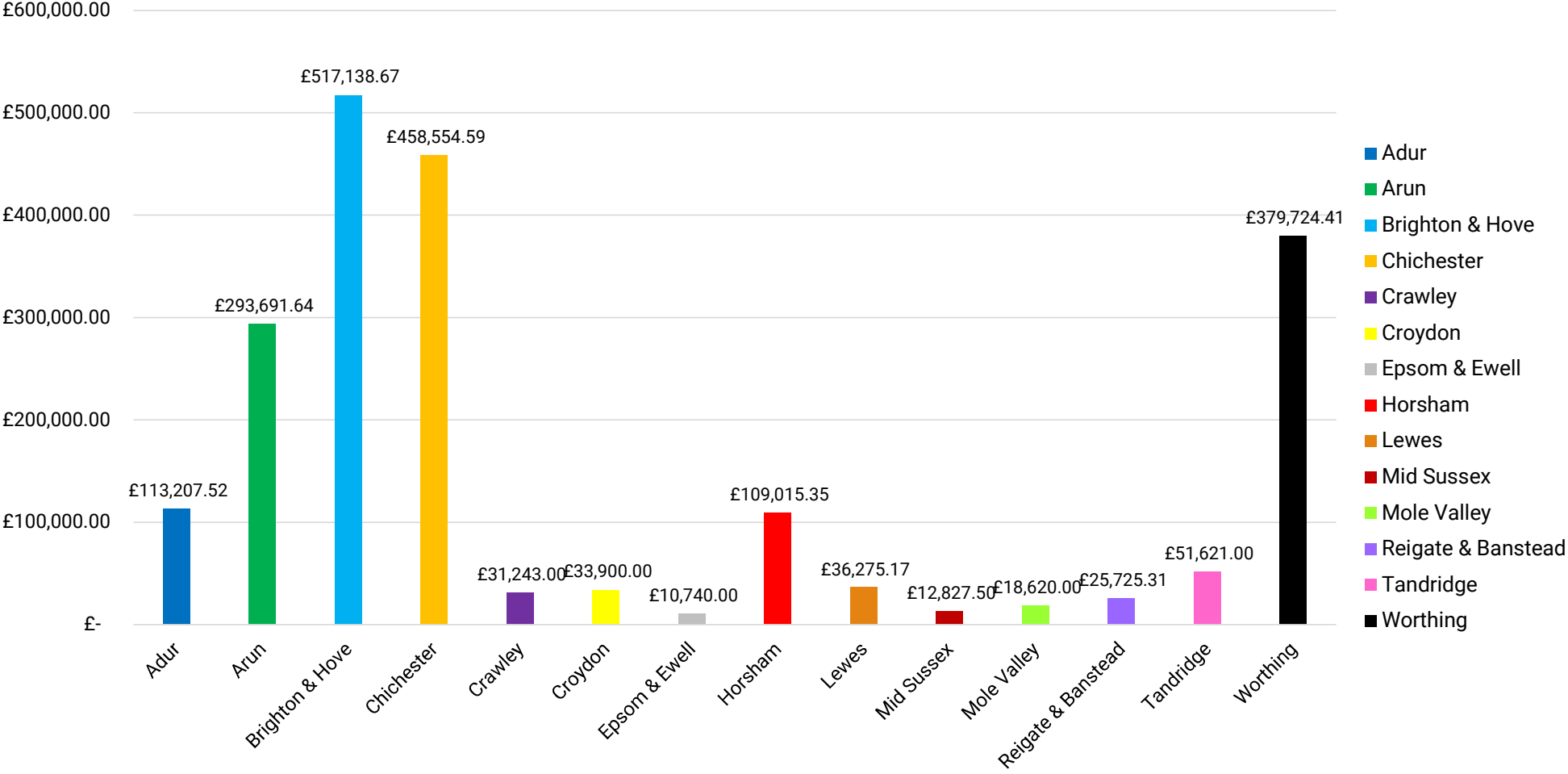
BRG Successful Applications by Upper Tier Authority



