

**Reference:** Coast to Capital Board Meeting  
**Date:** 28<sup>th</sup> of April 2022  
**Report Title:** Executive Report  
**Report by:** Executive Team  
**Item No:** 7a  
**Part:** A

---

## Recommendation:

The Board is asked to note the Executive Report and:

- **Approve** the appointment of Karen Dukes as Vice-Chair of the Coast to Capital Board as per the recommendation of the Nominations Committee.
- **Approve** the re-appointment of Jamie Arnell as Board director for a second 3-year term.

## 1. Economic Context

Economic output (GDP) in the UK improved slightly between October and December 2021 with a 1% increase, despite a 0.2% decline between November and December. The December decline is likely due to the rise of Omicron infections which impacted the services sector, particularly customer facing services which saw a 3% decline. However, output rebounded at the beginning of the year with a 0.8% increase in January 2022 and 0.1% in February, likely due to the lifting of plan B restrictions.

Inflation rose by 7.0% in the 12 months to March 2022, the highest ONS recorded rate since 1997. The increase has been attributed to the recent rises in energy and fuel prices, causing significant labour and operational issues for businesses.

Insolvencies increased by 41% between December 2021 and February 2022 with Professional, scientific and technical businesses making up 20% of insolvencies. However, new company registrations also increased by 43% between December 2021 and January 2022, with Retail and Professional, scientific and technical the top two most newly registered companies. This demonstrates the entrepreneurial and resilient nature of our business base.

The Claimant rate in Coast to Capital followed the national trend and declined by 0.1 percentage point to 3.8% between February and March 2022, compared to 5.3% nationally. Crawley and Brighton & Hove had the highest rates, in line with the national average, both at 5.3%. Worthing saw the biggest fall in claimant numbers with a decline of 165 claimants.

Postings followed the national trend and increased by 42% between January and March 2022 (36% increase for England). Care workers and Service occupations continued to be in high demand.

Businesses continued to struggle with recruitment and retention of staff, particularly in hospitality where there has been a large decrease in EU applicants. Storm Eunice also had an impact where several public attractions and see front businesses were forced to close operations for a few days.

Whilst businesses continued to face challenges, there was growth activity in the region. With the removal of all remaining COVID-19 travel restrictions, activity at Gatwick increased with recruitment campaigns and the reopening of the South Terminal in March. The viticulture sector also saw growth activity with Nyetimber estates announcing a record year for sales in 2021 and Ridgeview Wine Estate submitting plans to expand their hospitality offering.

## **2. Corporate Update**

### **2.1. Organisational Developments**

The following colleagues have left Coast to Capital:

- Tom Hughes
- Karen Tyrell
- Matthew Wragg
- Steve Trigg
- Kristel Smith
- Malcolm Brabon

Cali Gasson will shortly be on maternity leave, with Hannah Gosling & Kirsten Trussell undertaking Cali's responsibilities in the interim period whilst she is away. Carli Foster will be leaving mid-April, with David Smith taking on the finance function in the interim.

We currently have multiple vacancies. The LEP review has recently concluded and we will share an organisational development update as soon as possible.

The closure of the office is now complete, with the works to put the office back into an accepted state of repair (mainly the removal of branding), was accepted by the Landlord on the 31<sup>st</sup> of March. We are now in the final stages of securing the return of our deposit, and the team are continuing to work from home permanently, with the Management team reviewing future options for team working and collaboration.

## 2.2. Communications

In January, February and March we issued/were mentioned in the following **press releases**:

- [New heritage sign installed in the High Street](#) (featured in Crawley Observer)
- [Crawley Innovation Centre to provide welcome economic boost to Crawley](#) (featured in Crawley Observer)
- [Coast to Capital becomes first LEP to sign up to the Investing in Women Code](#)
- [Littlehampton's set for further £1.25million boost - for railway 'gateway' side of town](#) (featured in Sussex Express, V2 Radio, Brighton & Hove Argus)
- [Location of Crawley Innovation Centre announced](#) (featured in Sussex Express, Crawley Observer)
- [Hundreds of pupils attend inspiring virtual careers event](#)
- [Coast to Capital celebrates as Chair takes home regional award](#) (featured in Crawley Observer)

We issued the following **blog posts**:

- [Breaking the bias: unlocking the South's economic power](#)

Upcoming communications opportunities include an in-depth thought leadership piece on the economy, reaction to the LEP review outcome and business support case studies.

### On **Social Media**:

We obtained a combined 10,100 views on @coast2capital Twitter posts with top topics including International Women's Day, the Crawley Innovation Centre and the Gatwick Diamond Business Awards.

Our @C2CGrowthHub Twitter account obtained a combined 17,800 views on posts with top topics including Peer Networks and Help to Grow: Management.

On our Coast to Capital LEP LinkedIn account, we gained 115 new followers with high engagement on posts relating to International Women's Day, The Gatwick Diamond Business Awards and the Crawley Innovation Centre.

### **Enhanced support from communications agency**

In February, we appointed 'Cobb PR' to help enhance communications activity ranging from planning, press releases, thought leadership articles, social media posts and case studies. Cobb have identified a recent regional difficulty with media PR pickup and have been working to ensure that Coast to Capital is featured regularly in regional press.

Highlights of their work for us include:

- Thought leadership piece for International Women's Day viewed 1,786 times across social media platforms
- Gatwick Diamond Business awards win press release featured in the Crawley Observer
- Enhanced support with promoting meetings and events attended by Julie
- Scenario based narrative developed based on LEP review outcomes

We have appointed Cobb PR for an additional month of support and will be working closely to develop comms for upcoming Coast to Capital priorities.

### 3. Governance Updates:

- Our **Company Risks** are being actively managed, with top risks identified in Annex A. We have a schedule of reviews planned during the year to keep the register updated.
- We held our **Finance and Resources Committee** on the 31<sup>st</sup> of March and our **Audit and Risk** on the 3<sup>rd</sup> of March. More information can be found on our committee reports paper.
- Our **Nominations Committee** was re-formed, with its first meeting in two years being held on the 30<sup>th</sup> of March.
- We have completed our **Annual Performance Review** and we expect our final feedback in May,
- A **revised Local Assurance Framework V9.1** has been reviewed by the Audit and Risk Committee for Board approval in Item 5.
- We have no live **Complaints**.
- We have responded to 3 **Freedom of Information** requests received since the last Board. Highlighting the LEP's work in being transparent.
- A plan for Internal Audit for the 2022/23 financial year has been reviewed and agreed by the Audit and Risk Committee, subject to the financial position of Coast to Capital.
- The Internal Audit on payroll is ongoing.
- We have let our Local Authorities know that we are happy to participate in any **Local Authority Overview and Scrutiny Committees**.

### **3.1. Board Development:**

Our Board continues to successfully operate to support the company. The Chair and Acting Chief Executive are planning to organise a Board refresher session through the IOD later in the year. It is also planned to arrange a meeting of the Chair and the Sub-Committee Chairs to review the specific needs of each committee and its membership. This will lead to planned Board recruitment activity, and the co-option of leading individuals from Businesses within the Coast to Capital area.

Martin Harris' terms ended on the 31<sup>st</sup> of March. Martin served on the Board for 4 years and will be missed. His farewell will be addressed as part of the earlier Board agenda.

Karen Dukes has been recommended by the Nominations Committee to be appointed as the permanent Vice-Chair of the Board, for a 3-year term, with two possible extensions of three years. This appointment is compliant with our articles and both the National and Local Assurance Framework. Changes to our Local Assurance Framework will have been discussed at Item 5 and are necessary to be approved before this re-appointment can take place.

The Board are recommended to approve that Jamie Arnell is re-appointed to the Board on a 3-year term. This would be Jamie's second term and will stretch until May 2025.

## **4. Growth Hub Updates**

### **4.1. Diversity Disaggregation**

The mnAI platform that the Growth Hub utilises to identify women business owners in the Coast to Capital area has been developed further to allow for the identification of ethnic minority led businesses.

The Growth Hub has used the data to put together a database of a list of all women led and ethnic minority led businesses, that have been established for more than 1 year. The ethnic minority data has been shared with Blueberry who are undertaking a telemarketing campaign to proactively reach out to those businesses.

The mnAI data has identified 99,744 established business registered in the Coast to Capital area. Within this it has identified 25,7617 (26%) established ethnic minority led businesses, and 17,576 (18%) women led businesses.

To record the Growth Hub team’s involvement the Coast to Capital CRM now includes a field for ethnic minority led businesses. All ethnic minority led businesses supported by Coast to Capital are being tagged. This enables our engagement to be measured as a percentage of the businesses supported, and for this to be compared with the 26% ethnic minority led businesses across Coast to Capital as a whole.

