

New Anglia Local Enterprise Partnership Board Meeting

Wednesday 18th April 2018

10.00am to 12.30pm

The Green Britain Centre, Turbine Way, Swaffham, Norfolk, PE37 7HT

Agenda

No.	Item	Duration
1.	Welcome	15 mins
2.	Apologies	↑ ↓
3.	Declarations of Interest	
4.	Actions / Minutes from the last meeting	
Forward looking		
5.	Tri-LEP Local Energy East Strategy	Presentation
6.	Cambridge-Norwich Tech Corridor Presentation	Presentation
Governance and delivery		90 mins
7.	LEP Capital Budget 2018/19 - Confidential	For Approval
8.	Review of professional advisers	For Approval
9.	Decision Log	For Approval
10.	Growth Deal Quarterly Dashboard Confidential	For Approval
11.	Chief Executive's report including PwC Implementation Plan	Update
12.	Finance Report including Confidential Appendices	Update
13.	Board Forward Plan	Update
14.	Any Other Business	Update

Date and time of next meeting: 10.00am – 12.00pm, 23rd May 2018

Venue: Co-op Education Centre, 11 Fore St, Ipswich IP4 1JW

New Anglia Board Meeting Minutes (Unconfirmed) 21st March 2018

Present:

Cllr David Ellesmere (DE)	Ipswich Borough Council
Doug Field (DF)	East of England Coop
John Griffiths (JG)	St Edmundsbury Council
Dominic Keen (DK)	High Growth Robotics
Colin Noble (CN)	Suffolk County Council
Johnathan Reynolds (JR)	Nautilus
Lindsey Rix (LR)	Aviva (via video call)
Sandy Ruddock (SR)	Scarlett & Mustard
Alan Waters (AW)	Norwich City Council
Nikos Savvas (NS)	West Suffolk College
Jeanette Wheeler (JW)	Birketts

In Attendance:

Sue Roper (SuR)	Suffolk County Council
Richard Lister (RL)	University of Suffolk (for David Richardson)
Alison Thomas (AT)	Norfolk County Council (for Cliff Jordan)
Shan Lloyd (SL)	BEIS
Chris Dashper (CD)	New Anglia LEP
Lisa Roberts (LiR)	New Anglia LEP
Chris Starkie (CS)	New Anglia LEP
Keith Spanton (KS)	New Anglia LEP
Helen Wilton (HW)	New Anglia LEP
Rachel Hood (RH)	Horse Racing Industry (For Item 4)

Actions from the meeting: (21.03.18)		
	Flood Defence Schemes Chris Dashper to produce a brief paper on LEP funding of flood defences to be circulated to Board Members.	CD
	Institute of Technology Board members to be provided with details of the top 3 key messages from the LEP on a monthly basis	HM
1	Welcome from the Chair	
	Doug Field (DF) welcomed everyone to the meeting and thanked The Jockey Club for hosting. He welcomed the attendees including Richard Lister deputising for David Richardson, Alison Thomas deputising for Cliff Jordan and Rachel Hood who was presenting Item 4. Lindsey Rix joined the meetings via video call.	
2	Apologies	
	Apologies were received from: David Richardson, Tim Whitley, Andrew Proctor, Steve Oliver, Cliff Jordan and Tracy Jessop	
3	Declarations of Interest	
	Full declarations of interest can be found at http://www.newanglia.co.uk/about-us/the-board/ .	
	Declarations relevant to this meeting: Item 9 - Alison Thomas and Alan Waters Item 10 - David Ellesmere, Colin Noble, Sue Roper and Richard Lister	
	Nikos Savvas (NS) noted the meeting that he had a personal connection to Oyster Yachts should it arise as a future agenda item.	
4	Horse Racing Industry Presentation from Rachel Hood	
	Rachel Hood (RH) provided the meeting with an overview of the horseracing industry in Newmarket and its importance to the economy of the region. The meeting was informed about the range of the industry which stretches beyond hosting races to include breeding, training and support functions. It is the most important industry in the area and the second biggest contributor to the economy in the East, after the Tech corridor, employing 20,000 people directly and over 120,000 people indirectly. On a national level it contributes £3.45bn to the economy with Newmarket the largest horseracing economic cluster in the world. DF thanked RH for her informative presentation and RH left the meeting.	
5	Minutes of the last meeting 21st February 2018	
	The minutes were accepted as a true record of the meeting held on 21 st February 2018.	
	<i>Actions from last meeting updated as follows:</i>	
	Declarations of Interest Ascertain whether regular Board substitutes need to complete Declaration of Interest Forms - This has been confirmed and forms are being collected from those attending as substitutes. These will be added to the web site.	CS
	Economic Indicator Trajectories and Targets To receive a paper on CO2 reductions for consideration of inclusion in the economic strategy targets – Work is ongoing and will be presented at a future Board meeting.	CS/JR
	Brexit Analysis To receive an action plan detailing the next steps, timescales and measures of success - Work is ongoing and will be presented at a future Board meeting.	LiR
	Governance Review To receive a proposed scheme of delegation and decisions log at the March meeting – A Scheme of Delegation is being presented at the March Board. The decisions log will be presented in April.	CS

	<p>Flood Defence Schemes Chris Dashper (CD) provided a verbal update on his findings and will produce a brief paper to circulate to Board Members.</p>	CD
6	Institute of Technology – Confidential	
	<p>The Board agreed:</p> <ul style="list-style-type: none"> • To note the content of the report • To support and promote the proposal and the activities of the LEP to help development of the bid • To receive details of the top 3 key messages from the LEP on a monthly basis to assist in getting the message to key stakeholders 	
7	2018/2019 Budget	
	<p>CS took the majority of the paper as read and updated the meeting on the keys elements of the 2018/19 operating budget which covers the core work of the LEP and the programmes team.</p> <p>Board members were advised that expenditure had increased largely due to an increase in salaries as the LEP now has its full complement of staff. This also includes salaries for the 2 Opportunity Area staff although these costs are recovered in full.</p> <p>It was noted that £150,000 has been set aside for unallocated projects giving the LEP executive further capacity where work is expected to increase such as Brexit and the development of a local industrial strategy</p> <p>The overall impact is that the LEP is budgeting for a reduced operating surplus for 18/19 given the certainty of almost all the income and costs.</p> <p>CS provided an overview to the Projects Revenue Fund which has been established using the Enterprise Zone revenues. The fund currently has £1m available to use in the 18/19 financial year and CS recommended that the LEP executive develop a framework around the use of the funds which will initially be considered by the Investment Appraisal Committee (IAC) before being presented to the LEP Board.</p> <p>The Board agreed:</p> <ul style="list-style-type: none"> • To approve the operating budget for 2018/2019 • To publish the approved budget in the public domain • For the LEP Executive develop a framework around the use of the revenues budget 	
8	Capital Growth Programme Bid – Snetterton Heath including Confidential Appendices 2 and 3	
	<p>CD highlighted the key points of the proposal.</p> <p>LR noted that the IAC had approved the bid but had requested that the Council reinvest the business rates received from the project.</p> <p>David Ellesmere (DE) noted that a clawback mechanism should be included should revenues be higher than expected.</p> <p>JR noted that there are many other businesses in a similar situation who would benefit from such improvements and there was a risk that the LEP receive further similar requests.</p> <p>The Board agreed:</p> <ul style="list-style-type: none"> • To approved the Capital Growth Programme grant funding of £2.65m to the Snetterton Heath Employment Areas Electricity upgrade Scheme subject to the inclusion of a clawback clause 	
9	Growth Deal Funding Change Request – NATS Packages	