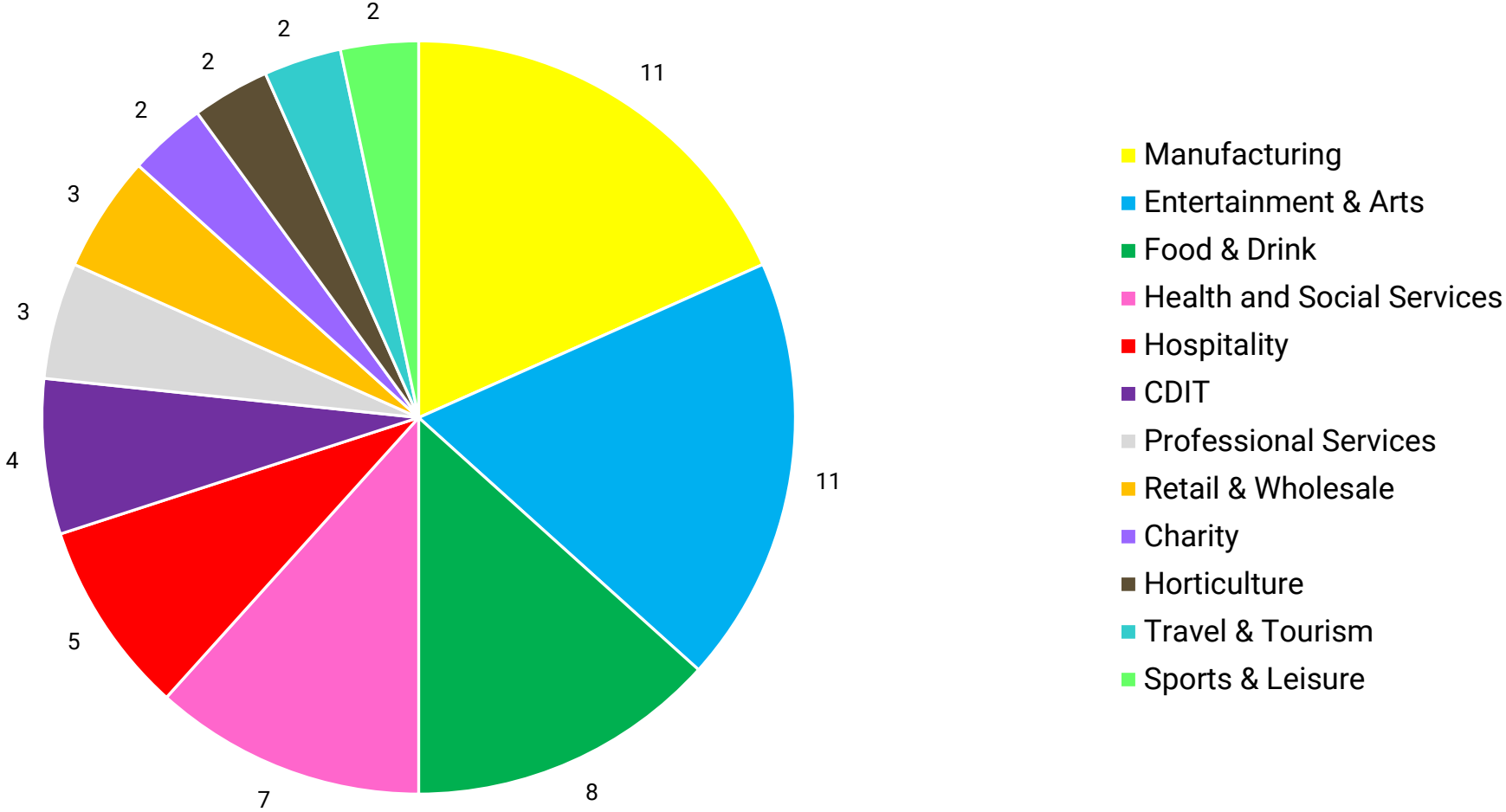
BRG Successful Applications by Local Authority



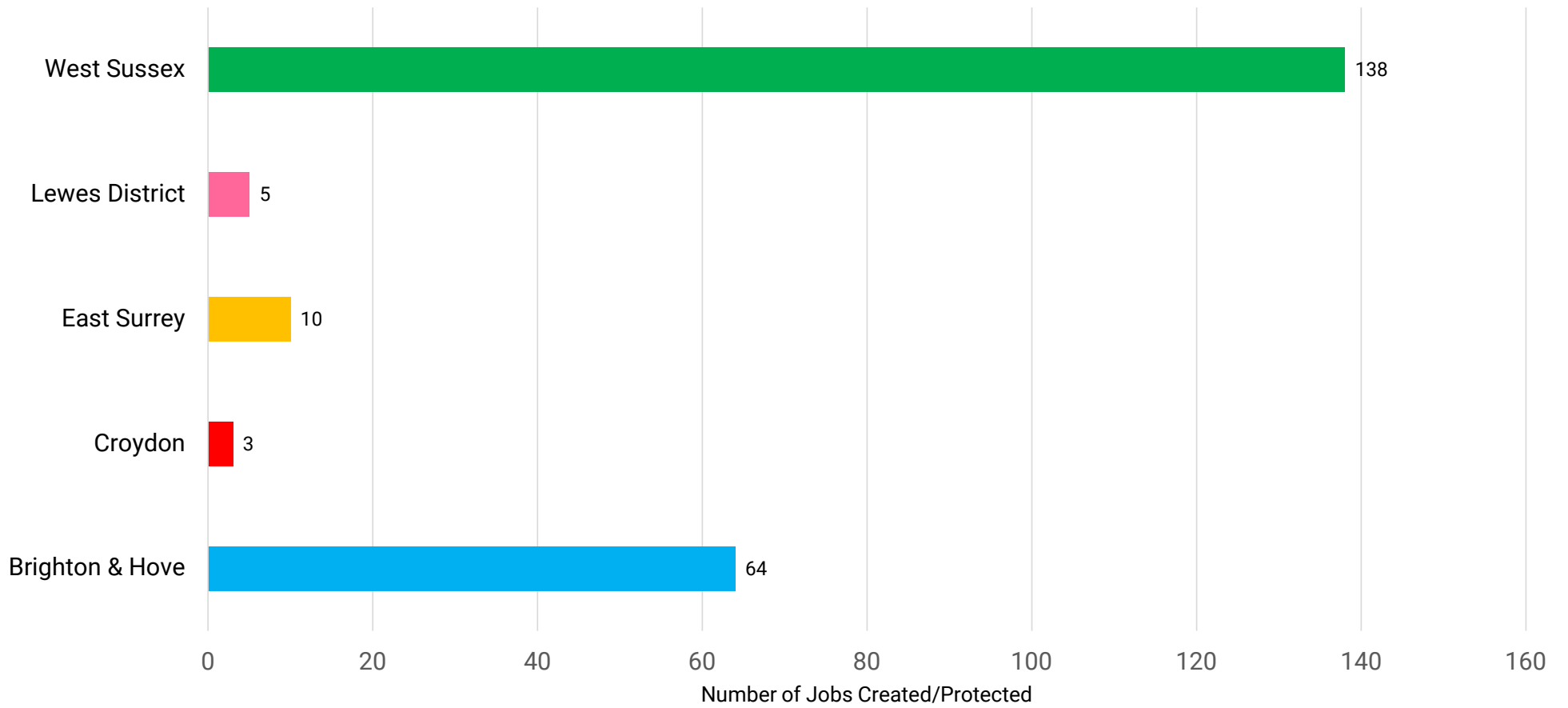
BRG Funding Given by Local Authority Area