In the current year to date, of those that have been tagged, 4.7% of businesses supported have been ethnic minority led.

#### 4.2. Core Growth Hub Funded Activity

The Growth Hub has been constrained, headcount resource wise, during 2021/2022 due to resignations, a recruitment freezes and illness. However, the Growth Hub team has continued to provide a valued service to businesses.

Early in the financial year there was a decline in inbound calls but in recent weeks there has been a noticeable increase in businesses contacting the Growth Hub.

KPI	Apr 21 to 22 Mar 22 Performance	Apr 22 to Mar 22 Target
Intensive support to growing businesses	130	120
Diagnostic reports, Growth Champion diagnostics and Digital Champion diagnostics	77 diagnostics for 66 businesses	62
Light and medium intensive support	1204	1,100
Support Taken Up	50%	50%
Number of companies referred to national providers e.g., DIT	469	500
Number of businesses referred to support providers	2061	375
Business engagement reach to businesses	4061	n/a

Coast to Capital and the other Growth Hubs in the South-Central area cluster have undertaken a telemarketing and survey with businesses. Key initial findings for the Coast to Capital area include:

- 293 businesses have been surveyed
- 65% of businesses have maintained staffing levels.
- Key funded business support needs of those contacted are:

- finance - 31%
- digital support - 28%
- business growth - 19%
- skills – 20% and
- low carbon - 20%
- Surveyed businesses are looking to:
  - become more sustainable - 44%
  - recruit more staff – 39%
  - upskill their existing workforce - 34%
  - introduce new technologies - 26% and
  - launch new products – 27%

### **4.3. Peer Networks programme**

The Growth Hub, and its delivery partner MDHub, successfully delivered 8 cohorts to this year's BEIS funded Peer networks programme supporting 75 growth potential or scaling businesses.

There were initial fears that recruitment in 2021/2022 would be slower but in fact it held up compared with the previous year. The businesses were generally more substantial businesses than in 2020/2021.

The initial target was 10 cohorts but the programme was closed off at the eventual number of 8 cohorts. The programme cost £118,694 against a revised expenditure budget of £120,000. This was fully funded by BEIS.

The satisfaction levels have remained exceptionally high with 98% of cohort members reporting that were very satisfied (78%) or somewhat satisfied (20%) in the programme.

Participating businesses received 18 hours of Peer to Peer mentoring and 3.5 hours of individual coaching.

The key topics being discussed by the cohort members include:

- challenges around HR recruitment and retention
- sales and marketing
- finance and
- leadership.
- More recently employee cost of living increases and the effect on pay levels and incentives have been central to issues that cohort members have wanted to discuss.

The Peer Networks programme will not be funded by BEIS in 2022/2023 with instead funds being invested in the government's flagship Help to Grow management programme instead which provides an element of facilitated Peer to Peer learning.

#### **4.4. Help to Grow**

The Growth Hub team have helped the University of Brighton School of Business and Law to become Small Business Charter accredited and able to deliver the Help to Grow Management programme. This is the only accredited business school that lies in the Coast to capital geography.

#### **4.5. Expert in Residence**

We are working with Luke Cartwright, our banking expert in residence, who helps promote the Growth Hub support to women business leaders. Nasser Elaheebocus, one of our Growth Relationship Associates, is co-presenting an event with Luke on 27<sup>th</sup> April 2022 at the Crawley Library Business and Intellectual Property Centre.

### **5. Skills**

#### **5.1 Local Skills Report**

An updated [Chair's Foreword](#) and refreshed [Annex A \(Core Indicators\)](#) were published at the end of January in line with the Department for Education's requirements. Due to crossover with the Local Skills Improvement Plan (LSIP), we were not required to do a full refresh of the document on this occasion.

#### **5.2 Sussex Local Skills Improvement Plan (LSIP) Trailblazer**

We have continued to work closely with the Sussex Chamber of Commerce in support of the development of the LSIP, conducting research and analysis of the skills and labor market and co-writing the LSIP document. We have done this in a consultancy capacity. Much of our focus since January has been on supporting the development of the LSIP which stands us in good stead to understand what role the Skills 360 Board might play in its delivery.

The Sussex Chamber of Commerce is due to send the final LSIP to the DfE by end of March. It should be noted that this is one of several LSIP trailblazers around the country and DfE will be taking learning from each of them to inform the roll-out of the national LSIP programme.

#### **5.3 Enterprise Adviser Network (EAN) and Careers Hub Programme**



## Growth plans

A clear plan for the growth of the Careers Hub is in place, taking us to full coverage of the Coast to Capital area by September 2022, but this is on hold until we have clarification from the Government on the funding that will be available to LEPs and the level of financial support from our partners. Coast to Capital is required to provide 50% match funding for each Enterprise Coordinator. The Careers and Enterprise Company is fully aware of the challenge we face and is supporting us to raise the profile and reinforce the importance of the Careers Hub with our local authority partners. Annex B provides a dashboard update on the work on the Enterprise Adviser Network and Careers hub programme.

## Achievements this term

The Enterprise Coordinator team have delivered the following two events during Spring Term:

- a) **Open Doors 2022**, a series of virtual talks with apprentices from a range of large businesses, was developed to raise the awareness and myth bust negative perceptions around Apprenticeships during National Apprenticeship Week in February. This programme of activity was well received by the twelve participating schools in the Careers Hub.
- b) The team delivered **Hello Future 2022** during National Apprenticeship Week in March. Aimed at all students aged 11 – 24, a series of recorded conversations over six different themed sessions with industry experts about the world of work.

The Careers Hub team supported **#Changemakers21**, a week-long collaborative careers event delivered by three colleges groups including Orbital South Colleges.

We have launched **two new pilot programmes** following our successful bid for funding from The Careers & Enterprise Company to support inclusion activities. The activities will help to remove barriers for young people in special schools and alternative provision centres. We have since been allocated further funding which will allow us to develop a **website** setting out accessible labour market information for students with special educational needs and disabilities. The website will launch on September 22.

We have created new resources to support Careers Leaders (in schools and colleges) to achieve Gatsby Benchmark 1 (the foundation of a stable careers programme) – these resources are accompanied by an on-demand pre-recorded webinar facilitated by one of our Enterprise Coordinators.

## Progress against targets

Schools and colleges are now 'living with Covid' and face-to-face careers activities are being delivered once again to include large-scale careers fairs. However, institutions are reporting rising numbers in Covid cases with high levels of staff and student absence.

Schools and colleges are asked to self-evaluate their progress in the Gatsby Benchmarks at the end of each term. We will be analysing our data and progress against KPIs during the Spring term in April where we expect to see significant change. Please see Annex A for an interim dashboard for March setting out progress to date.

### **Strategy for the year**

The Careers Hub is making steady progress in delivering the Careers Hub Strategy for 2021/22. The strategy incorporates seven coordinated actions to focus on the priorities of The Careers & Enterprise Company with alignment to LEP priorities. The strategy has been shared with partners and stakeholders.

Actions for next term include engaging with Head Teachers to help elevate the status of Careers Leaders and working towards the expansion of our Careers Hub and Enterprise Coordinator provision.

We will further support our networked institutions to further progress the Gatsby Benchmarks, offering targeted support to Careers Leaders.

## **6. Consultancy**

We are continuing to proactively engage with local authorities and partners to offer our unique skills set and resource for a wide range of consultancy projects. This includes being recently appointed Mole Valley District Council to undertake a dedicated business support service over a 9-month period, alongside a year's bid-writing/horizon scan commission to provide up to date information and support on various funding opportunities.

The total value of these commissions including projected pipeline consultancy work currently equates to approximately £100k. The Board should note that these funds would be set aside for the 2023/24 financial year.

### **6.1. Local Skills Improvement Plan**

The original contract value was increased in early February in order to give additional support to the Chamber of Commerce. This project concluded on 31 March and was delivered on time and within budget. Our main responsibilities included conducting research and analysis of the skills and labor market, reviewing and analysing all of the

material that emerged as a result of the consultation and employer engagement, developing a case for change and co-writing the LSIP document.

## **6.2. Community Infrastructure Levy (CIL) workstream**

Coast to Capital is continuing to support Tandridge District Council with their Community Infrastructure Levy (CIL) workstream. The CIL is a charge that local authorities can set on new development to raise funds to help fund the infrastructure, facilities, and services. Coast to Capital helped set up all relevant paperwork for the launch of the CIL pot and reviewed and scored full applications. The second round is underway with seven full applications being scored and invited to the CIL working group to present to councilors for their projects in June.