	<p>Alan Waters (AW) and AT left the meeting.</p> <p>CD reviewed the key points of the proposal reiterating to the Board that this was not a request for additional funding but the reallocation of existing funding between projects.</p> <p>The Board agreed:</p> <ul style="list-style-type: none"> To agree the transfer of £350,000 from NATS A11 Corridor Package to the NATS City Centre Package. To the inclusion of the Plumstead Road roundabout scheme into the NATS City Centre Package and use of £400,000 of previously allocated funds. <p>AT & AW returned to the meeting</p>	
10	Growth Deal Funding Change Request – Cornhill	
	<p>DE, Colin Noble (CN), Sue Roper (SuR), and RL left the meeting.</p> <p>CS reviewed the keys points of the request for an additional £50,000 to cover a shortfall in project funding. This contribution will leverage match funding of £350,000 already offered by other partner organisations.</p> <p>CS confirmed that this was viewed as a worthwhile project and that there was ongoing local economic activity directly linked to the project.</p> <p>The Board agreed:</p> <ul style="list-style-type: none"> To provide an additional £50k to cover the shortfall in the funding <p>DE, CN, SuR, and RL returned to the meeting.</p>	
11	Growing Places Fund – Atex Business Park – Confidential	
	<p>The Board agreed:</p> <ul style="list-style-type: none"> To note the content of the report. To receive a revised paper at the April board meeting 	
12	Scheme of Delegation	
	<p>CS took the majority of the paper as read.</p> <p>Board members discussed the Scheme of Delegation and agreed the following minor changes:</p> <p>Page 2: Awards from Growing Business Fund up to £500k - GBP Panel “overseen by the IAC” to be added</p> <p>Page 3: Remuneration of Chief Operating Officer – CEO to be removed</p> <p>Page 3: Operation procedures and policies – To be amended to “COO in conjunction with CEO”</p> <p>LiR asked whether regular update reports from the Chairs of the committees would be included in future Board meetings.</p> <p>CS agreed that this would be built into future Board plans</p> <p>The Board agreed:</p> <ul style="list-style-type: none"> To approve the LEP’s Scheme of Delegation subject to the above revisions. To receive regular updates from committee Chairs 	
13	Chief Executive’s report including PwC Implementation Plan	
	<p>CS updated the meetings on the LEP Chairs and CEOs Workshop which he and DF had attended on 20th March.</p>	

	<p>The workshop had provided further information on key areas:</p> <p>Governance Review – This is expected to be completed before the summer recess and CS advised that he felt the New Anglia was well placed to respond. Local Industrial Strategy – New Anglia is continuing to press to be included as a pilot LEP. Shared Prosperity fund – an update was given on the ongoing work to replace European funding.</p> <p>CS also advised that a meeting was being set up with the new Chair of the GEML Taskforce.</p> <p>DF thanked the LEP executive team for their hard work which resulted in New Anglia being assessed as a high performing LEP.</p> <p>DF also advised that work was ongoing to agree the independent chair for the Audit & Risk Committee.</p> <p>AW echoed DF’s thanks to the LEP team but expressed concern that over half of LEPs were seen as underperforming. Shan Lloyd (SL) noted that the Annual Conversations were carried out before Christmas and that significant work had been done by LEPs since then to address the issues raised.</p> <p>The Board agreed:</p> <ul style="list-style-type: none"> To note the content of the report 	
14	Finance Report	
	<p>KS took the majority of the paper as read and asked for questions from the Board.</p> <p>The Board agreed:</p> <ul style="list-style-type: none"> To note the content of the report 	
15	Board Forward Plan	
	<p>CS advised that the forward plan was still being developed and asked for suggestions from the Board.</p> <p>Jeanette Wheeler (JW) requested the inclusion of an update on the delivery of the housing target.</p> <p>It was agreed that updates on by Sector Leads and by Chairs on committee performance would also be included.</p> <p>The Board agreed:</p> <ul style="list-style-type: none"> To note the content of the report. To receive the updated plan at future meetings 	
14	Any Other Business	
	None	

Next meeting:

Date and time of next meeting: 18th April 2018. 10am-12.30pm

Venue: Green Britain, Turbine Way, Swaffham, Norfolk

Actions from New Anglia LEP Board Meetings

Date	Item	Action	Update	Actioned By	Status
21/02/2018	Declarations of Interest	Ascertain whether regular Board substitutes need to complete Declaration of Interest Forms.	Declarations will be required. Charley Purves will contact Board substitutes to arrange completion	CS	On-Going
21/02/2018	Economic Indicator Trajectories and Targets:	To receive a paper on CO2 reductions for consideration of inclusion in the economic strategy targets	CS and JR liaising	CS/JR	On-Going
21/02/2018	Brexit Analysis	To receive an action plan detailing the next steps, timescales and measures of success	Draft action plan is being produced	LiR	On-Going
21/02/2018	Governance Review	Governance Review - To receive a proposed scheme of delegation and decisions log at the March meeting	Decision Log presented at the April Board meeting	CS	Complete
17/01/2018	Capital Growth Programme Projects	Identify whether other LEPS have received requests for investment in flood defence schemes.	Verbal update to be provided at March Board meeting	CD	Complete
22/11/2017	Business Performance Reports	To receive a proposal on the Eastern Agri-Tech initiative by email.	On hold pending clarification on the situation at GCGP	CS	On Hold



New Anglia Local Enterprise Partnership Board
Wednesday 18th April 2018

Agenda Item 5

Local Energy Strategy

Author: Iain Dunnett – Iain to present item

Summary

This paper summarises the development of the Local Energy East Network and its production of a Local Energy Strategy and seeks comment from the LEP Board on the strategy at this consultation stage. There will be a fuller presentation at the board meeting. The completed strategy will be presented to the LEP Board for endorsement at the meeting in May 2018.

Recommendation

The Board is formally consulted on the Local Energy Strategy and the views of the board are being sought on its content. The completed strategy will be presented to the LEP Board for endorsement at the Board meeting in May 2018.

Background

BEIS funding became available nationally in March 2017 for LEPs to establish Local Energy Networks and Strategies. Funding was secured in the East of England for a Tri LEP Network and Strategy covering the three LEP areas of New Anglia, Greater Cambridge and Peterborough and Hertfordshire, and their constituent local authorities. This funding secured resources to develop a Local Energy Network and to produce a Local Energy Strategy in the period April 2017 to April 2018. The network was led and coordinated by the Greater Cambridgeshire and Peterborough LEP.

To support this strategy a baseline of information has been completed including Energy Mapping, Analysis, Modelling, and the development of a Web Portal.

The Local Energy Strategy is based upon this baseline of information and is the subject of current consultation with the aim of publishing the Strategy in June 2018. The Local Energy East Network is seeking strategy endorsement by all local authorities and many other partners. To this end a consultation event occurred at Newmarket Racecourse in February 2018 and further consultation opportunities will be provided in the spring of 2018. It is particularly important that full engagement of the strategy occurs across Norfolk and Suffolk and that the New Anglia LEP takes the full opportunity available through this initiative to support a key sector in the area.

The Strategy is considered to be complementary to other initiatives such as those led by the East of England Energy Group, the Norfolk Anglian Water/UK Power Networks/Local Authorities Utilities initiative and work being completed by the Suffolk Growth Group.

The key thematic priorities identified in the Strategy period to 2030 are as follows:

- Clean Economic Growth
- Housing Growth and Commercial Site Infrastructure
- Secure, Affordable Low Carbon Consumption
- Clean Transport Networks including Electric Vehicles

The Strategy will aim to deliver and facilitate actions in the following areas:

- Business, domestic and public sector retrofit and demand reduction
- Electricity generation, storage, supply and distribution
- Heat generation and distribution
- Transport and wider energy demand reduction

The Strategy will encompass the work of EEEGR which is actively seeking funding for the establishment of Special Interest Groups to consider issues in the areas of distribution, storage, community generation and smart networks and has worked with Local Energy East to establish this initiative. The EEEGR Chief Executive is actively engaged in this subject area as the chair of the UK Power Networks Eastern Region Critical Friends Panel which proactively engages with local authorities, property developers, contractors and organisations representing vulnerable customers.

A practical example of a growth location that could benefit from the strategy would for instance be Snetterton Heath on the A11 Tech Corridor. This location has been the subject of protracted negotiations to fully develop the site and to overcome the main obstacle to development, namely a lack of energy capacity. There are a considerable number of sites similar to Snetterton that will benefit from the connectivity encouraged by the Local Energy Strategy with the consequent development of technical and financial development models rolled out across sites with similar requirements bringing benefits of infrastructure scale, procurement and connectivity.

Running parallel to the network and strategy BEIS have made funding available for the development of five Energy Hubs across England. The development of a Greater South East Energy Hub was proposed by BEIS. The eleven LEP areas in the South East, led by the Greater Cambridge and Peterborough LEP, have coordinated a response to this proposal. BEIS have made £1.3 million available to establish the Greater South East Energy Hub during the period April 2018 to April 2020. The responsibility for leading the development of the Energy Hub has now transferred from the Greater Cambridge and Peterborough LEP to the Combined Cambridgeshire and Peterborough Authority.

The Greater South East Energy Hub is intended to:

- Cover the area of the East of England, Greater London, the South East and the Oxford to Cambridge Growth Corridor (16 counties plus London/11 LEPs).
- Provide dedicated technical resource.
- Provide project identification, feasibility, funding readiness & delivery.
- Provide the opportunity to test, pilot, scale up and accelerate delivery.
- Explore the use of Energy Special Purpose Delivery Vehicles.