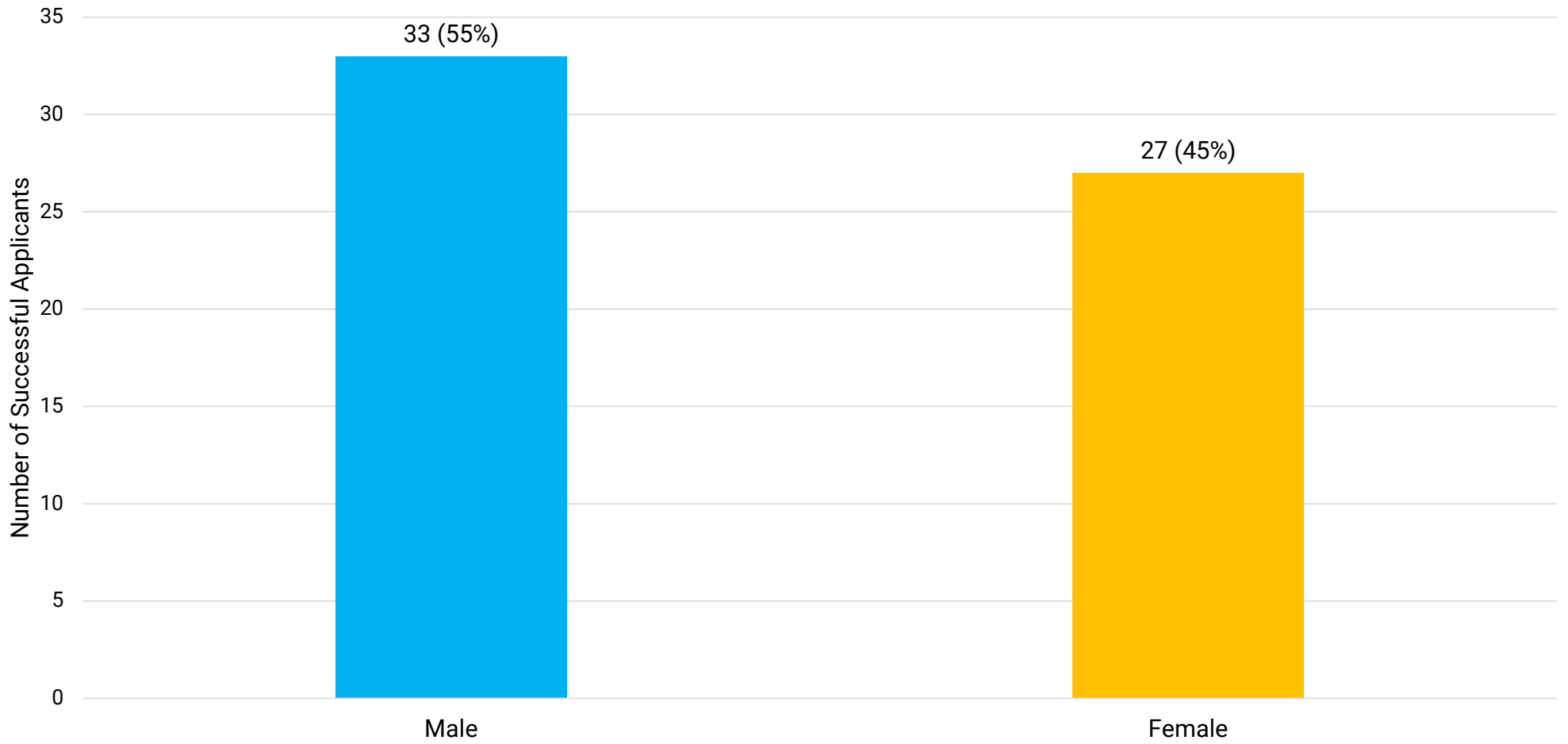
BRG Number of Successful Applicants by Sector