## **6.3. A22 Cycle Lane | Tandridge District Council**

We assumed project management responsibilities for the A22 Cycle Lane in June 2021 under a commission from Tandridge District Council. Since then, we have resolved the funding conditions stipulated in the GBF allocation, drafted and agreed a funding agreement with Tandridge, consulted with contractors for delivery, appointed Surrey County Council as the delivery contractor, and agreed a budget and timeframe for the completion of works.

Surrey CC are now on site and nearing completion, with the works seeing the poorly maintained existing lane widened, retarmacked, and new signage installed. This will provide segregated cycle connections from Caterham town centre to Route 21 of the national cycle network, therefore providing largely traffic-free journeys to Reigate and Redhill.



#### **6.4. Airport Economic Zones Research | Gatwick Airport**

In February 2022, Gatwick Airport commissioned Coast to Capital to write a research report to support their understanding of how airports and their surrounding economic zones function and promote themselves.

The report builds on Gatwick's efforts to explore with partners the potential to define a clear regional identity, emphasizing regional economic strengths and opportunities in the context of recovery from the pandemic and Global Britain.

The research report looks at leading domestic and international examples of airports and their surrounding regions working collaboratively to promote themselves and attract investment. It will provide an evidenced baseline for future consideration of this in our region and stimulate discussion around common approaches moving forwards.

We are providing a fully designed final version of the report, produced internally, in accordance with Gatwick's branding. On 7 April we attended a stakeholder roundtable, hosted by Gatwick Airport, to present our findings from the research. This was well received by Gatwick and the stakeholders in attendance. Our presentation was followed by a discussion of stakeholders' reflections and conclusions on the research, which will be integrated into the final report.

#### **6.5. Regis Centre Strategic Outline Business Case | Arun District Council**

The team begun work for Arun District Council (ADC) in December 2021 on the strategic outline business case, following Arun District Council successfully receiving allocation from the Levelling Up Fund.

The document provides an assessment of the current state of the site and examines different options the delivery of a regeneration project. This is accompanied by a full financial appraisal of the options to assist council members in approving a course of action.

A fully designed final version of the document has been produced internally. There is also scope for Coast to Capital to continue working with ADC on phase 2&3 of the business case this year.

## **7. Diversity Statement**

Any position on Equality, Diversity, and Inclusion has been covered above in this paper.

## **8. Legal Statement**

This paper has been reviewed by the Brighton and Hove City Council as the Accountable Body.

## **9. Finance Statement**

There are no further financial considerations of the paper other than those mentioned.

### **Annexes:**

**Annex A – Company Top Risks**

**Annex B - Careers Hub & EAN Dashboard**

	Risk Grouping	Risk Examples	Risk Owner	Inherent Combined Score	Key Current Mitigations	Residual Combined Score	Planned Actions	Due Date
1	Lack of resources, prevents delivery, inhibits growth, or reduces morale	<p>Workload on team members cannot be adequately met by current resourcing following the restructure, which is made more uncertain with the existing freeze on recruitment.</p> <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, leading to ambitious business plan not being fully achieved.</p> <p>Current uncertainty on the long term future of LEPs, mixed with 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>	AM	16	<p>Business planning exercise for 22/23 financial year. Includes budget setting and use of contingency.</p> <p>Reviewing performance management process for 2022/23 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>Staff welfare policy and wellbeing of staff</p> <p>Prioritisation of key business areas will be implemented and reflected in the 2022/23 Business Plan.</p>	12	<p>CEO to review pay strategy in light of 22-23 budget.</p> <p>Resourcing and structure to be reviewed, and where required to look at 'unfreezing' recruitment activity.</p>	Ongoing
2	Change in political climate creates remit, funding and strategic priority uncertainty	<p>Uncertainty on the ask of LEPs in the long term, including devolution discussions, potential LEP crossover, in light of the LEP review.</p> <p>Lack of clarity around possible County deals, causing difficulty to strategically plan longer term, including budget planning without certainty of core funding/partner contributions.</p>	AM	12	<p>Engagement with local authorities to build regional identity.</p> <p>Working closely with local businesses on strategic projects for the region.</p> <p>Board mandate &amp; the Management team creation of a detailed value proposition offer to partners, aligning to Stronger, Smarter Greener, and the LEP review remit.</p> <p>Engagement with the LEP Network, MPs, stakeholders, ministers and senior civil servants around the regional programme, and LEP workstreams to raise our profile, and to help influence decisions.</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>	12		Ongoing
3	Coast to Capital does not continue to be a going concern	<p>Expected income streams are not realised.</p> <p>Government do not provide core funding to the LEP</p> <p>Local authorities facing their own significant financial challenges, meaning likelihood of future contribution to the LEP is uncertain.</p> <p>Ongoing costs become unmanageable, and the various income streams and funding requirements make it difficult to organise structure in the business.</p> <p>Unplanned costs materialise. (Cost are not aligned with income).</p>	AM/DS	12	<p>Chair &amp; 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"> <li>- Annual Budget, followed by quarterly forecast</li> <li>- Quarterly review of cash flow and adoption of Treasury Policy</li> <li>- Formal tracking and monitoring of income put in place</li> </ul> <p>Monthly Reporting to the Board.</p> <p>Weekly management team meetings to look at future planning</p>	12	Update Board & Finance and Resources Committees following the Funding letters, with a proposed budget.	
4	Negative perception of the Careers Hub and Coast to Capital reputation as a result of not delivering on the expansion of the Careers Hub.	<p>We are unable to source match funding required to recruit additional ECs to expand the Careers Hub to other areas of the region, therefore unable to meet ambitions of the Careers and Enterprise Company by 2024.</p> <p>Reputational impact due to loss of goodwill and relationships with partners and stakeholders.</p> <p>Projects and initiatives delivered by the Careers Hub and EAN fail to have the desired impact and/or are not received well by employers and stakeholders.</p>	KT	12	<p>Work with the Careers and Enterprise Company to explore opportunities for match funding of the programme with external partners, businesses and stakeholders (LM)</p> <p>Research projects and initiatives in the planning stage to identify objectives, impact measurements and potential uptake. Share the Careers Hub Strategy with the Hub Steering Group and other stakeholders for direction and collaborative support (LM)</p> <p>Ensure risks are identified and mitigated when planning projects and initiatives with providers to support the programme (LM)</p>	12		
5	Inability to attract, retain and motivate the right staff to achieve Coast to Capital's Business Plan	<p>Negative Staff Morale due to current working conditions and short-term uncertainty, around new company structure and LEP review, leads to underperformance in company and dissatisfied staff who may leave.</p> <p>Excessive recruitment, such as from re-organisation drains time and cost from Business.</p> <p>Necessary incentives and adequate pay for the retention of Key staff and suitably Skilled employees to adequately deliver the business plan.</p> <p>Unclear staff review process to identify progression opportunities effects motivation of staff and effectiveness of employees</p> <p>Lack of management of staff to identify poor performance and violation of policies from employees resulting in litigation against the company</p>	AM/DS	12	<p>Regular staff meetings and updates as well as staff events. (JD)</p> <p>Clear, transparent communication with staff regarding LEP review, including positive messaging on company financial position (CEO)</p> <p>Company restructure improves cross team working.</p> <p>Competitive benefits package for staff, reviewed annually.</p> <p>Salary benchmarking completed for all roles to ensure market value competitive salaries for staff</p> <p>Appropriate objective setting and review process implemented, including reviewing development/training requires for staff.</p> <p>Clear recruitment process to save time and costs, managed internally.</p> <p>Comprehensive Employee handbook and other policies in place with scheduled review</p> <p>Team Briefed on funding letter from Government</p>	9	<p>Confidential matters in constant review by management team and committee's (01/05/2022)</p> <p>CEO to give regular staff updates on business planning activities, and to be as transparent as possible.</p> <p>Regular staff events and in person meetings agreed for 2022/23 financial year. (15/04/2022)</p>	
6	Unallocated funding is not utilised and Government requests it to be given back.	<p>Current or future unallocated funds are lost from the region, with potential impact to the organisational objectives.</p>	DS	12	<p>Seed funding call being launched to re-allocated LGF funds.</p>	9		