The Greater South East Energy Hub will be fully funded by BEIS over the two year period from April 2018 to April 2020. There is an expectation from BEIS that the hub will be self-financing after this initial two year period, which may have financial implications for the LEPs and partners if the hub requires further financing beyond this initial two year period.

Link to the Economic Strategy

The Local Energy Strategy aims to build upon LEP Economic Strategies. There are many links to the New Anglia LEP Economic Strategy, the key links being:

- The Local Energy Strategy links energy as a common theme through the LEPs Economic Strategy to the UK Governments Industrial Strategy, Clean Growth Strategy, the 25 Year Environment Plan and to Local Industrial Strategies.
- Engagement with stakeholders from all the LEPs key sectors, including the energy, construction (Building Growth) and agritech sectors, which are key sectors for the LEP.
- Prioritizing growth location energy needs and funding in a cost efficient manner re Growth Deal and other funding sources for
 - Energy Generation and Storage.
 - Grid Capacity, Supply and Distribution. Important link to UK Power Networks.
 - Aggregating and Communicating Energy Investment and Procurement opportunities across private and public partners (£10m or above investment opportunities).
 - New Energy Innovations.
- Optimal utilization of Local, National and European funding with maximum leverage achieved.
- Transport and economic Infrastructure provision to facilitate enhanced energy sector opportunities.
- Develop linkage between regional centres of excellence such as Cambridge University, University of East Anglia and the Building Research Establishment developing the regions reputation as a centre of research, innovation and commercial development.
- Building upon the Energy Sector Deals, Skills Deal, Sector Skills Plan, the regions colleges (in particular the new East Coast College Energy Skills Centre) and commercial skills providers engineering development and apprenticeship programmes, including those of the Direct Network Operators.

Recommendation

The Board is formally consulted on the Local Energy Strategy and the views of the board are being sought on its content. The completed strategy will be presented to the LEP Board for endorsement at the Board meeting in May 2018.



New Anglia Local Enterprise Partnership Board
Wednesday 18th April 2018

Agenda Item 6

Cambridge Norwich Tech Corridor

Author: Linn Clabburn – Linn to present item

Summary

This paper summarises and provides an update on the Cambridge Norwich Tech Corridor (CNTC) initiative and seeks comment from the LEP Board for its planned future activities. Linn Clabburn will provide a presentation to accompany this report at the board meeting.

The vision and the ambitions for the CNTC were agreed by the Leaders and Chief Execs of the CNTC partner organisations on the 22nd March 2018 and the strategy and detailed delivery plan for the initiative is currently being developed to accelerate the initiative.

Recommendation

The Board's views, comments and support for the proposed strategy (to be presented in more detail at the Board meeting) are sought. The Board is invited to provide views and comments on the governance structure and recommendations on private sector representatives to join the initiative.

Background

The CNTC was initiated in 2015 to maximise impacts from the dualling of the A11 carriageway between Norwich and Cambridge and is a partnership between the local authorities from the three counties along the Corridor, New Anglia LEP and GCGP LEP. The initiative seeks to work closely with the private sector and will invite private sector representatives to join a 'Delivery Group' to develop strategies and individual initiatives and interventions for the CNTC.

Feasibility studies by Bruton Knowles and Cambridge Econometrics suggest that the Cambridge Norwich Tech Corridor area has potential for significant growth over the coming 15 years and could house an additional 46,000 people, 26,000 additional jobs, create value of an additional £2.75bn to the economy in real terms, with workers each taking home on average an additional £1,300 per annum, also in real terms. The Cambridge Norwich Corridor is recognised as a Priority Place by New Anglia LEP for the significant growth opportunities that the area offers.

The Cambridge Norwich Tech Corridor comprises not only the UK's most established tech cluster in Cambridge but also clusters of businesses and research excellence in a range of tech-based sectors including:

- Advanced engineering, manufacturing & materials
- Agri-tech/ food-science
- Life science, Med-Tech & Pharmaceuticals
- IT, AI, Robotics, Sensors & Big Data

- Energy

The CNTC initiative aims to join up and enhance the assets and strengths within the Corridor area and to further develop the area into a joined up 'corridor' efficiently linking supply and demand throughout the Corridor. The ultimate desired outcome of the initiative is to support and stimulate technology-based business clusters to drive investment in new infrastructure, commercial sites, skills, and housing to ultimately create high value jobs, increase productivity, and GDP.

Key Considerations

The vision for the CNTC is to be a nationally recognised corridor, home to a number of nationally significant clusters of technology businesses with a high level of collaboration, synergies and innovation between businesses, sectors and local economies and closely linked to surrounding corridor initiatives. To deliver the vision of a successful corridor, the CNTC team has developed an outline strategy for the CNTC initiative based around five key ambitions:

- Cross-sector cluster development – to develop and enhance existing and emerging technology clusters through a portfolio for clustering initiatives and to build a cross-sector cluster to enable technology convergence and innovation and build regional supply chains.
- Skills – to support effective cluster development and inclusive growth by supporting the Corridor area to become a leader in technical education, raising skill and productivity levels, attract and retain a skilled workforce
- Infrastructure – to support the development and investment in infrastructure to enhance connectiveness throughout the Corridor area and enable businesses to co-locate in key cluster locations.
- Leadership – to establish leadership and provide coordination of initiatives and activities to support cluster development and business growth.
- Identity building – to build an identity and a brand for the Cambridge Norwich Tech Corridor to drive engagement between stakeholders and provide a joined-up offer and investment case for government, businesses and private sector investors.

The outline strategy will be presented in further detail in the Board meeting and the Board is invited to provide feedback.

The New Anglia LEP is contributing £125k to the CNTC over a 2-year period (equivalent to funding one senior position for 2 years).

Local authority partners are also making financial contributions.

Link to the Economic Strategy

The CNTC initiative has the potential to deliver several aspects of the Economic Strategy:

- (Our offer to the world) An inward investment 'product' within the East inward investment offer joining up the assets and strengths within the Corridor area to promote several investible opportunities.
- (Business growth and productivity) Facilitate the development of infrastructure required for CNTC based businesses to grow and to attract businesses to the area.
- (Our offer to the world) Showcase the opportunities and quality of life aspects of the Corridor area to attract skilled workforce.
- (Business growth and productivity) Support business growth by coordinating and supporting access to business support, investment, etc.
- (Business growth and productivity) Support business growth by building a Corridor-wide network of supply and demand and build regional supply chains.

Next Steps

Following the approval of the outline plan on 22nd March, key milestones for the next 12 months include;

- June 2018 – appointment of private sector representatives on Delivery Group
- June 2018 – ‘launch’ of CNTC initiatives to businesses in the Corridor area
- August 2018 – the new CNTC website launched with detailed mapping of key assets and opportunities in the Corridor
- September 2018 – launch of Breakthrough project to support cross-sector innovation (subject to successful funding bid)
- October 2018 – showcase the CNTC at MIPIM
- November 2018 – launch of the CNTC Supply Chain Development Group
- 2019 – first CNTC annual conference

Recommendation

The Board’s views, comments and support for the proposed strategy (to be presented in more detail at the Board meeting) are sought. The Board is invited to provide views and comments on the governance structure and recommendations on private sector representatives to join the initiative.



New Anglia Local Enterprise Partnership Board
Wednesday, 18th April 2018

Agenda Item 8

Review of professional advisers

Author: Marie Finbow – Chris Starkie to present item

Summary

The LEP's current procurement practice for buying in professional advisers is time-consuming and lengthy. It is proposed to develop a procurement framework and create a list of Approved Suppliers which would enable the LEP to purchase these services without the need for individual procurement processes. This process would facilitate greater scrutiny and transparency, and provide the structure and framework for good procurement practice, driving good practice and behaviour as well as ensuring value for money.

Recommendation

The Board is recommended to approve the proposed approach to developing a multi-supplier procurement framework and developing a list of Approved Suppliers of professional support services.

The board is also recommended to approve a re-tendering exercise for the LEP's annual audit from the 2019/20 financial year.

Background

Currently the LEP carries out procurement for professional advisers, such as ICT, consultancy, legal and other professional advice on an ad-hoc basis.

Choosing specialist suppliers can take a huge amount of time and effort, with each needing to be procured individually through the LEP's procurement policy.

To speed up this process, it is proposed to develop and maintain a list of approved suppliers. These are 'superstar' suppliers who have been successful in a tender exercise for specialised professional support services and which the LEP has thoroughly assessed and reviewed and is willing to negotiate with on its own terms.

The primary purpose of the approved suppliers list is to ensure the placement of purchase orders or contracts are limited to those suppliers that meet the LEP's established criteria for supplier selection, evaluation, and re-evaluation.