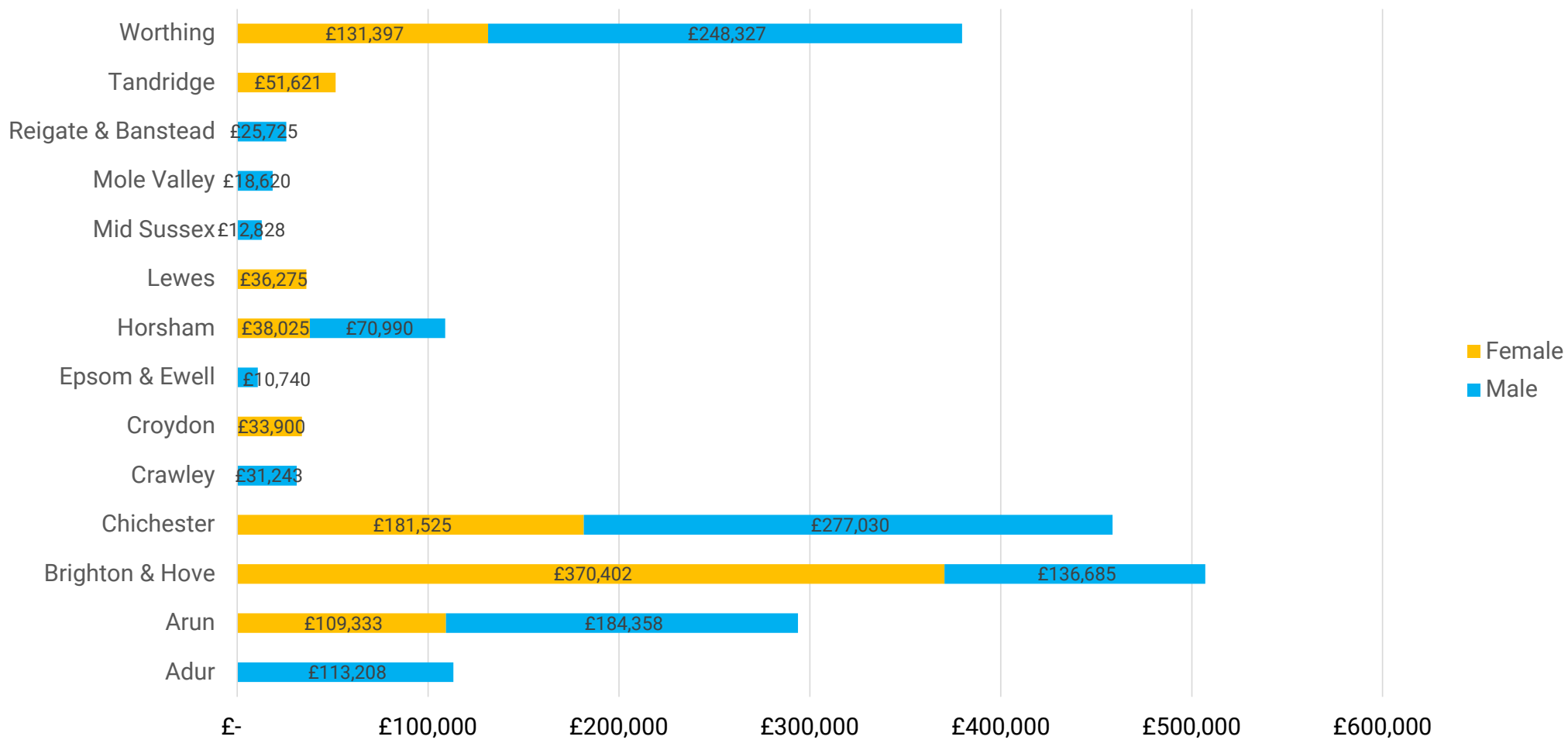
BRG Number of Jobs Created/Protected by Upper Tier Authority



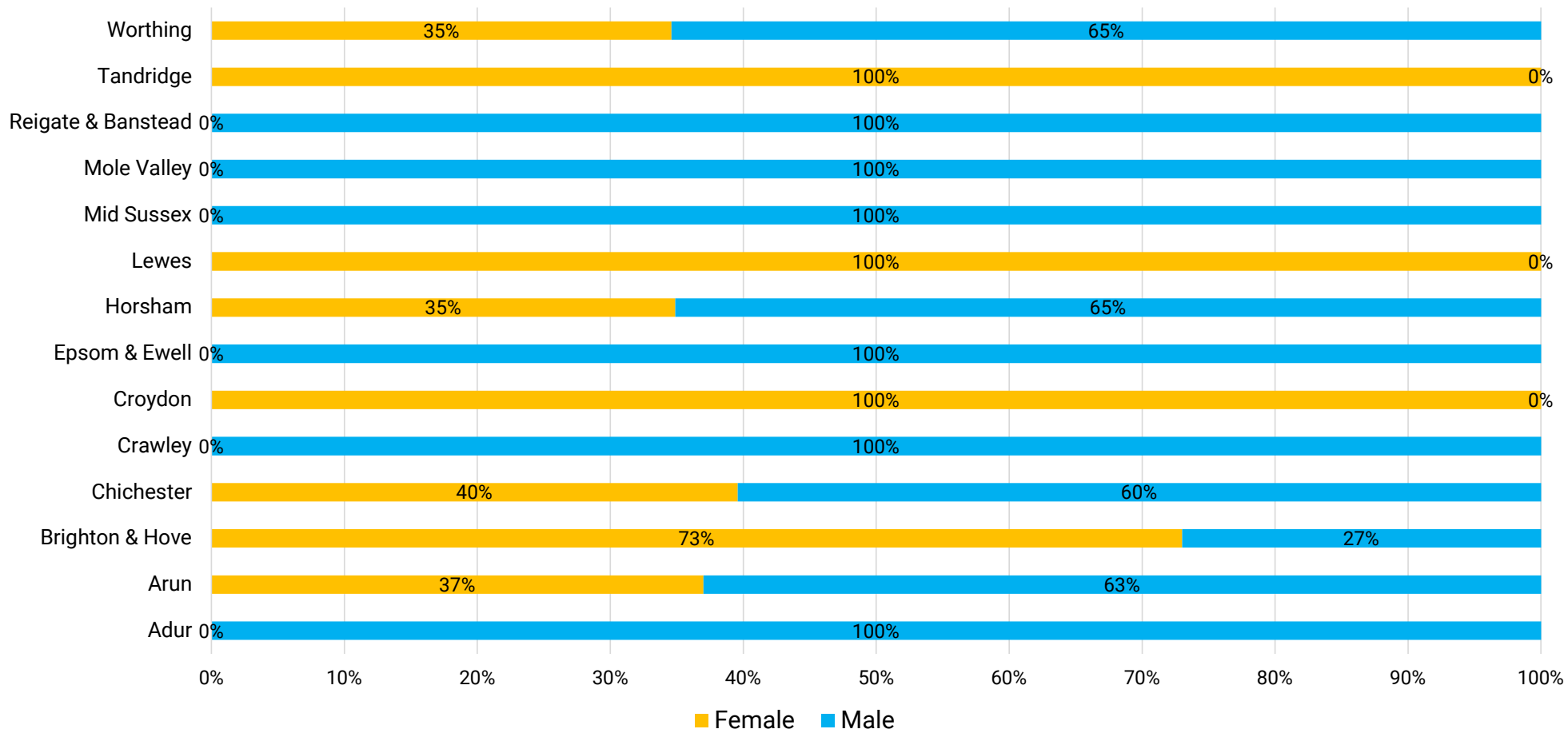
BRG Successful Applications by Gender of Business Owner