7	Coast to Capital is no longer able to achieve its business critical operations	<p>COVID-19 outbreak in staff leading to business operations declining in output.</p> <p>Unexpected major emergencies (either environmental, economical or political) stopping business operations through a lack of emergency planning.</p> <p>Faulty Laptops, crashes in Microsoft 365, broadband issues or lack of support from Uptime causes mass IT issues leading to staff not able to conduct work</p> <p>Key staff with key knowledge not replaced caused skills shortage meaning an increased workload.</p> <p>Redeployment of staff to major projects results in other business areas being neglected.</p> <p>Lack of joined-up, collaborative working between teams reduces success of business plan and reputation of the LEP.</p>	AM/DS	12	<p>COVID 19 Business contingency plan developed and implemented.</p> <p>Strong IT support provided by Uptime in addition to 365 system in place.</p> <p>Contingency plans developed and implemented for vital work areas, including written processes where required.</p> <p>Clear workflows in policies to allow for delivery of business operations.</p> <p>Weekly management strategy meetings to address key operational issues</p> <p>Scenario planning for various responses to the LEP Review</p> <p>Acting CEO appointed.</p> <p>Value Proposition scenarios plan for different levels of office use relative to funding.</p>	9	Updating Internal Staff and External stakeholders on Office exit. (15/04/2022)	
8	Coast to Capital suffers a breakdown of internal control and/or approval processes	<p>Errors in work due to a breakdown in internal structure and/or communication results in failures which damage reputation and effectiveness of Business.</p> <p>Lack of clear internal control increases likelihood of financial mismanagement</p> <p>High numbers of Complaints, FOI or Whilst blowing from poor operation meaning a large undertaking of staff time and damage to C2C reputation</p> <p>Litigation resulting in high cost for the Business</p> <p>Litigation due to failure to meet basic legal requirements for the treatment of staff. Possible Employment tribunal taking staff time and incurring company cost</p> <p>Rogue Employee</p> <p>Accountable Body not delivering in service resulting in disruption to day to day business</p>	CG/HG	9	<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.</p> <p>Contingency in place including sign off and payments. Delegation of Authority determined.</p> <p>Risk Policy updated and risk appetite confirmed.</p> <p>Procurement Policy approved and implemented.</p>	8	Internal Audit plan to be finalised following procurement activity, and in line with budget provision (1/05/2022)	
9	Regional projects pipeline and agreed programme of LEP involvement does not deliver new investment for the region.	<p>A minimum of six projects cannot be identified and developed for funding this financial year.</p> <p>Pipeline of projects do not align with broad government policy agenda, and specifically within the context of levelling up.</p> <p>Regional projects do not address local barriers to productivity and growth, as set out in Stronger, Smarter, Greener framework.</p>	AM	12	<p>Working in a collaborative and agile way with partners to pool expertise and resource.</p> <p>Themed and prioritised projects which have the closest fit with regional and national strategy, and are saleable.</p>	6	<p>Regular conversations with partners to define the opportunity to work together.</p> <p>Keeping up to date on significant regional and national developments which relate to the projects.</p> <p>The Regional Project Business Case Development fund received 43 applications. These have been screened and assessed according to fund criteria. A long list of fundable projects will be presented to Investment Committee with a request to increase the total fund allocation to enable a higher number of quality applications to progress to Full Business Case.</p>	14 April 2022

## Enterprise Adviser Network (EAN) and Careers Hub

The Coast to Capital EAN works to connect senior, local business leaders with senior leaders in local schools and colleges to help motivate and inspire young people and make a major impact on their future career prospects.

The purpose of the network is to create powerful lasting connections between local businesses and education establishments in order to equip young people with the skills they need. To do this we have a team of Enterprise Coordinators who each support schools and colleges in their area and link them to local businesses.

## Update

### Enterprise Adviser Network Area

For National Careers Week in March, the EAN & Careers Hub delivered Hello Future 2022 – a virtual opportunity for young people, school staff and parents/careers to hear directly from local employers about how the world of work has evolved since the pandemic and to the skills and attributes employers are looking for.

### Careers Hub Area

During National Apprenticeship Week in February, the Careers Hub delivered Open Doors 2022 – a series of virtual talks with Apprentices from a range of different business sectors.



## Case Study

### Open Doors 2022

During National Apprenticeship Week 2022, we relaunched our successful Virtual Open Doors initiative for all schools in the Careers Hub. Open Doors helps to raise the profile of vocational pathways and to bust myths around apprenticeships.

10 employers supported, providing 20 apprentices from Unilever, Thakeham Homes, Honeywell, Fidelity International, Atkins Engineering, British Airways, ITV, NHS, Thales and Gatwick Airport. 12 schools took part, providing 14 individual events. Over 5000 students participated during the week.

A student survey was created to measure impact. Of 96 students surveyed, 79% of students enjoyed the event, 65% of students 'strongly agreed' or 'agreed' that Open Doors helped them to think about what they might do once they finish school or college. 64% wanted to know more about apprenticeships as a result of the experience.

*"Before the assembly, I genuinely didn't know anything about an apprenticeship! Now I'm aware of the steps I'd need to take to do an apprenticeship" – Student A*

*"I'm going to do research on an apprenticeship to find out if I can be an apprentice with the job I want to do when I'm older" – Student B*





## Coast to Capital Targets

The tables below show the movement towards targets in our Grant Offer Letter in Coast to Capital for the EAN area (table 1) and the Careers Hub (table 2) for all institutions matched with an Enterprise Adviser.

**Table 1: EAN Area targets and actuals**

	Revised Target	April 2022 (Term 2)
Benchmark 1	40%	46%
All EAN schools/colleges to achieve at least 2 Gatsby Benchmarks		54 of 59 (92%)
The EAN to achieve an average of at least 4 Gatsby Benchmarks		4.2 average
Clear evidence of progress in BM5 and BM6 should be made throughout the year		On track

**Table 2: Careers Hub targets and actuals**

	Revised Target	April 2022 (Term 2)
Benchmark 1	80%	63%
All Hub schools/colleges to achieve at least 3 Gatsby Benchmarks		29 of 35 (83%)
The Hub to achieve an average of at least 5 Gatsby Benchmarks		4.1 average
Clear evidence of progress in BM5 and BM6 should be made throughout the year		On track

Figures include SEND & APC Education Centers. All matched institutions.

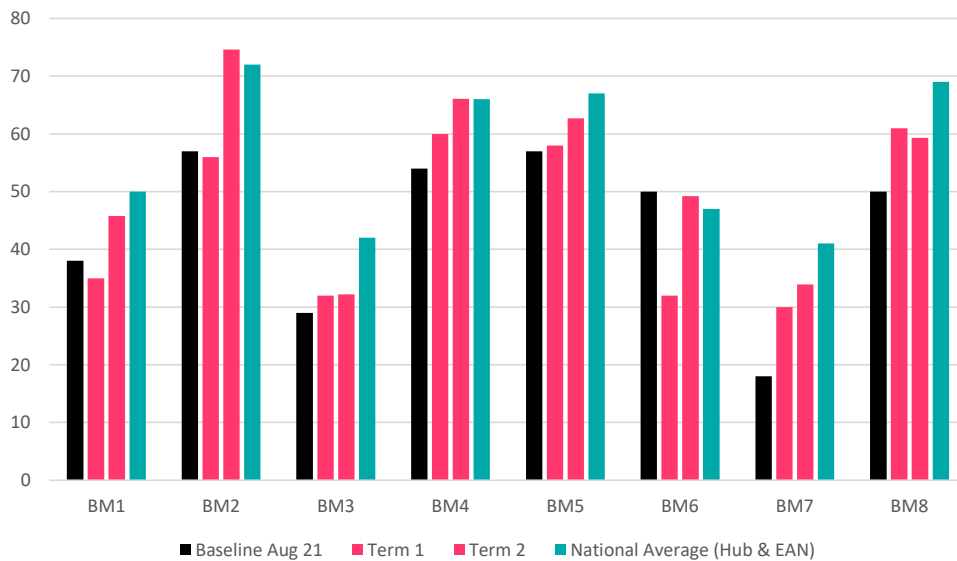
# Enterprise Adviser Network and Careers Hub Report: April 2022



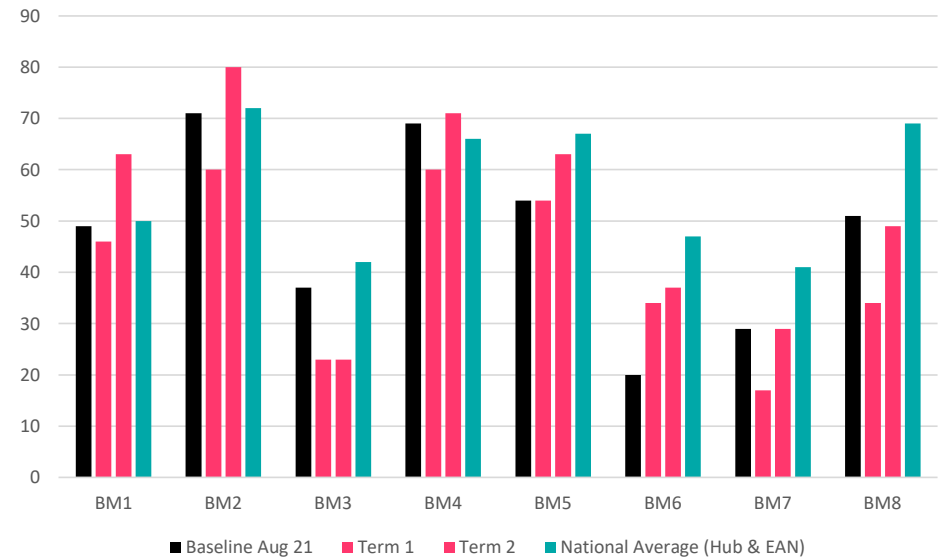
## Performance against Targets

The data below provides information collected from the most recent Compass reports submitted by the EAN area and Careers Hub schools and colleges (April 2022), as well as national data from Careers and Enterprise Company (CEC) on how the programme is progressing towards meeting our contractual targets. Graphs show the % of institutions fully achieving each benchmark (at 100%).