Key Considerations

An 'approved suppliers list' can be an informal list of suppliers that have demonstrated an ability to provide goods/services in the past, or a more formal list of suppliers resulting from the award of a procurement framework agreement.

It is proposed to use both approaches, developing and maintaining two lists – firstly an informal ‘open’ list of suppliers for procurement up to the value of £25,000. This would be run on a fair and formal process, providing the opportunity for new suppliers to join on an annual basis.

Secondly for any procurement above £25,000, it is proposed to develop a multi-supplier OJEU compliant procurement framework. This is an agreement put in place with a range of pre-approved providers that enables the LEP to place orders for services without the need to undertake costly and time-consuming full OJEU procurement processes. This is a ‘closed’ list of suppliers, which once established offers no opportunity for new suppliers to join for 3 to 5 years.

A framework agreement does not bind the LEP to purchase goods or services. It sets out the terms and basis upon which contracts will be awarded in the future. In order to purchase goods or services under a framework agreement the LEP will take an additional step to award a distinct call-off contract in accordance with the terms of the framework agreement. It is the call-off contract that constitutes a binding legal obligation on the LEP.

The procurement framework will be divided into ‘lots’ – these are categories of professional advisers which the LEP wants to buy, such as legal, consultancy, evaluation, HR, ICT, professional advice, etc.

Through the Framework, contracts will be awarded to pre-approved suppliers through mini competitions in line with the LEP’s Procurement Procedures (Appendix 2) and follow the principles of best value, non-discrimination, equality of treatment and transparency.

In order to be appointed to the Approved List, suppliers will need to demonstrate that they have the capacity and expertise to carry out a broad nature of work and a full tender process is needed for suppliers to gain a place on the Framework.

Although there is never a guarantee of work even if suppliers are part of a Framework Agreement, being awarded a place on the framework is a sign to others that their business is a key player in the industry.

As part of the process we would look to encourage local suppliers, particularly SMEs to participate and would engage with local trade groups such as the chambers of commerce and the FSB to advertise the opportunity and benefits of being part of our approved suppliers list.

Over time, procurement frameworks can deliver many benefits, including reducing overall procurement costs and internal resources; building of long term relationships between the LEP and its suppliers, particularly local suppliers; providing better long-term value for both the LEP and its suppliers; capture of knowledge and best practice; ability to commence projects early based on limited information; as well as aligning procurement practice with government efficiency agendas and expectations of auditing bodies.

Another key advantage of developing an OJEU compliant procurement framework is that it could be used by other LEPs, allowing them to benefit from quicker procurement processes and reduced procurement costs. However, this is only possible if it is written into our Framework at the outset.

The Approved Suppliers List will be reviewed on an annual basis, allowing the LEP to make necessary adjustments or replacements of under-performing suppliers.

A draft process for the Approved Supplier List is attached as Appendix 1.

Re-tender of LEP auditors

Separate to the development of the framework, the executive team is also recommending the re-tender of the LEP's annual audit for the 2019/20 year.

Lovewell Blake have been the LEP's auditors since the formation of the LEP in 2012. A competitive exercise was run then by the LEP to select the auditor. It is best practice to run a retendering exercise every few years, and the LEP executive is recommending running a retendering exercise in line with the LEP's procurement policy. The process will commence in the summer of 2018.

Link to the Economic Strategy

The development of a framework will support our Driving Business Growth and Productivity theme. It will specifically support our ambition to open up supply chain opportunities for local companies.

It will also indirectly support the Economic Strategy. Streamlining the processes for procurement, whilst ensuring transparency and accountability, will improve the operational efficiency of the LEP.

Next Steps

Before developing a procurement framework and a list of approved suppliers of professional advisers, the LEP will establish criteria for selection, evaluation and re-evaluation of suppliers.

The LEP will also develop its own Terms and Conditions and invitation for the Approved List.

Recommendation

The Board is recommended to approve the proposed approach to developing a multi-supplier procurement framework and developing a list of Approved Suppliers of professional support services.

The board is further recommended to approve a retendering exercise for the annual audit.

Approved Suppliers List for Professional Advisers

Process

- Suppliers currently providing professional support services to the LEP will be invited to apply to for the Approved Suppliers List and join one lot or multi lots.
- To ensure fairness and transparency, an open invitation to apply for the Approved Suppliers List will be published on the LEP's website.
- Approved suppliers will be notified in writing once they have been accepted on the Approved Suppliers List.
- The list of approved suppliers will be published on the New Anglia LEP website.
- New Anglia LEP will review the evaluation criteria for entry onto the Approved Suppliers List on an annual basis and if any changes are made to the criteria, existing suppliers will be asked to provide additional information.
- At the end of each year all suppliers who are on the Approved Suppliers List will have their performance and scores reviewed based on the quality of quotes and performance delivering any projects. Where we consider suppliers have consistently been unable, or unwilling, to meet our requirements over the course of the year we will remove suppliers from the Approved Suppliers List.
- Suppliers being removed from the Approved Suppliers List will be notified in writing and will have two weeks to appeal against the decision.
- New suppliers wishing to join or re-join the Approved Suppliers List will be asked to provide information to support their application in line with the Invitation to join the Approved Supplier List and will be evaluated against the appropriate criteria.
- No time limit has been placed on the termination of the LEP's Approved Suppliers List; this will be reviewed on an annual basis.
- The terms and conditions for the Preferred Supplier List will be as attached in the terms and conditions document. These terms will apply to all work carried out under the Preferred Supplier List.
- The scope of work, price and timescales will be agreed on a project-by-project basis and will in no way amend the terms and conditions that override this whole agreement.
- A record of results of evaluations will be maintained – which will include any necessary actions taken as a consequence of the evaluations conducted, such as the removal of a supplier from the Approved Suppliers List.



New Anglia Local Enterprise Partnership

Procurement Procedures

Last Updated 01-11-16

Introduction

New Anglia LEP maintains a purchasing and procurement policy whereby all purchases must be approved according to the rules outlined by these procedures. Procurement exercises must be reviewed and approved by a member of the Senior Management Team and in accordance with the thresholds outlined and within the law as set out by The Public Contracts Regulations 2015.

Estimating Contract Values

The value of a proposed Contract must be estimated before undertaking a procurement exercise as this will determine which rules apply. The value of a contract is the estimated consideration to be paid over its full term and not simply the estimated annual expenditure, therefore a three year contract at £50,000 per year has a value of £150,000. The amounts quoted are gross values (i.e. total estimated cost to the LEP before any deductions) for the full period of a contract and all exclude VAT and other taxes.

Contracts of a similar nature must not be artificially split into different parts to avoid the application of a contract threshold. At the same time, contracts of a recurring or similar nature must be joined together into one contract and valued accordingly. If there is any doubt as to whether contracts must be aggregated, advice must be taken from the LEP's Programmes Manager. However, in some circumstances it may be permissible to separate requirements into smaller contracts (only if there is a good reason) and providing that if these contracts opportunities are then competed in line with EU OJEU rules. If in doubt, procurement will follow the procedures for the highest contract value to ensure compliance.

Before undertaking a procurement, the officer must consider whether a subsequent contract (such as, for instance, future phases in a works programme where only the initial phase is the subject of the immediate procurement) may be awarded to the successful firm by negotiation and without further competition, in the event of the successful firm completing the initial phase satisfactorily.

Procurement Procedure

Contracts will be entered into pursuant to or in connection with the project's functions and shall comply with any applicable statutory provisions and relevant EU rules. The eligibility, financial standing and technical capacity of contractors must be evaluated and recorded. Procurement must follow the principles of best value, non-discrimination, equality of treatment and transparency. The following contract value thresholds apply: -

Estimated value	Action	See Page
Under £2,500	Evidence retained to show that Value for Money has been obtained through a price comparison	Page 3
£2,500 - £25,000	At least 3 written quotes from suitable suppliers, using full tender procedure, if appropriate	Page 3
Above £25,000 but below OJEU Thresholds	Complete a full tendering procedure	Page 3
Above OJEU thresholds	OJEU regulations must be followed Contracts for Supplies - £164,176 (€207,000) Contracts for Services - £164,176 (€207,000) Contracts for Works - £4,104,394 (€5,225,000) As part of the procurement process, officers must check the latest current OJEU thresholds	Page 6
Record Keeping	This applies to all tenders of any value	Page 8

NOTE: For EU funded activity, any procurement above £2,500 must be accompanied with an "On The Spot Verification Visit Procurement Check Record (Above and below OJEU) ESIF-Form-4-014" and submitted with the evidence required.