BRG Funding Given to Successful Applications by Gender within Local Authorities



BRG Percentage Breakdown of Funding Given by Gender to Successful Applicants



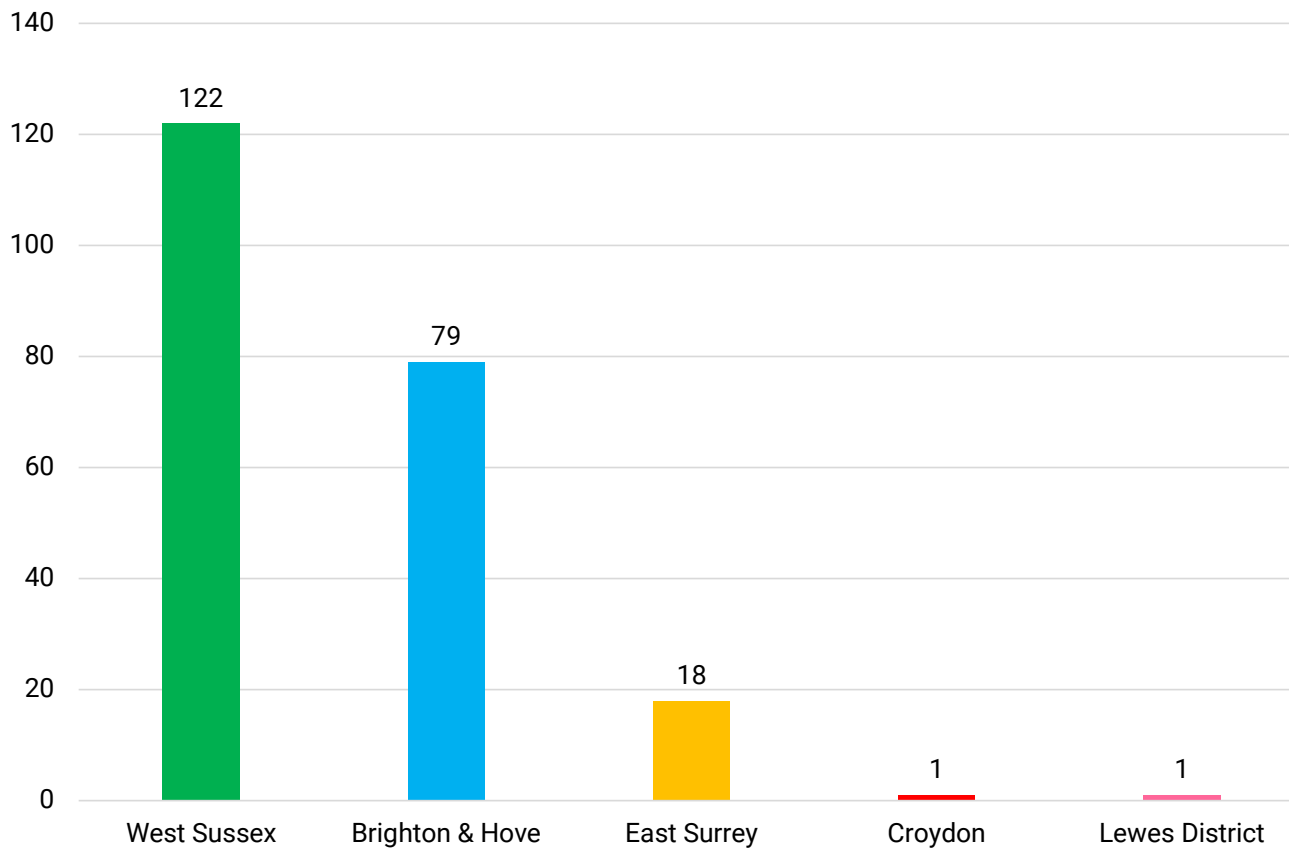
3) Combined Grant Data Infographics (BBF & BRG)