Coast to Capital Enterprise Adviser Network



Coast to Capital Careers Hub



# Coast to Capital

**Reference:** Coast to Capital Board Meeting  
**Date:** 28<sup>th</sup> of April 2022  
**Report Title:** Chair's Report  
**Report by:** Julie Kapsalis  
**Item No:** 7b  
**Part:** A

---

## Recommendation:

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

## 1. Chair's Report

I am pleased to provide the following summary of my activity as Chair since our last Board meeting.

### Catalyst South

I continue my work as Chair of Catalyst South group of LEPs:

- Attended LEP Network Board meetings
- Attended two All Party Parliamentary Groups on Levelling Up – presenting on a panel around the impact and value of LEPs. Coast to Capital's feedback from the event can be found [here](#).
- Presented at the Real Estate Live conference as part of Catalyst South's levelling up response.
- Meeting with Kathy Slack, CEO of Enterprise M3 LEP to discuss collaboration in Surrey.

### External Stakeholders

On behalf of Coast to Capital I attended the following external events/meetings:

- Attended the FSB Virtual Volunteer Recognition Awards.
- Attended the FSB South Small Business Awards.
- Continued to represent C2C on The Gender Index Steering Group and at its launch on 31<sup>st</sup> of March.
- Events for International Women's Day:
  - o Attended an International Women's Day breakfast for women in sport with Rebecca Adlington
  - o Co Hosted International Women's Day afternoon tea with NatWest and senior leaders from Crawley

- Presentation to female Afghan refugees in Crawley for International Women's Day
- We have a piece on the website that highlights the importance of [International Women's day](#).
- Meeting with Fiona Shafer, MDHub
- Meeting with Faye Long, new Regional Director for NatWest
- Meeting with John Cushing, CEO of mnAI
- Meeting with Tim Rush and Julie Wheeldon at KPMG
- Attended Women & Enterprise All Party Parliamentary Group
- Meeting with C2C's Communications Agency - Cobb PR
- Attended Gatwick Leaders Circle
- Attended Gatwick Diamond Champions Lunch at Elekta
- Attended One Surrey Growth Board and jointly presented with EM3 LEP

## **Board Engagement**

I have continued with regular meetings with Board members including:

- Meeting with Cllr Shaun Gunner
- Meeting with Richard Hopkins
- Meeting with Karen Dukes

## **Internal Meetings**

- I continue to hold weekly meetings with Tony as the acting CEO
- Chaired the nominations committee on the 30<sup>th</sup> of March to address the current composition of the Board
- Meeting with Fran Rutter and Jane Longmore on skills

## **Annual Performance Review**

On the 9<sup>th</sup> of February, Tony and I had a meeting with BEIS representatives and our area leads to discuss Coast to Capital's Annual Performance review with Government. This discussion illustrated the excellent work the LEP is doing in line with Government guidance and provided a great opportunity to talk about future objectives for Coast to Capital.

## **2. Diversity Statement**

Any Equality, Diversity and Inclusion work undertaken by me for Coast to Capital has been referenced in the report.

## **3. Legal Statement**

This paper has undergone a legal review by the Accountable Body

## **4. Finance Statement**

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

**Annexes:**

None

**Reference:** Coast to Capital Board Meeting  
**Date:** 28<sup>th</sup> April 2022  
**Report Title:** Committees Report  
**Report by:** Executive Team  
**Item No:** 7c  
**Part:** A

---

## Recommendation:

- The Board is asked to note the key updates along with any decisions taken at the various sub-committees of the Board:

### 1. Investment Committee

The most recent meeting of the Investment Committee was on the 21<sup>st</sup> March. A review of LGF and GBF updates were provided alongside reviews of high risk projects.

Key decisions and updates from the latest Investment Committee can be seen at **Item 5: Consent Paper**.

David Joy, as chair of the Committee, has provided the below update:

*"The Investment Committee has been working under difficult circumstances over the last year. We have not been able to meet in person and conducted meetings via Zoom. A number of projects have suffered due to the pandemic and are being delayed. The projects of concern are being closely monitored and project owners are putting in place measures to resolve issues and problems that have led to delays. We have recovered funds from projects that have failed to deliver outputs and have no prospect of providing any within the foreseeable future. A list of new projects is being prepared to apply the returned funds from these failed projects. One disappointment has been the limited number of members across the LEP who have taken up the invitation to attend committee meetings. We are hoping to meet in person, and visit projects for future meetings. "*

The draft minutes of the latest Investment Committee meeting can be seen at **Annex A**

### 2. Growing Places Committee

The Committee last met on the 7<sup>th</sup> March 2022.

Key decisions and updates from the latest Growing Places Committee can be seen at **Item 5: GPF updates.**

The minutes for the latest GPF committee can be found at Annex B.

Karen Dukes, as chair of the committee, has given the following statement:

“The committee has operated in a consistent and transparent way but our work has reduced as a result of a decision being taken to not immediately reinvest any funds which are returned but to pass this decision to the main board, and the resolution of issues with specific loans.

The work now undertaken by the committee is simply to review what is largely a mixture of underperforming loans on which the committee is resolved the LEP will not enforce upon, and performing loans. The current fund manager does an exemplary job to manage the loans, and a further discussion is needed as to whether the management of the remaining portfolio should now be handed over to the management team”.

### **3. Audit and Risk Committee**

The last Audit And Risk Committee took place in the 3<sup>rd</sup> March. The meeting included a presentation from RSM UK on a draft Internal Audit Strategy for Coast to Capital, with proposed internal audits for the next 3 years (to 2025). The Committee agreed on the nature of Internal Audits for 2022/23 subject to our financial position.

The Committee noted its disappointment that the results of the internal audit review on Payroll had not been received from Kreston Reeves by the time of the meeting.

In addition, the Acting CEO presented a detailed update on the financial position of the LEP and discussions around risks within the Value proposition. These were confidential items and are not detailed in the public minutes. Board members can ask for the minutes of this item on request.

Finally, the meeting discussed the risk management process and scrutinised the Assurance Framework, which will be proposed for approval at this Board meeting.

Amanda has given the following statement in her positions as chair:

“I am increasingly encouraged by the increasing focus of the Audit & Risk Committee on key, strategic issues and particularly welcome the valuable challenge and thinking provided by co-opted members. Enormous thanks to the Executive Team for all the attention they are giving to the work, especially at the moment.”

The minutes can be found at Annex C

#### **4. Finance and Resources Committee**

The last Finance and Resources Committee took place on the 31<sup>st</sup> March and another also took place on the 20<sup>th</sup> April (recommendations dealt with under agenda Item 3 Acting CEO Report). At the meeting on the 31<sup>st</sup>, the Committee discussed the Coast to Capital's current finances as presented by the finance team.

The Committee also discussed Coast to Capital's reaction to the current funding uncertainty. The Value proposition was discussed but it was also the committee's expressed opinion that another meeting should be scheduled to discuss funding once the letter from Government had been received.

A special meeting of the Finance and Resources Committee is also scheduled for the 20<sup>th</sup> April (Recommendations covered under Item 3). to discuss a proposed budget for 2022/23 for formal Board approval at its April meeting. This is in response to the letter confirming funding from Government being received.

Annex D.

#### **5. Local Authorities Meetings**

Our next Local Authorities meetings will take place on the 2<sup>nd</sup> May. The meetings were postponed until we had received the letter with confirmation of funding from Government.

#### **6. Skills 360 Board**

The most recent Skills 360 Board was held on the 30<sup>th</sup> March. The Skills Board was updated on the progress of the Value proposition within the company. The Skills Board were also updated and discussed the current role of the EAN and Careers hub workstreams.

Furthermore, updates were heard on the LSIP and Frances Rutter and Steve Benwell gave updates on NESOT and DWP respectively. The Skills Board noted the papers that included a Skills 360 Board Activity Update and an Economy Overview. The minutes can be found on the website section here

#### **7. Diversity Statement**

Any position on Equality, Diversity, and Inclusion has been covered above in this paper.