Procurement below OJEU Thresholds

Contracts that are not subject to OJEU requirements must be conducted in line with procurement best practice and also in line with the principles of the EC Treaty and within EU Regulations and UK law, to afford fairness, competition and transparency in public procurement.

Any procurement, regardless of the value there needs to sufficient advertising to enable competition amongst suppliers. And that the procurement procedures followed must be fair and transparent.

Contracts under £2,500

Low value purchases of under £2,500 must have documentary evidence, which must be retained to show that Value for Money has been obtained (e.g. through a price comparison). Where possible, it is advised that written quotes, or cost comparisons are obtained from three different suppliers, with records of quotes retained.

Contracts between £2,500 and £25,000

For purchases above £2,500 but under £25,000 written quotes should be obtained from at least three suppliers. Quotes should be in response to clearly defined requirements and the requirement given to suppliers must be the same in all cases.

Quotes should be received in writing and the supplier meeting the requirement and the Most Economically Advantageous (MEA) offering selected. The minimum number of quotes is three, however, it may be beneficial to obtain more quotes in a competitive market. If requirement falls below the £25,000 threshold but is considered to be a high risk it may be worth completing a full tendering process as one would for above the £25,000 threshold detailed in the section “Above £25,000 but below OJEU Thresholds”.

In exceptional circumstances there may be a contract specification that is considered to be so specialist as to limit the number of suppliers who may be able to quote. In such circumstances a full record will be kept detailing the research undertaken to arrive at this conclusion. A member of the leadership team will be required to approve this in such circumstances.

For EU funded activity, any procurement above £2,500 must be accompanied with an “On The Spot Verification Visit Procurement Check Record (Above and below OJEU) ESIF-Form-4-014” and submitted with the evidence required.

Above £25,000 but below OJEU Thresholds

Tenders above £25,000 should be advertised adequately in order to promote open and fair competition. When valuing the requirement it is vital to bear in mind that it is the overall value of the total requirement (the total consideration payable) that is important, not the value of individual contracts. It is not permissible to try and break down a requirement into smaller constituent requirements in order to by-pass the constraints imposed on procurement.

Tenders must be invited by way of a written Invitation to Tender and where appropriate, sought through an Electronic Tendering System (ETS), which in the case of the LEP will involve publishing the tender on the Contracts Finder website (<https://www.gov.uk/contracts-finder>). Any tenders issued via an ETS must be returned and opened through the system at the relevant deadline.

Suppliers must be given a reasonable timeframe for responding to the requirement and preparing a quote, therefore, a minimum of thirty-five days notice must be given. However, in exceptional circumstances, there may be a case for this time period to be shortened. If this is to be done, there must be a justified case that is approved by the Managing Director. In such circumstances, a minimum of fifteen days notice must be given.

When analysing quotes, the purchaser should look out for any hidden costs or terms that are not in the best interests of the Institution. Examples of hidden costs may be maintenance payments or automatic renewal for subscription services.

If necessary a pre-qualification process can be put into place in order to restrict the number of suppliers that will be receiving an Invitation to Tender. Qualification should be based on the capacity and capability of suppliers to fulfil the requirement as opposed to any specific parts of the requirement. If a pre-qualification process takes place, at least three suppliers should be taken forward to the Tendering stage. The selection criteria should be, proportionate, objective and the selections justifiable.

A Tender Assessment Form should be prepared at the point that invitations to tender are published. It is essential that the assessment criteria and weightings of the document are agreed at this stage and an Assessment Panel appointed, comprising individuals qualified to critically and objectively assess tender submissions against the requirements/specifications within the Invitation to Tender.

Tender submissions received after the stated deadline should be recorded on the Tender Assessment Form and rejected from the assessment process. Similarly, submissions which do not meet the requirements set out within the Invitation to Tender should be recorded within the Tender Assessment Form and rejected from the assessment process. Submissions meeting requirements should be recorded within the Tender Assessment Form and included in the assessment process.

The Assessment Panel should meet to assess tender submissions, each member using a copy of the Tender Scoring Sheet to evaluate and score each tender submission against the requirements/specifications within the Invitation to Tender.

The Assessment Panel is subject to declarations of interest. These must be declared prior to the assessment of tender submissions. Any such panel members should be substituted for another suitably-qualified individual. A declarable conflict of interest is a set of circumstances that creates a risk that professional judgment and actions regarding and influence of a primary interest – the business of the Assessment Panel – will be unduly influenced by a secondary interest. For these purposes, secondary interests include financial/pecuniary interests and strategic interests relating to a third party.

Assessment Panel members must declare an interest if they are or become aware that they have or may have a financial or other beneficial interest in the outcome of a procurement exercise being considered.

At the conclusion of the assessment, the individual scores assigned should be transposed from the individual Tender Scoring Sheets into the three Tender Score Matrices within the Tender Assessment Form. The totals should then be transposed into onto the Collated Tender Score. The highest scoring tender will be deemed successful, provided it has met the minimum requirements outlined in the Invitation to Tender.

The name of the successful tendering party should be recorded in the Tender Assessment Form, any specific conditions/queries noted and the document signed off by all members of Assessment Panel.

All parties submitted tenders should be contacted via email to notify them of the outcome of the assessment process and a contract agreed. A fully documented audit trail of the procurement process, including original signed documentation, is to be retained within project files and managed in accordance with document retention procedures.

For EU funded activity, any procurement above £2,500 must be accompanied with an “On The Spot Verification Visit Procurement Check Record (Above and below OJEU) ESIF-Form-4-014” and submitted with the evidence required.

Procurement above the OJEU Thresholds

OJEU applies when the total estimated value of a contract is more than the EU Thresholds (£164,176 (€207,000) for Supplies, £164,176 (€207,000) Services and £4,104,394 (€5,225,000) for Works), then the EU Public Procurement Rules apply. In these cases a minimum of five EU Tenders must be sought. As part of the procurement process, officers must check the latest current OJEU thresholds.

When the estimated value of a contract is above the EU (OJEU) threshold the full regulations governing procurement apply. When valuing the requirement it is vital to bear in mind that it is the overall value of the total requirement (the total consideration payable) that is important, not the value of individual contracts. It is not permissible to try and break down a requirement into smaller constituent requirements in order to by-pass the constraints imposed on procurement.

OJEU Tenders must be invited by way of a written Invitation to Tender and sought through an Electronic Tendering System, which in the case of the LEP will involve publishing the tender on the Contracts Finder website (<https://www.gov.uk/contracts-finder>). It will usually be necessary to publish a notice in the Official Journal of the European Union (“OJEU Notice”). Only firms who express interest in the OJEU Notice in the manner stipulated in that OJEU Notice may be invited to tender. EU Tenders must be returned and opened through this system at the relevant deadline. Invitation to Tender is a detailed procurement-specific document.

It should be noted that it is permissible to separate requirements into smaller contracts (if there is good reason) if these contracts opportunities are then competed in line with EU OJEU rules. Failing to do this could be regarded as an attempt to deliberately disaggregate the requirement, hence this practice is prohibited under the EU Procurement Regulations.

Invitations to tenders should be issued using the LEP’s Invitation to Tender Template and advertised via media with adequate scope and relevant audience for thirty-five days (30 if the process is being conducted electronically, i.e. via email)*. Advertising channels should include New Anglia LEP social media and third party tenders websites, particularly the Government’s Contracts Finder website (<https://www.gov.uk/contracts-finder>).

If necessary a pre-qualification process can be put into place in order to restrict the number of suppliers that will be receiving an Invitation to Tender. Qualification should be based on the capacity and capability of suppliers to fulfil the requirement as opposed to any specific parts of the requirement. If a pre-qualification process takes place, at least three suppliers should be taken forward to the Tendering stage. The selection criteria should be, proportionate, objective and the selections justifiable.

A Tender Assessment Form should be prepared at the point that invitations to tender are published. It is essential that the assessment criteria and weightings of the document are agreed at this stage and an Assessment Panel appointed, comprising individuals qualified to critically and objectively assess tender submissions against the requirements/specifications within the Invitation to Tender.

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The Assessment Panel is subject to declarations of interest. These must be declared prior to the assessment of tender submissions. Any such panel members should be substituted for another suitably-qualified individual. A declarable conflict of interest is a set of circumstances that creates a risk that professional judgment and actions regarding and influence of a primary interest – the business of the Assessment Panel – will be unduly influenced by a secondary interest. For these purposes, secondary interests include financial/pecuniary interests and strategic interests relating to a third party.

Assessment Panel members must declare an interest if they are or become aware that they have or may have a financial or other beneficial interest in the outcome of a procurement exercise being considered.