PLEASE NOTE THE FOLLOWING IS BOTH BACKING BUSINESS AND
BUSINESS RECOVERY GRANT DATA COMBINED

DATA CORRECT AS OF 16/04/2021

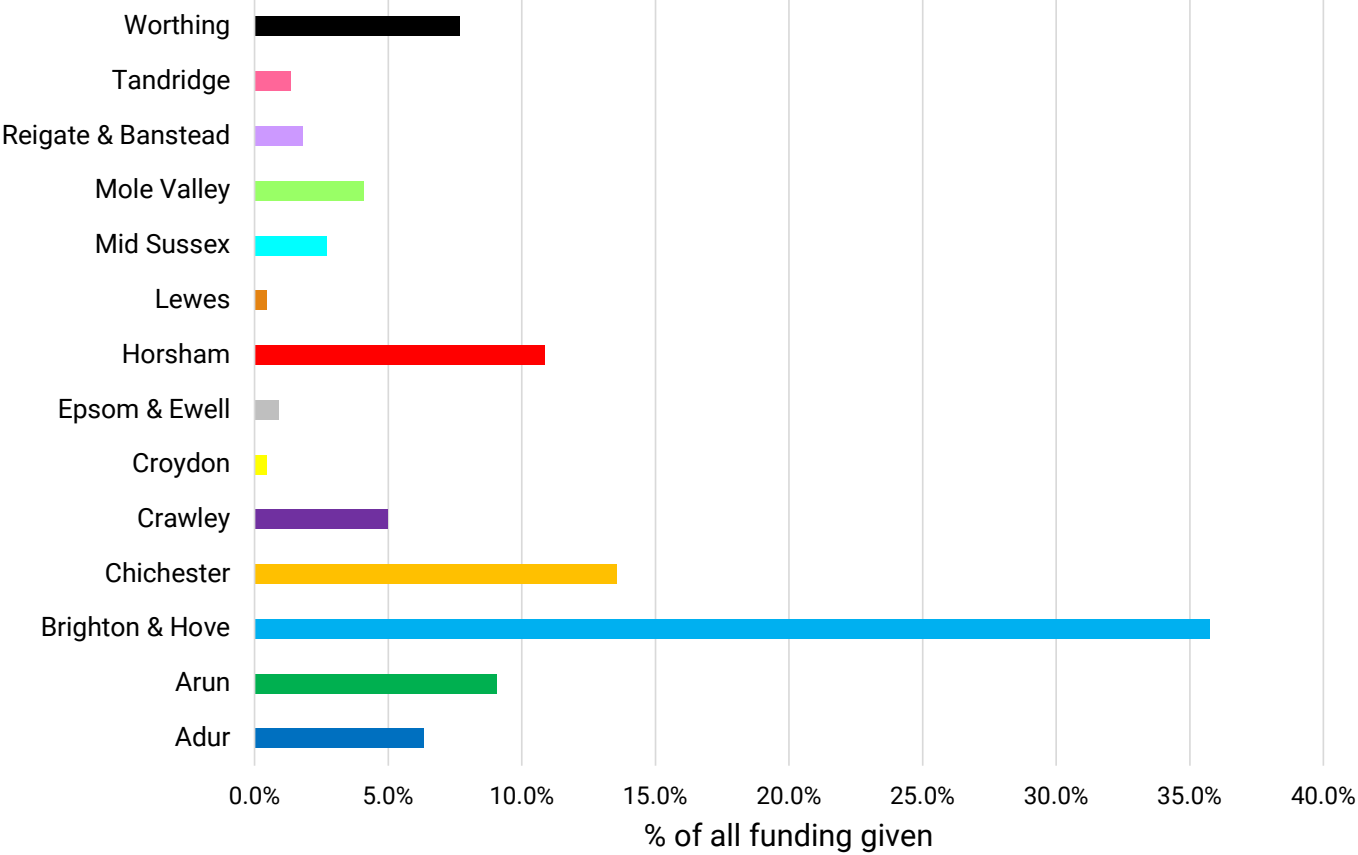


Total Number of Successful Applicants by Upper Tier Authority Area



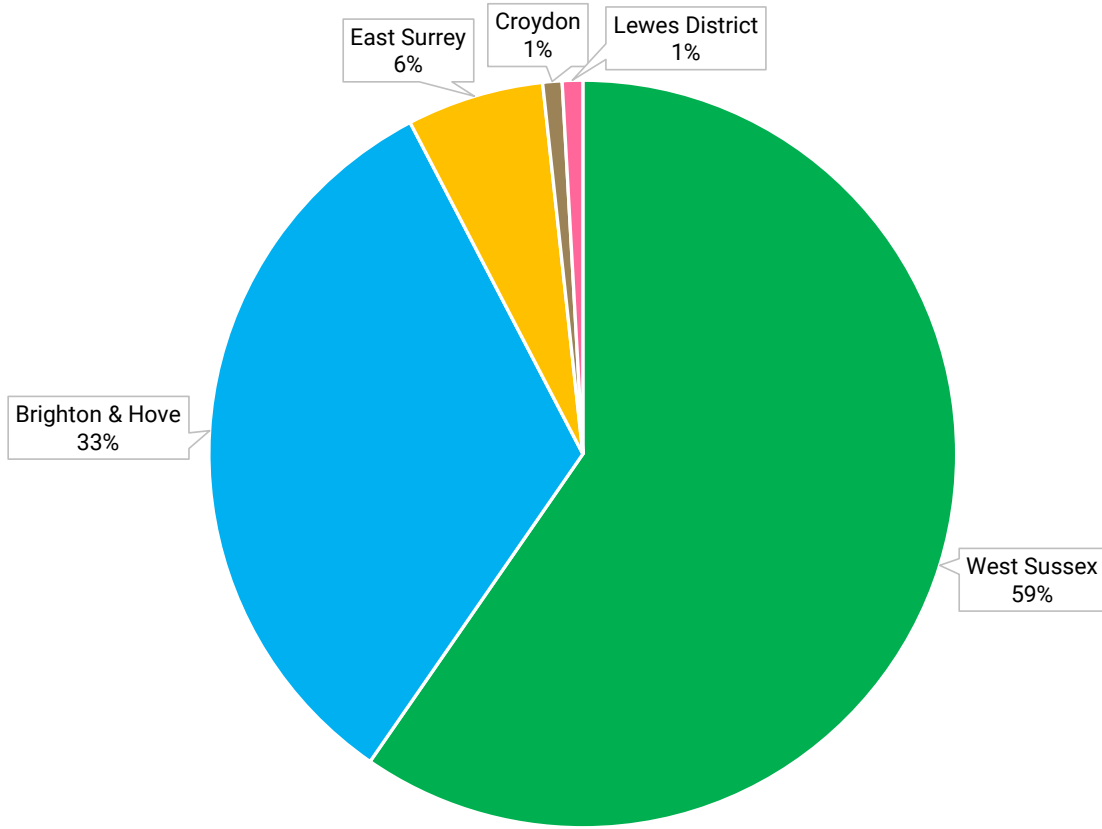
Location	Number	%
West Sussex	122	55.2
Brighton & Hove	79	35.7
East Surrey	18	8.1
Croydon	1	0.5
Lewes District	1	0.5
Total	221	100.0