#### **8. Legal Statement**

This paper has been reviewed by the Brighton and Hove City Council as the Accountable Body.



## **9. Finance Statement**

There are no further financial considerations of the paper other than those mentioned.

### **Annexes:**

**Annex A – Investment Committee minutes**

**Annex B – GPF Committee minutes**

**Annex C – Audit and Risk Committee minutes**

**Annex D – Finance and Resources Committee minutes**



### **Investment Committee Meeting**

Monday 21 March 2022, 1:30pm-3:00pm

Coast to Capital – Zoom Meeting

#### **Attendees:**

##### **Chair**

David Joy – Board Member

DJ

##### **Voting Members of the Investment Committee**

Amanda Jones – Board Member

AJ

Matthew Furniss – Deputy Board Member

MF

Anthony Middleton – Acting Chief Executive

AM

Jamie Arnell – Board Member

JA

Tom Druitt – Deputy Board Member

TD

Paul Marshall – Board Member

PM

Matthew Furniss – Deputy Board Member

MF

Frances Rutter – Board Member (tentative)

FR

Mark Brunt – Board Member (tentative)

MB

##### **Internal Support**

Hannah Gosling – Investment Delivery Lead

HG

David Smith – Investments Manager

DS

Matthew Heath – Investment Delivery Lead

MH

Nick Darwin – Governance Officer

ND

##### **Governance Advisors**

Carli Foster – Accountable Body

CF

##### **Apologies**

Karen Dukes, Clare Mason, Steve Waight, Jane Longmore, Nigel Manvell, Phelim MacCafferty, Clare Mullholland, Natalie Bramhall.

*\*Minutes to be posted in the public domain following the meeting.*

Time	Item	Agenda item	Action	
<b>Part A</b>				
1:00pm	1	<b>Introduction</b> 1.1. Open, Welcome and Apologies 1.2. Minutes from previous meeting 1.3. <b>Declaration of Interest</b>	Note	DJ
1:05pm	2	<b>LGF &amp; GBF Updates</b> 2.1. Railway Quay 2.2. Springman House 2.3. LGF – update on high risk projects 2.4. GBF – update on high risk projects 2.5. LGF & GBF Finance update	Note / Approve	DS / MH / HG
2:30pm	3	<b>AOB</b> 3.1. Horley Business Park 3.2. Fiveways 3.3. Items for Audit & Risk Committee ( <i>if applicable</i> )	Note	DS / ALL
<b>Meeting finish: 2:45pm</b>				



## Meeting Minutes

### **1.1. Open, Welcome and Introductions**

DJ welcomed the Committee to this meeting

Apologies were noted for members who could not attend this meeting.

DJ gave a brief overview of the purpose of the meeting to all attendees.

### **1.2. Minutes & Actions of the December Investment Committee**

The minutes from the previous meeting were reviewed and the committee members agreed they were an accurate representation of the meeting.

The minutes were approved.

### **1.3. Conflicts of Interest**

No Conflicts of Interest were identified for this meeting.

TD noted that he is the Chair of the BlackRock project group and asked the committee to note this as a potential conflict. DS confirmed there were no decisions to be made on this project, therefore no action needed to be taken.

## **2. LGF & GBF Updates**

### **2.1. Railway Quay**

MH gave an update on the Railway Quay project. It was noted that the UTC building was purchased and the outstanding issue with the railway club was now resolved, as they now do not need to relocate. MH noted the benefits of this to the Committee, including a quicker build time and more jobs created. This would mean the outputs are more likely to be met. MH noted the need for a deed of variation to support this project.

DJ noted previous concerns of the committee have been addressed from the purchase of the additional site and that the deed of variation should be able to cover this additional amendment.



MH confirmed to the committee this site has been acquired as of this meeting. The committee supported this development to help deliver the scheduled outputs.

AM did raise a concern over the confidence in the delivery body to meet these outputs. MH and DS reassured the committee that conversations and plans have been shown to the team which, with the relevant monitoring in place, give confidence the delivery body will achieve its objectives. The Committee noted the assurance given but expressed a desire for more evidence that this will be achieved.

DJ noted that an update will be given at the June meeting on the progress of this project. The committee approved this and approved for contractual milestones to be implemented on this project to monitor progress. The committee approved the Deed of Variation and recommended to the Board that the Funding withdrawal protocol is withdrawn.

## **2.2. Springman House**

MH updated the committee on progress with Springman house. MH noted the June deadline to resolve issues regarding a tenant, the fire service, remaining on the site. MH noted the role of the new developer, "Human Nature" in the project. MH shared the update from this new developer, including actions they have taken to progress this project. The developer noted that they will provide a further update in time for the June meeting.

DJ questioned if Lewes Borough council could be more involved in the discussions with the fire service to help resolve this issue. The committee had no further points to note and closed this item.

## **2.3. LGF – update on high-risk projects**

### **BlackRock**

DS proceeded to update the Committee on the Blackrock project, noting the risk level is due to a high level of flexibility in project outcomes. DS noted the encouraging work on revising outputs and milestones but highlighted the delays in producing the deed of variation.

MB raised concerns over these delays prohibiting the project from meeting its outcomes. AJ built on this point and noted that the project funding can be used elsewhere in the region if the project won't meet these outcomes. AM echoed these comments and stated the need for an endpoint to the extensions that have been granted to the project. DJ supported this concern. DS noted a change in personnel was a valid reason for the delay but noted the need to progress this project.

TD did stress the importance of this project to the Brighton and Hove City Council. TD went on to state how it forms a major regeneration for the eastern Brighton seafront alongside other projects planned. TD illustrated the difficulties in working on this site, through the contamination which prohibits development. Whilst the administrative delays needed to be addressed, TD did state that significant work had begun on ensuring the site can be worked on.

MB noted the experience of the Committee on a similar project, the Horley Business park, with similar issues. Illustrating the Committee's responsibility in ensuring oversight that a project can deliver its outcomes. AM suggested to the Committee that a milestone plan be implemented to judge the project on its progress. The committee approve this and approved for an update at the June meeting from BHCC on the achievements of the project to date.

## **New monks farm**

DS updated the Committee on the New Monks Farm project, starting by highlighting the difficulty with IKEA pulling out from the site. The actions of the council to contact IKEA were noted and the outputs of the project should still be deliverable. Additionally, the council's stance on ensuring the new tenant promoted local high-skilled jobs was encouraging to the Committee. A substantial update was to be provided in June.

DJ questioned if the money was to be spent on the infrastructure and access works, to which DS confirmed that LGF has been used as enabling works. DJ raised concerns that we are at the behest to market forces in which tenant moves onto the site.

The encouraging commitment of the council to not build housing on that site was noted by the committee. AM asked that if the local plan has marked this site for business use, it would strengthen this case. SW did counteract that if the council has not met its



housing development target from government, this would not provide sufficient protection from housing development taking place.

### **Southern gateway**

DS updated the Committee on the revised milestones that have been agreed upon. DS noted the progress of the deed of variation, and how this will incorporate the amended milestones within the document. There were no other issues to raise and DS opened to questions from the Committee.

There were no further questions and the item was closed.

### **A29**

DS stated to the Committee the difficulties in getting an agreement over the land, which has slowed progress. DS noted a project board is in place alongside a CPO which should assist this project to move forward.

DJ questioned at what stage the CPO would be involved. DS noted that the decision report has been signed and the West Sussex planning team is now engaged in this.

### **Valley Gardens Phase 3**

DJ questioned if TD would be allowed in this conversation to which DS confirmed. As no decisions were to be made, no action would have to be taken.

DS updated the Committee on the project. DS noted progress on the Cycle track alongside other infrastructure which has caused an increase in construction cost. Noting the success of Phase 1 and Phase 2 has caused the public concerns to decrease in the project and eased fears this would present a significant problem.

TD stated his role in the Policy and Resources Committee, which signed off the additional costs for this project. TD mentioned that half the funds granted are earmarked to protect against inflation costs for this project and explained the need for additional funding to combat this issue.

### **Burgess hill place and connectivity.**

The committee took the paper as noted and that a further update is to be provided in June.

## **2.4. GPF Update on high-risk projects**

### **Crawley Innovation Centre**

DS began with an update on the Crawley Innovation Centre. DS noted that grant funding had been signed off on the 15<sup>th</sup> of March and that the building has been acquired by the delivery body. The council has begun to recruit and Project Director, Project Monitor and Project Officer for this project. Progress in the designs to convert the house was discussed to complete in the summer. DS also noted the marketing campaign has been launched. DS noted the strong milestones on this project and the importance of monitoring these objectives.