At the conclusion of the assessment, the individual scores assigned should be transposed from the individual Tender Scoring Sheets into the three Tender Score Matrices within the Tender Assessment Form. The totals should then be transposed into onto the Collated Tender Score. The highest scoring tender will be deemed successful, provided it has met the minimum requirements outlined in the Invitation to Tender.

The name of the successful tendering party should be recorded in the Tender Assessment Form, any specific conditions/queries noted and the document signed off by all members of Assessment Panel.

All parties submitted tenders should be contacted via email to notify them of the outcome of the assessment process and a contract agreed. A fully documented audit trail of the procurement process, including original signed documentation, is to be retained within project files and managed in accordance with document retention procedures.

For EU funded activity, any procurement above £2,500 must be accompanied with an “On The Spot Verification Visit Procurement Check Record (Above and below OJEU) ESIF-Form-4-014” and submitted with the evidence required.

Record Keeping

Any written records relating to a procurement exercise, whether kept under these Rules or otherwise, should be retained for a period of at least six years from the expiry of the Contract. Records may, so far as they relate to unsuccessful quotations or tenders, may be electronically scanned or stored by some other suitable method after 12 months from the award of the contract, provided there is no dispute about the award.

An external funder may impose different requirements in this respect and this should be checked if any such funding is being provided.

New Anglia LEP will regularly review applicable OJEU thresholds and update this policy as required to comply with UK Law as well as EU Regulations.



New Anglia Local Enterprise Partnership Board
Wednesday 18th April 2018

Agenda Item 9

New Anglia LEP Decision Log

Author: Chris Starkie

Summary

This paper introduces the LEP's new Decision Log, which will record decisions made by the LEP's key boards and committees.

This is being introduced as part of the implementation of the PwC review of operations and governance and follows the board's adoption of the scheme of delegation at March's board meeting

Recommendation

The board is asked to endorse the LEP's new decision log.

Background

The PwC review of operations and governance recommended the development of a decision log which would enable decisions made by the key boards and committees to be recorded in a single document.

This log will record decisions made by the LEP board, the LEP's investment Appraisal Committee, the Remuneration Committee, the Audit and Risk Committee and the Growing Business Fund Panel.

Decisions made by other committees and boards can be added as appropriate.

A copy of the log is attached at Appendix 1. This has been populated with the decisions made at March's LEP board meeting.

The information included in the log will be taken from the minutes produced by each board or committee and added to the log when the minutes for each are published on the LEP website. Minutes must be published online within 10 working days of the meeting.

The log will be included in the board papers for each LEP board meeting and will also be published on the LEP website.

Link to the Economic Strategy

A central remit of the LEP is the coordination of the delivery of the Economic Strategy. A decision log will ensure greater transparency of decision making and improve the links between different boards and committees. This will improve the join up and coordination of decisions which will help in the delivery of the strategy.

Recommendation

The board is asked to endorse the LEP's new decision log.

Decision Log

Date	Decision Making Body*	Decision Made	Comments
21/03/18	LEP Board	<p>6. Institute of Technology To support and promote the proposal and the activities of the LEP to help development of the bid</p> <p>7. 2018/2019 Budget To approve the operating budget for 2018/2019 To publish the approved budget in the public domain</p> <p>8. Capital Growth Programme Bid – Snetterton Heath To approve the Capital Growth Programme grant funding of £2.65m to the Snetterton Heath Employment Areas Electricity upgrade Scheme subject to the inclusion of a clawback clause</p> <p>9. Growth Deal Funding Change Request – NATS Packages To agree the transfer of £350,000 from NATS A11 Corridor Package to the NATS City Centre Package. To the inclusion of the Plumstead Road roundabout scheme into the NATS City Centre Package and use of £400,000 of previously allocated funds.</p> <p>10. Growth Deal Funding Change Request – Cornhill To provide an additional £50k to cover the shortfall in the funding</p> <p>11. Growing Places Fund – Atex Business Park To receive a revised paper at the April board meeting</p> <p>12 Scheme of Delegation To approve the LEP’s Scheme of Delegation subject to the above revisions.</p>	

* New Anglia Local Enterprise Partnership Board, Investment Appraisal Committee, Growing Business Fund Panel, Remuneration Committee, Audit Risk Committee

Summary

This report provides a snapshot of LEP team activities since the March board meeting (**Overview**) and more detailed information on other key issues, projects and engagement activity since the March board meeting (**LEP actions and activity**)

Recommendation

The board is asked to note to contents of the report

Overview:

This section provides a snapshot of LEP team activity since the March board meeting



LEP Programmes Delivery

Growth Deal

The focus of the Growth Deal team has been accelerating expenditure by partners ahead of the end of the financial year and developing the capital budget for the 18/19 financial year.

The team increased the amount claimed and paid to projects by £16.2m in March, making a total spend for the year of £28.62m.

This means £12.71m has been carried forward, but £12m is anticipated to be spent in the first quarter of 2018. For more information on the performance of the Growth Deal programme see agenda item 10. For details of the proposed Capital Budget see agenda item 7.

Growth Programme

Growth Programme continues to deliver well against the programme outputs. Recent highlights include:

- The Growth Hub has now engaged with over 7,000 businesses since the Growth Programme began, 94% of the programme target.
- 173 small grants have now been awarded through the programme, with a total value of £1.679m.
- Private match funding generated by the Small Grant Scheme is now forecast to exceed £7.27m

However concerns have been raised by Government regarding the rate at which businesses are claiming funds they have been awarded.

This has formed the centre piece of a discussion around our proposed three year extension to the programme. There is more information on this in the main report below.

Growing Business Fund

The Growing Business Fund enjoyed a strong end to 2017/18, with a number of grants paid out in the last few weeks of the year, bringing the total spend figure to over £3m. In addition, the carried-forward commitment into 2018/19 is £1.6m, with a good start to the year’s delivery and spend anticipated as a result.

Enterprise Zones

A campaign to promote the second birthday of the Space to Innovate Enterprise Zones has received significant online and press coverage.

The campaign included a video profiled businesses on the Space to Innovate sites, which is hosted on the LEP website and which has received over 1,000 views through social media.

The press release about the successful first two years for the Zone received coverage online and in print media. A digital toolkit was produced and shared with local authority communications teams to encourage their input into the campaign. Plans are now under way to create monthly video blogs on a wide range of themes.

LEP Communications

In addition to the EZ campaign, the approval of Capital Growth Programme funding for an electricity update at Snetterton received significant positive media coverage, in both print and online.

The LEP team attended a number of business and networking events, including Lisa Roberts speaking about the economic strategy at the Newmarket Chamber of Commerce and Doug Field speaking at the Suffolk Chamber of Commerce business leaders’ dinner.

LEP Finances

Management accounts for the year to 31 March 2018 – year to date income just under £1,383k with an operating surplus of just over £185k which is ahead of budget by £140k.

Operating cash balance is £212k which is in line with management expectations. The LEP draft capital budget has been developed and will be discussed in more detail under Agenda item 7.



LEP actions and activity:

This section provides a detailed update on other activities and key issues since the March board meeting

Deep Dive



The Government has issued its draft report on the Deep Dive it conducted of New Anglia LEP during February.

Board members will recall that in the Annual Conversation process with Government, New Anglia LEP was rated one of the top four performing LEPs nationally.

The annual conversation measured all LEPs in three categories – governance, delivery and strategy.

New Anglia LEP was judged exceptional in governance and strategy (the highest category) and good in delivery. This gave us an overall rating of good with exceptional qualities.

As a consequence of this, the LEP was asked to assist with the Government’s Deep Dives of underperforming LEPs. We were a “control” deep dive.

The draft report following the Deep Dive has given the LEP the top score in all six categories which it examined – giving us an overall exceptional rating.

It should be stressed this is a draft report and therefore could be subject to change. Nonetheless it is a great achievement to be rated as exceptional in all categories.

Copies of the final report will be circulated to board members when signed off by Government, which is expected to be in a few weeks time.

Growth Programme

As highlighted above, the New Anglia Growth Programme is overall continuing to perform well.

The programme is the LEP’s main business support programme incorporating the Growth Hub, small grants programme and business support programmes run by partners MENTA and NWES.

It is due to come to an end in August this year, and the LEP submitted a bid to Ministry of Housing, Communities and Local Government for a three year extension.



The MHCLG have raised some concerns about the performance of part of the programme which could impact on the extension, and last month Doug Field and Chris Starkie met with officials to discuss their concerns.

The chief concern is with the small grants programme. Whilst the programme has awarded its full allocation of grants, there is a delay in businesses claiming their grants.

To date more than £1.6m of grants have been awarded to 173 companies. However less than half the grants have been claimed by the businesses.