Percentage Of Total Funding Given to Successful Applicants by Local Authority Area



Location	Number of successful Applicants	%
Adur	14	6.3%
Arun	20	9.0%
Brighton & Hove	79	35.7%
Chichester	30	13.6%
Crawley	11	5.0%
Croydon	1	0.5%
Epsom & Ewell	2	0.9%
Horsham	24	10.9%
Lewes	1	0.5%
Mid Sussex	6	2.7%
Mole Valley	9	4.1%
Reigate & Banstead	4	1.8%
Tandridge	3	1.4%
Worthing	17	7.7%
Total	221	100.0%

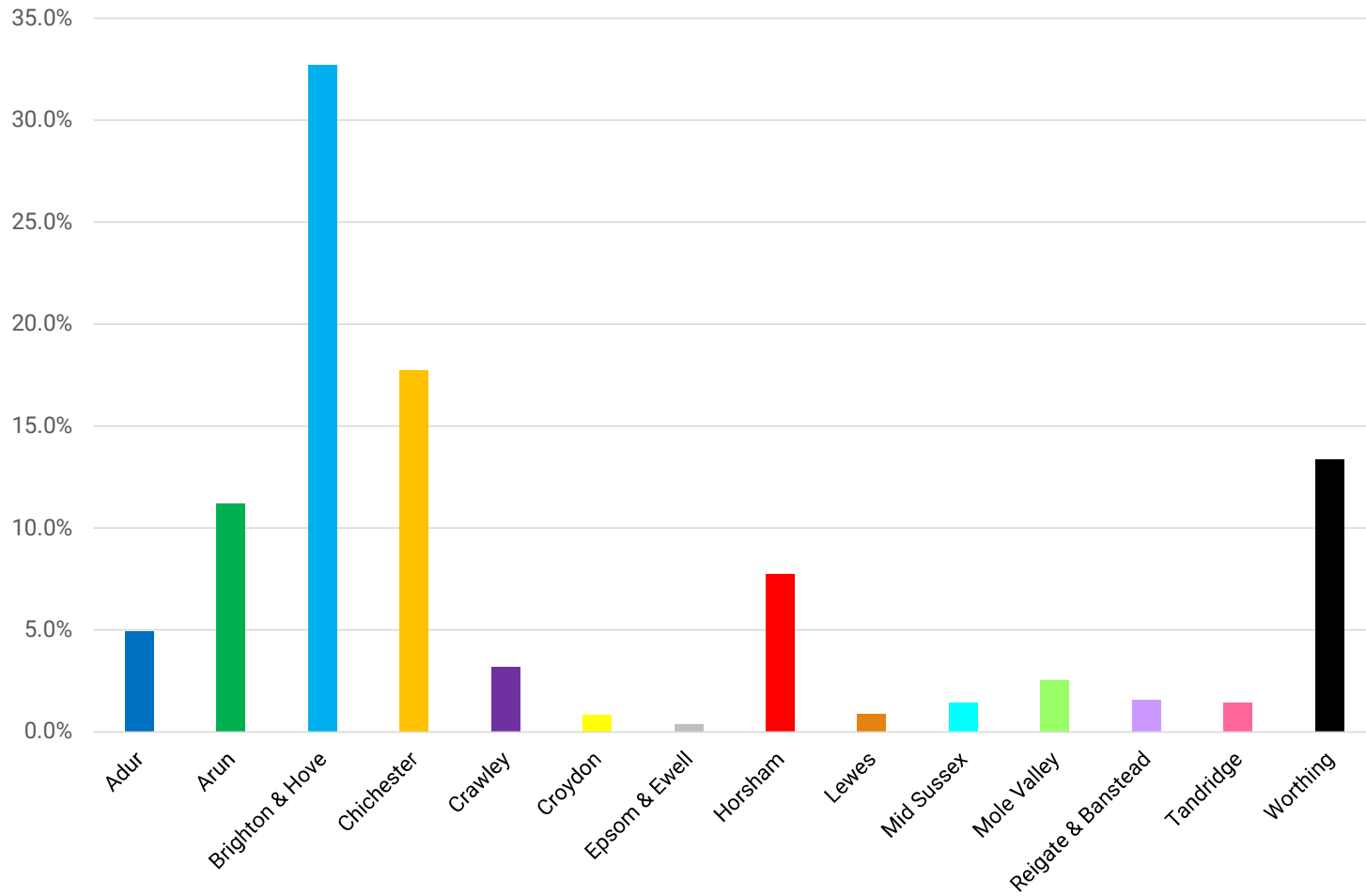
Total Funding Given by Upper Tier Authority