AJ stated the need for the next update to focus on the milestones and if they have been met. In addition, AJ raised concerns over the timing of the marketing campaign, noting the caveats that could hold the project up. DS took the comments on board, but did note that C2C approved the marketing campaign. DS went further, stating the role of the project monitor in giving the committee assurance.

MB suggested that the appointment of a project monitoring officer is brought forward and each meeting should contain an update of these milestones. The committee discussed MB's point that the risk of this project should be accepted, but needs to be managed accordingly. AM supported this point, ensuring that we have a report to the committee and that the monitoring officer attends the committees.

DJ proposed an update at the June meeting, which was agreed by the Committee.

### **A22**

DS noted the project was high risk as no funding had been drawn down. However, DS did note that the project was continuing as proposed. Whilst there were resource issues, this should not affect the timeline to achieve the objectives. AM did note that work is underway for the Committee.

### **MBDC electrical points**

DS had no issues to raise on this project and the Committee had no further questions.





## **2.5. Finance update on outputs**

The committee took this item as noted. The Committee had no further questions on this item.

## **3. AOB**

### **3.1. Items for Audit & Risk Committee**

The committee had no risks to bring forward to the Audit and Risk Committee.

AJ stated that the high-risk projects should always be looked at by the Audit and Risk Committee, but did acknowledge that these are often carried across to this committee.

DJ queried if the Railway Quays projects should be brought forward. AM agreed with this, proposing a summary of key risks for the committee to have oversight.

### **3.2. Any other Business Raised**

MB noted to the Committee the progress on the Marketfield way project. MB highlighted the successes in securing leases on the site and highlighted this as an example of C2C's effect in the region. MB added that a strong mix of local businesses plus national chains at the site was having a good effect on the community around the project's site.

DJ stated that the Committee was to discuss how to spend funds that have been clawed back. DS confirmed this would be brought to the next meeting.

AJ stated that the attendance of Board members to this committee should be drawn to attention and that this should be raised at the Board meeting in April. DS suggested a defined membership would encourage Board members to attend.



**Growing Places Fund Committee**

7 March 2022, 2:30pm–4:15pm  
Coast to Capital – Zoom Meeting

**Attendees:**

**Chair**

Karen Dukes – Board Member KD

**Committee Members**

Amanda Jones – Board Member AJ

Steve Waight – Deputy Board Member SW

Jamie Arnell – Board Member JA

**In Support**

Anthony Middleton – Acting Chief Executive (Coast to Capital) AM

Hannah Gosling – Investment Delivery Lead (Coast to Capital) HG

David Smith – Head of Investment (Coast to Capital) DS

**Accountable Body Representatives**

Carli Foster – Accountable Body CF

James Hengeveld – Accountable Body JH

**Apologies**

Matthew Furniss, Anthony Middleton, Julie Kapsalis.

Time	Item	Agenda item	Action	
2:30pm	1	<b>Introduction</b> 1.1 Open 1.2 Welcome and Apologies 1.3 Minutes from previous meeting  <b>Declaration of Interest</b>	Note	KD
<b>Decisions 2</b>				
2:40pm	2.1	<b>CTEC /GEAET Next Steps</b>	Approve	DS
3:10pm	2.2	<b>Platf9rm Capital Repayment Holiday Request</b>	Approve	DS
3:25pm	2.3	<b>Future Use of Existing GPF</b>	Approve	DS
<b>To Note 3</b>				
3:45pm		<b>Project updates:</b> 3.1 Brighton Block J 3.2 Coast to Capital Funding Escalator (FSE) 3.3 P2D	Note	DS
4:00pm	4	<b>4.1 GPF Committee Membership &amp; Nomination of Deputy GPFC Chair</b> <b>4.2 AOB</b>		ALL
<b>Meeting finish: 4.15pm</b>				

## Action Table

AOB	4.2	DJ to seek an alternative member for the Committee.
-----	-----	---



## **Meeting Minutes**

### **1. Welcome, Introductions**

Welcome, introductions & apologies were made.

#### **1.1 Declaration of Interest**

The Chair read out of the conflicts of interest statement and asked members of the Committee to express any interests. There were no COI declared.

#### **1.2 Minutes from the previous meeting**

The minutes from the last meeting were approved.

### **2. Decisions**

#### **2.1 CTEC/GEAET Next Steps**

Both are overdue on payment. Option 1 is to try and work flexibly with them, option 2 is to go down the insolvency route, option 3 is to send them a solicitor's letter to try and get some repayment plan from them and to try and receive some interest payments. If they are put into insolvency the chances of recovering any funds are incredibly low. GEAET have two contracts but there has been no paperwork or update lately. CTEC have several contracts and interests but no funding or paperwork has come forward and therefore none are confirmed. We need to get some further advice before going down the insolvency route.

We should try and recover the loan first before going for option 2. We should get a special advisor to evaluate what assets we may be able to take if we seek insolvency but start this work whilst we send the letter making it clear we are seeking to recover.

The Committee approved to send the solicitors letter (option 3). The Committee would like this to come back to the June Committee.

#### **2.2 Platf9rm Capital Repayment Holiday Request**

This Company has only just approached up regarding holiday repayment request. They have requested 6 months to get the business back to track and focus on Brighton and hove sites to be able to continue repayment. The recommendation for the Acting Chief Executive to approve the 6 months period once all information has been received by platf9rm.



If they have a viable and successful business model then they should be re-financing and this should be alliterated to them again. They are in talks with other financiers, we are waiting for the model and forecasting from Platf9rm. 6 months is far too late potentially could allow them 3 months. Give them 3-6 months and if they choose the later issue them a charge.

The Committee approved to give delegated authority to the Acting Chief Executive to approve the holiday request upon receiving all the required financial paperwork and they have 3-6 months and if they choose the later issue them a charge.

### **2.3 Future Use of Existing GPF**

There has been no correspondence from the other two companies and are looking at closing them down. There is 2.8 million that needs to be spent to benefit the region. Some potential options to be drawn up and brought back to the committee. These funds are all capital. There could be opportunity to work with some partners in the region that are always looking for capital to get the best income. One of the good ideas is to do another funding escalator scheme as it is a recyclable fund. Be clear in the paper what the objectives are and how the options will help achieve those objectives.

The Committee approved for a paper to be drawn up but go straight to the board as all board members should have a say in how the fund is spent going forward.

## **3. To Note**

### **3.1 Brighton Block J**

**3.2** The sales agreements still haven't been implemented. The completed shared transferred. Completely exited this investment, We are clear of any potential liability relating to this project. 1x office and a hotel have been the completed objectives as an outcome of this project.

There is a provision with the accountable body and needs to move to a full provision to write off the total £4.5 million. This should be written off now.

### **3.3 Coast to Capital Funding Escalator (FSE)**

**We are now in closing down process of this and will receive repayment. The best option for the committee to reinvest this.**

### **3.4 P2D**

We have successfully removed this away from a dispute. We have a consolidated loan now £520,000. Their first payment was made at the beginning of February and Full repayment is due back November.

## **4.**

### **4.1 GPF Committee Membership & Nomination of Deputy GPFC Chair**

No comments were made.



#### **4.2 AOB**

JA will be stepping down from the Committee and was thanked for all his support, dedication and work on and to this Committee.

DJ to seek an alternative member for the Committee.

**END**

# Coast to Capital

## **Audit and Risk Committee Meeting**

Thursday 3<sup>rd</sup> March 2022: 2:30 pm – 4:00 pm

By Zoom Video Conference

### **Committee Members:**

- Chair: Amanda Jones (AJ)
- Directors: Anthony Middleton (AM).
- Independent Members: Karen Hayes (KH); Chris Maidment (CM); Mike La Rooy (MLR); Andrew Swayne (AS).

### **Attendees:**

- Accountable Body: Carli Foster (CF) Nigel Manvell (NM)
- Coast to Capital: Cali Gasson (CG); Nicholas Darwin (ND); Hannah Gosling (HG).
- Guests: Nick Atkinson – RSM (NA)

## **1. Introduction**

### **a) Welcome and Apologies.**

AJ welcomed everyone to the Zoom meeting.

It was noted that apologies had been received from:

- Andrew Swayne would leave the meeting at 3:20 pm.

AJ explained that the meeting was being recorded for the purpose of minute taking and that the recording would be deleted after the minutes had been recorded.

AJ introduced CF to the Committee as it was her first meeting. CF introduced herself and explained she will be responsible for the Head of Finance role in the short-term.

### **b) Public Comments**

It was noted that no public comments were received in advance of the meeting.

### **c) Conflicts of Interest**

AJ read the conflicts of interest statement and invited any necessary declarations.

AS declared a possible conflict concerning the Greater Brighton Economic Board at Item 4a, but this was not deemed a conflict by the Committee for the purposes of the planned discussions at the meeting.