The programme had always anticipated a timelag of around four months between award and claim of the funding as businesses need to evidence matched funding and have all permission in place before funding can be released.

However the average turnaround time is around seven months. In order to tackle this issue we have instigated an action plan, which will involve much more proactive engagement with the businesses to support them in submitting their claims.

Rather than relying on the businesses to contact our claims team, we will be more proactive. This will also enable us to understand if businesses do not wish to pursue their application.

Having submitted a full plan to MHCLG we expect to continue discussions with them over the extension over the next few weeks.

Suffolk Health and Wellbeing Board

Doug Field and Chris Starkie met with Councillor Tony Goldson chairman of the Suffolk Health and Wellbeing Board and director of public health Abdul Razaq.

The purpose of the meeting was to see how the LEP could engage with the board’s agenda, and how the board could support the LEP’s Economic Strategy.

The meeting agreed that there were a significant number of areas where the ambitions of both organisations aligned.

For example issues such as improving workplace health – which will in turn boost productivity which is a key target in the Economic Strategy.

An offer was made for a representative from the LEP to join the health and wellbeing board.

Given the nature of the meetings it is suggested that initially it should be a senior member of the executive team (CEO or COO), with feedback provided to the LEP board through the chief executive’s report.

Unilever and Britvic

Unilever has confirmed the closure of its Carrow Works site following its consultation, which began at the start of the year.

Colleagues from Norwich City Council, Norfolk County Council and the LEP are meeting with Unilever and Britvic to understand next steps for both companies. This will include the provision of support to employees as well as beginning discussions about the future use of the site, which is a priority employment site for Norwich.

The LEP and partners are also continuing to engage with the growers consortium which is planning to build a new mustard mill and processing plant for mustard and mint in the Norwich area.

Great Eastern Main Line Taskforce

The Taskforce met on 27 March and agreed the proposed timetable for refreshing the evidence base and developing an updated business case which is being led by New Anglia LEP in collaboration with Essex County Council.

This will require a financial commitment from the LEP. Support is also being provided by Norfolk and Suffolk County Council colleagues.

The aim is to launch the new business case in the Autumn. The LEP will also re-energise the network of supporters by leading a renewed business stakeholder engagement programme during the summer/autumn.

At the Taskforce meeting the Department for Transport also launched its new approach to funding rail enhancements.

All requests for rail enhancements need to be supported by robust business cases in future which satisfies Government that they can be delivered to the agreed cost and provide the stated benefits.

Business cases supported by third party investment will be prioritised for investment. Guidance has also been published to ensure the process for taking forward third-party proposals and engaging with Government is as clear as possible.

A47 Dualling Campaign

On the 19 March the LEP attended the Norfolk Chamber of Commerce launch event of the A47 #justduallit campaign. The Chamber are running the campaign with Norfolk County Council and the EDP. The event was attended by Roads Minister, Jesse Norman MP as well as a number of local MPs and politicians.

The campaign builds on the success of the previous campaign of the A47 Alliance, for which the LEP is a member, to deliver improvements along the A47 as part of the first Roads Investment Strategy.



The campaign is seeking full dualling of the route with early priority sections highlighted for the Acle Straight and Tilney to East Winch sections (including the Hardwick flyover). The A47 is a priority growth corridor in the Economic Strategy.

EAST Branding Workshop

A branding workshop was arranged by Head of Communications Hayley Mace with Head of Enterprise Zones & Innovation Manager Julian Munson and involved Board Members Jeanette Wheeler, Steve Oliver and Sandy Ruddock.

The discussion builds on earlier work following development of ‘The East’ brand which has already been applied to a number of marketing campaigns and activities, including the Economic Strategy, commercial sites prospectus (MIPIM) and targeted sector campaigns for inward investment. The East brand, although a ‘product’ of the LEP, is used for shared projects and belongs to all.

The main objectives for the workshop session, held on April 4th, were to advance this activity and specifically to;

- 1) Share ideas and create consensus about how we brand the region
- 2) Provide an opportunity for key decision makers to help define the brand and its values
- 3) Discuss brand applications and the role that the LEP should play

Best practice examples of place branding and promotion from other areas were discussed including Leeds, Manchester, Cornwall, Netherlands, Copenhagen and Waterloo in Canada.

The following was agreed;

- Undertake a high level external review of ‘The East’ core messaging, narrative and brand identity with respect to the various audiences (including international), building on earlier work
- Develop and progress this work as part of the new inward investment strategy (under development)
- Develop an operational plan with key marketing activity including the development of a new web based portal (for inward investment and sector information), marketing collateral (investment prospectus/brochure) and events activity plan
- Prepare an overall costed plan with timeline and milestones (which will be presented to the LEP Board for discussion)

A progress update for the LEP Board is expected within a couple of months.

Ipswich Vision

Since the summer of 2017 the Ipswich Vision now has a new Chair, Terry Hunt, a new logo and a new website. A review of the Vision was also undertaken last year and has resulted in the formation of 7 work streams, each headed up by a board member and



each group having a particular remit, covering all aspects of the Vision and its original objectives.

Updates on our main projects include

- The Cornhill Regeneration project started in January and is due to complete at the end of October 2018.
- The alignments for the Upper Orwell Crossings were released this Spring with the revised bridge designs being published in early summer. Formal public consultation will start in September this year.
- The Public Realm Strategy has been an ongoing project since last summer. The final report is due in May. This will form a supplementary planning document to assist in the delivery of further public realm improvements including in 2019 the St Peter’s Dock area of the Waterfront.
- The Hold Heritage Centre Project was awarded £10m from the Heritage Lottery Funding last week.
- Work has started on the Winerack and the Malthouse. Birketts are shortly to move into their new offices on Princes Street (part of the Enterprise Zone).

For more information on the Ipswich Vision www.ipswichvision.co.uk

LEP flood defence or alleviation projects across England

At a previous board meeting, board members asked whether other LEPs had supported flood defence schemes across England.

The request followed the New Anglia LEP’s investment in schemes in Ipswich, Lowestoft and Bacton and funding bid from Great Yarmouth.

A handful of LEPs appear to be supporting flood defence schemes, although information has been difficult to source from some LEP websites and there is no central information source.

Examples include:

Humber LEP

Flood risk alleviation projects in Hull and East Riding are being supported with **£2.14m** supporting land purchase for the Holderness Drain Flood Alleviation Scheme and **£5m** for the Cottingham and Orchard Park Flood Alleviation Scheme.

Leeds City Region LEP

A £50 million state-of-the-art flood alleviation scheme in Leeds that uses moveable weir technology opened in October 2017, one of the largest river flood alleviation schemes in the country. The project also incorporates merging of the river and the canal and flood walls and embankments running 4.5km through the city centre.

Led by Leeds City Council in partnership with the Environment Agency, the Leeds Flood Alleviation Scheme benefitted from **£3.8m** of funding from the Leeds City Region Local Growth Deal. This is part of an overall **£20m** investment by the Leeds City Region Enterprise Partnership (LEP) into flood alleviation schemes across West Yorkshire that also includes projects in Skipton and Mythomroyd.

The Leeds scheme will provide more than 3,000 homes, 500 businesses and 300 acres of development land with increased protection against flooding from the River Aire and Hol Beck. 150 jobs and apprenticeships created by the construction phase.

Leeds City Region LEP is also using **£5m** from its Growth Deal allocation to help small and medium sized enterprises (SMEs) recover from the impacts of flooding.

The Business Flood Recovery Fund could support SMEs with critical capital investment requirements such as new equipment or hire costs for machinery and premises required to recommence or maintain their operations.

The Lancashire Enterprise Partnership and West of England LEP are also involved in part-funding flood schemes or studies, but their precise contribution to the overall cost of the projects is unclear from information on their websites.