Location	Funding Given	%
West Sussex	£ 2,430,873	59.64
Brighton & Hove	£ 1,333,713	32.72
East Surrey	£ 241,445	5.92
Croydon	£ 33,900	0.83
Lewes District	£ 36,275	0.89
Total	£ 4,076,207	100.00

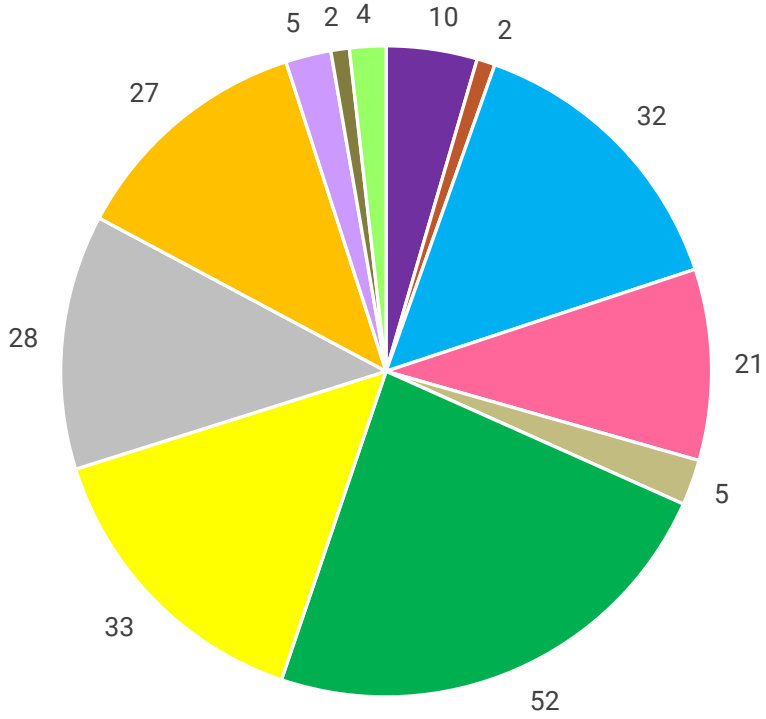
■ West Sussex
 ■ Brighton & Hove
 ■ East Surrey
 ■ Croydon
 ■ Lewes District

Total Funding as a Percentage by Local Authority Area



Location	Funding Given	%
Adur	£ 202,563	5.0%
Arun	£ 456,785	11.2%
Brighton & Hove	£ 1,333,713	32.7%
Chichester	£ 723,946	17.8%
Crawley	£ 129,414	3.2%
Croydon	£ 33,900	0.8%
Epsom & Ewell	£ 15,490	0.4%
Horsham	£ 315,834	7.7%
Lewes	£ 36,275	0.9%
Mid Sussex	£ 58,227	1.4%
Mole Valley	£ 103,522	2.5%
Reigate & Banstead	£ 63,375	1.6%
Tandridge	£ 59,057	1.4%
Worthing	£ 544,104	13.3%
Total	£ 4,076,207	100.0%

Number of Applicants Given Funding by Sector



- CDIT
- Charity
- Entertainment & Arts
- Health and Social Services
- Horticulture & Viticulture
- Hospitality
- Manufacturing
- Professional Services
- Retail & Wholesale
- Travel & Tourism
- Construction
- Education

Business Recovery Grant Case Study – Monza Sports Tuning Ltd

Based in Ashington, West Sussex; Monza Sports Tuning Ltd is a car sales showroom and large servicing workshop with fully trained staff for all Subaru, Fiat, Alfa Romeo and Abarth cars. Monza is the only main Fiat Group service dealer in the Worthing area and has come top in the UK four times for customer satisfaction amongst Fiat group dealers. They also provide MOTs, parts and tuning services.

COVID-19 has had a significant impact on the business, with sales of new cars reduced to almost zero and social distancing requirements necessitating a change in layout of the workshop.

Managing Director Bryn Griffiths explained:

"We closed the business for 5 weeks at the start of the COVID-19 lockdown. We spent time reviewing our COVID risk assessment and managed to reopen except for one technician, who is still shielding. The new car sales side of our business has been almost non-existent due to uncertainty,

and households not wanting to risk any large outlay during the pandemic. We also have a large elderly customer base for Subaru that have been isolating and are nervous about visiting any business. The combined result of COVID-19 has been only two new cars sold since April 2020."

Their business recovery strategy is to focus more on vehicle servicing and recognition of the move towards electric vehicles in line with government regulations. The servicing side of the business has always been far more profitable than the sales side of the business, thanks to their large loyal customer base.

Monza were successful in applying for a Business Recovery Grant of £28,904 for investment in sustainable technology for the future through the purchase and installation of solar panels and battery storage technology to provide a minimum of 50% of the business's energy requirements, energy efficient lighting and heating equipment, and two electric vehicle charging points.

Bryn said of the project and investment from Coast to Capital:

"We are seeking to diversify into the Electric Vehicle market, a market set to develop rapidly encouraged by UK Government commitment and the ban on hybrid, petrol and diesel vehicles.

Two charging points will enable us to offer charging for new electric vehicle customers and also for local electric vehicle owners. We want to become part of the solution rather than the problem.

The Business Recovery Grant from Coast to Capital makes the investment in solar panels, battery storage, energy efficient lighting, heating and electric charging financially achievable, it also makes us a more attractive proposition for electric vehicle franchise partnerships, provides business resilience against another COVID outbreak, increases our options for growth, enables us to employ further staff, and makes our business more sustainable going forward. It will have a positive impact in making us ready for growth in the electric vehicle market."



Bryn Griffiths, Managing Director of Monza Sports Tuning Ltd



The new solar array