KH declared a possible conflict in respect of the Innovation Centre, but this was not deemed a conflict against any items on the agenda by the Committee.

**d) Minutes from last meeting and Matters Arising.**

The Committee noted that all the actions in the Matters Arising document had been completed.

The Committee approved the Minutes of the meeting held on 12 January 2022.

**2. Chief Executive Statement**

AM notified the committee that the Levelling Up White Paper had been published on the 2<sup>nd</sup> of February. Whilst this did give some certainty on the LEP's future, it did not possess sufficient detail on the funding and functions of LEPs. AM outlined C2C's planned next steps and actions to address funding uncertainties. AM closed the item by confirming that more information is expected shortly.

**3. Audit**

CG presented her Audit paper as previously circulated. It was noted that RSM had been invited to develop an Internal Audit Strategy and would join the meeting to present this. Kreston Reeves had been commissioned to undertake an audit on Payroll but this was not yet ready for presentation to the Committee. The report was due to be finalised in the next couple of weeks and it was proposed this be circulated to, and discussed by, the Committee by correspondence upon completion. This was agreed.

CM raised a question around financial controls in response to which AM and CF reassured the committee regarding the controls that are in place and explained that enhanced organisational changes have enabled better oversight from the management team.

NA from RSM UK joined the meeting to give an overview of the proposed Internal Audit Strategy. NA outlined how this strategy has been developed using the Risk Register as a central guide. AJ asked about the proposed financial management audit, to which NA noted how a review of costs in the current budget would be useful. The Committee further discussed the Audits presented for the next financial year and agreed on their importance.



A potential audit of C2C's governance was discussed given the current uncertainty on existing governance systems. NA confirmed that this type of work could be embraced. AJ suggested that a refresh/training for the Board in this area may be beneficial and NA confirmed this could be delivered through training sessions alongside the audit review.

The Committee agreed the proposed Strategy and that CG/HG should continue working closely with RSM UK to prepare audit scopes for the proposed areas of work, subject to confirmation over the financial position of Coast to Capital. NA thanked committee members for their openness on this subject and the Committee thanked NA for his work.

#### **4. Finance Update**

##### **a) Value Proposition**

The Committee discussed the Value Proposition and noted the progress.

##### **b) Finance Update**

The Committee noted the finance update for Coast to Capital.

#### **5. Risk Management Report**

CG presented her Risk Management Report previously circulated. AJ noted the quality of the paper and invited questions.

Given the depth of discussions regarding risks throughout the meeting, no further questions were raised. AJ acknowledged the reassurance of RSM UK utilising the Risk Register to develop the Internal Audit Strategy, which was a significant strength of the process.

#### **6. Other**

CG presented proposed minor amendments to the Assurance Framework 2022, as highlighted in the previously circulated paper. CG noted that the changes approved by the Board in September meant we fully comply with the National Assurance Framework, but that these additional changes were to ensure our current framework reflects the business as it is since the publication of the 2021/22 Business Plan. There would be a larger update later in the year once we have clarity on the LEP's functions and funding following the publication of the Levelling Up White Paper.

The Committee noted the proposed changes and recommended this version for approval by the Board. The Committee noted that, once the requirements for the LEP

are known, there will likely be further changes made to the Local Assurance Framework.

## **7. Close**

### **a) AOB**

CM asked about current Committee membership and its alignment to the existing Terms of Reference. AM agreed to look at this further.

There were no other items of business raised.

### **b) Future Meetings**

The next meeting of the Audit and Risk Committee will take place on 25<sup>th</sup> May 2022 at 2.30 pm.

*Unconfirmed minutes – to be approved at next Audit and Risk Committee*

# Coast to Capital

## **Finance and Resources Committee**

Wednesday 31<sup>st</sup> March

By Zoom Video Conference

## **Meeting Minutes**

### **Committee Members:**

Richard Hopkins (RH) – Chair; Anthony Middleton (AM); Rosaleen Liard (RL); Andrew Swayne (AS); Steve Waight (SW)

### **Apologies:**

Paul Marshall (PM); Martin Harris (MH); Sarah Bosley (SB) BEIS (Cities & Local Growth Unit).

### **Other attendees:**

- Carli Foster (ST) Accountable Body; James Hengeveld (JH) Accountable Body (Brighton and Hove City Council).
- Nicholas Darwin (ND) Coast to Capital; David Smith (DS) Coast to Capital.

## **1. Introduction**

### **a) Welcome and apologies**

RH welcomed the Committee to the Fourth Finance and Resources Committee.

It was noted that apologies have been received from Martin Harris and Paul Marshall due to scheduling difficulties.

The Committee confirmed that, as per the terms of reference, this meeting was quorate even with these absences.

RH noted that this was MH last Committee meeting as his term as a Coast to Capital director ended on the 1<sup>st</sup> of April. The Committee thanked him for all his work in establishing and contributing to this group.

### **b) Declarations, Disclosures & Conflicts of Interest**

RH read out the Conflicts of Interest statement and AM confirmed all conflicts of Interest statements were up to date. AM added that conflicts of interest forms would be sent out to committee members shortly after this meeting for updating.

ND confirmed that there are no conflicts of interest applicable for any discussion at this meeting.

### **c) Minutes of Last Meeting and Matters Arising**

The Committee approved the Minutes of the meeting held on 8<sup>th</sup> December 2021.

AM confirmed that all matters arising have been addressed or would be addressed in Item 2 of the meeting.

## **2. Chief Executive Update**

AM noted this was an uncertain period, with C2C awaiting funding confirmation from Government. AM confirmed that funding confirmation had been received for the Growth Hub and funding has been reduced by 50%. AM did highlight the work to prepare the LEP for these funding cuts. Additionally, savings through closing the office and departing staff members not being replaced has improved C2C financial position towards the end of the Financial year. AM noted an agreement reached to reduce the Accountable Body fee for C2C.

RH noted how the reducing in Growth Hub Funding would affect the LEP and the Committee agreed this was likely to preclude a potential reducing in Core funding.

## **3. Financial Update**

CF stated that the forecast presented was eleven months actual financial results with one month forecast. CF noted that there was a pre tax surplus of £170k, but that this included no extra costs that could be incurred. CF acknowledged that we have are in a good position due to the savings made in discretionary spend. In this position, £30k was budgeted for exit costs in the office which would conclude on the 15th April. A continue reduction in spending where possible would only increase potential savings and improve the position of C2C. Work would be conducted on a potential budget in light of the Growth Hub Funding confirmation.

RH confirmed that for this year we are in surplus, but the uncertainty still remained for next year, to which CF and AM confirmed. AS praised the work in developing these accounts and highlighted the difficulty in operating with this uncertainty, to which the committee agreed.

## **4. Value Proposition and Budget**

AM presented on the current financial position of C2C, outlining key figures. AM explained to the committee the estimated cost base and the funding likelihood for Core, Growth hub and Careers Hub funding. In addition, AM outlined how the income stream from consultancy work alongside capitalisation for seed fund project. AM noted that the question of Local Authority funding would be a variable in the financial position of the company.

RH queried over when an answer to LA funding would be reached to which AM noted that their budgets have been set, so an answer soon is likely. However, this would be influenced on Governments funding position. AS raised the need to meet again when we have this funding confirmation, to which the committee agreed.

SW gave a perspective from LA's and noted that they are awaiting this confirmation of funding as well. SW did note it was likely follow governments proposal. AM accepted that this was a practical approach from LA. AM went further in that funding can be amended to priorities services that are desired by LA, such as to cover the reducing in Growth Hub Funding. SW agreed and that a holistic approach would need to be taken once funding was confirmed. RH confirmed and that, a reduction in funding would not guarantee an equal reduction in services and may have a more adverse effect. AM agreed that is it not directly proportional and highlighted the need to review resources available to see what can be delivered.

AM closed by noting the work of the Consultancy offer to deliver greater resources, but that this would not solve the issue independently. DS built on this by illustrating the work that would need to be done once funding was confirmed and the challenges to be met.

## **5. Close**

### **a) AOB**

RH raised that, with Board members stepping down, there will be a need to Co-opt members. Work would be required to review skills needed and acknowledgement that this role would require understanding of the current C2C position. AM agreed and noted the meeting of the Nominations Committee on the 30<sup>th</sup> March was a step in this direction. The Committee agreed a skills matrix would be needed to identify what was needed. AM confirmed this is likely to be embodied by the changes in the Assurance Framework to be approved at the April Board.

It was noted that the next Finance & Resources Committee was scheduled for 16th June 2022 and that it would be likely that an "exceptional" meeting would need to be called in advance of this date when the funding letter from Government was received.