Recommendation

The board is asked to note to contents of the report

Agenda Item 11

Review of our Governance and Operations – Recommendations and Implementation Plan

Recommendation	Rating	Owner	Way Forward	Status	Next Steps
1. Board					
<p>1. Review the options available to the board to ensure transitional arrangements are made for the handover of activities currently undertaken by the existing chair. Options may include one or a combination of the following:</p> <ul style="list-style-type: none"> • Re-allocation of strategic and representative duties to other Board members. • Creation of the position of a Deputy Chair(s) • Or creation of a new executive position focused on delivery of some of the activities currently undertaken by the Chair. 	High	Board	<ul style="list-style-type: none"> • Chair to have discussion with individual board members. • Organisation to be reviewed – CEO / COO roles to be agreed 	Complete	Rosanne Wjinberg appointed as COO starting mid-May
<p>2. Undertake a review of the current committees and groups, including their roles and responsibilities, in order to simplify the governance structure of the organisation and to improve the transparency of the decision making process. In particular, consideration should be made with respect to:</p> <ul style="list-style-type: none"> • Creation of a single Investment Committee, responsible for assessment of all investment proposals (perhaps with the exception of Micro Grant bids); • Review the purpose of the Performance and Risk Committee within NALEP governance structure and clarify the rationale for the Board Members attendance at the Committee. This should include consideration if the committee should continue to operate as a Board Committee or a management group. • Review the quality of the Committee outputs for the Board to ensure the Board has clarity over the Committee's activities. 	Medium	Exec	<p>Once economic strategy published in October:</p> <ul style="list-style-type: none"> • Review committees, sub-board and groups to ensure they align with priorities • Design reporting structure for committees, sub-board and groups 	Complete	
<p>3. Review the focus of the Board, including the Board papers, to ensure balance between providing strategic focus and vision to NALEP and reviewing operational matters and decisions. Review the format and content of the Board papers and management information reported to the Board in order to increase quality of the Board reporting.</p>	Medium	Board	Chair to work with Exec team to align Board meetings with ambitions detailed in economic strategy	Complete	
<p>4. Develop a register of decisions, with particular focus on funding decisions. Develop a scheme of delegation for the Board, sub-boards and committees and the executive team. Review the annual Board planning calendar to establish key decision points for the Board, while ensuring flexibility for decision making is maintained. (Recommendation repeated in Governance section)</p>	Medium	Exec	<ul style="list-style-type: none"> • Determine scope and timeframe of decisions to include on register • Prepare register of decisions 	Complete	Decision Log presented at April board. Board forward plan added as a standing item at all Board meetings

Agenda Item 11

Review of our Governance and Operations – Recommendations and Implementation Plan

Recommendation	Rating	Owner	Way Forward	Status	Next Steps
5. Ensure that there is a process in place to escalate and address issues of persistent non-attendance and lack of engagement, that may result in skills shortages at the Board. Deputisation should continue to be considered unacceptable.	Medium	Board	Chair to prepare paper for Board discussion on deputisation.	Complete	
6. Develop a Board Member handbook that would provide new Board members with guidance on the operations of the Board and NALEP, the governance structures and decision making. This should include the explanation of NALEP duties for meeting the requirements for appropriate spending of public funds and ensuring value for money, and the list of the Nolan principles.	Medium	Exec	<ul style="list-style-type: none"> Discuss current process with new Board members and incorporate lessons learnt into process going forward 	On track	HR manager to discuss process with new Directors in early 2018.
7. You may also wish to consider a rehearsal or implementation of standard Board effectiveness training as well as a practical training session for those in a scrutiny role. This could ensure greater consistency of understanding between members from differing backgrounds (private / public / education).	Medium	Exec	<ul style="list-style-type: none"> Review need for Board effectiveness training once new organisation, committee and reporting structure is in place 		
2. Governance					
8. Undertake a comprehensive review of the Assurance Framework to ensure that it reflects the organisational structure and provides a clear and transparent view of the decision making process at NALEP.	High	Board/ Exec	Once economic strategy published in October <ul style="list-style-type: none"> Review committees, sub-board and groups to ensure they align with priorities and update Assurance Framework 	Complete	Updated Assurance Framework published
9. Formalise the reporting process from the sub-committees, boards and groups to the Board on the activities undertaken by those bodies. Such updates can range from a regular formal update papers with request to scrutinise and approve decisions, to an annual or bi-annual presentation on activities undertaken by the sector groups.	High	Board/ Exec	Once economic strategy published in October <ul style="list-style-type: none"> Review committees, sub-board and groups to ensure they align with priorities Design reporting structure for committees, sub-board and groups 	On track	Partially completed with tier one review. To continue through tier two structure review

Agenda Item 11

Review of our Governance and Operations – Recommendations and Implementation Plan

Recommendation	Rating	Owner	Way Forward	Status	Next Steps
10. The formal risk management process, as outlined in the Assurance Framework, should be validated by the Board. This will include clarity over the aggregation and escalation of risk. A routine and dynamic assessment of risk should be implemented (quarterly reviews by the Board are considered good practice). Part of this exercise should include horizon scanning and the identification of current and future mitigation activities as well as assurances obtained. The annual development of a risk derived assurance map will allow the Board focus resources as required. A succinct format of reporting risks should be developed and agreed with the Board to ensure strategic focus is maintained.	High	Board	<ul style="list-style-type: none"> Review risk register in light of new economic strategy Create a task / finish group to include members of the Executive and Board to agree format of risk reporting 	On track	Audit and Risk committee established to take action forward
11. Clearly define a NALEP scheme of delegation. Articulate the change management process, including the need for re-submission to the Board in case of significant changes to the approved Growth Deal schemes.	Medium		Component part of reviewing committees, sub-board and groups to ensure they align with priorities	Complete	Scheme of Delegation approved at March board
12. Review the governance arrangements for NALEP representation on the New Anglia Capital board, and the feedback mechanism to update NALEP Board on the New Anglia Capital activities on regular basis (currently monthly).	Low		Component part of reviewing committees, sub-board and groups to ensure they align with priorities	Complete	Approved at January board
13. In future, NALEP may wish to consider opening the Board meetings to public, or operating a public forum system enabling public to ask questions relevant to the Board agenda. However, any such changes need to be assessed, and may require a restructure of the Board agenda and papers in order to protect confidential information.	Low		Chair to prepare paper for Board discussion on transparency	On Track	Board discussion on transparency scheduled Q3 2018
3. Organisation					
14. While we appreciate there are differences between the different types of funding provided by NALEP, the existing appraisal processes should be reviewed in order to seek synergies and improve efficiency. The existing funding appraisal documentation should be reviewed and further developed to identify clear criteria for the bids assessment, including clear requirements for assessment of value for money.	High	Exec	New appraisal mechanism being developed as part of Economic Strategy implementation	Complete	Changes introduced as part of Capital Growth Programme Investment round.

Agenda Item 11

Review of our Governance and Operations – Recommendations and Implementation Plan

Recommendation	Rating	Owner	Way Forward	Status	Next Steps
15. The creation of a new structure should be considered in order to provide total focus on the design and implementation of the strategic vision. In turn this will enable the Board to move away from input into LEP operations and re-focus on strategic leadership of the organisation. (also recommended in team section)	High		Organisation to be reviewed – CEO / COO roles to be agreed	Complete	
16. Develop a more detailed (and where feasible, standardised) methodology for the project identification, commissioning, appraisal and prioritisation , including clear criteria for ensuring value for money is robustly scrutinised during the project assessment. Review the existing project pipeline to ensure the proposed projects clearly identify how they meet value for money criteria. Develop methodology for benefits realisation assessment for projects that have been completed for Growth Deal but also for projects funded from other LEP funds.	Medium	Exec	New appraisal mechanism being developed as part of Economic Strategy implementation	Complete	Changes agreed as part of Capital Growth Programme investment round
17. We recommend NALEP executive team: <ul style="list-style-type: none"> Reviews the format of the Business Performance reporting in order to summarise and simplify the programme reporting, with a succinct report for the Board supported by further detail in the report appendix. Develops an integrated business dashboard which will provide overview of the project positions and outline key matters for the Board to focus on. It which would include information on the Growth Deal and other funding programmes, but also on the status of the project pipeline and the outputs measured for the funded projects. The dashboard should be linked to the strategic objectives, and could provide further analysis for the high profile programmes (such as the Growth Deal transport or skills projects). Develops a financial dashboard could show the financial position of NALEP and performance against the budget, but also show available funding and future spending profiles. 	Medium	Exec	Chair to work with exec team on format of new board papers and integrated dashboards	See Forward Programme	New board papers begin being introduced during remainder of 2017 and 2018
18. Develop a more detailed methodology for RAG rating and escalation of issues with individual projects. The methodology should include robust quantitative assessment of changes such as delays to key milestones and impact on completion, changes to spend profile and re-profiling of funding across financial years, changes to outputs and predicted benefits, and cumulative impact. Linkage to the risk management system is encouraged for good practice.	Medium		New appraisal mechanism being developed as part of Economic Strategy implementation	See Forward Programme	Under development

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Review of our Governance and Operations – Recommendations and Implementation Plan

Recommendation	Rating	Owner	Way Forward	Status	Next Steps
19. Confirm with the Board the methodology for escalation of slippages to the Board's attention.	Medium		Component part of reviewing committees, sub-board and groups to ensure they align with priorities	On Track	Forms part of action 11
20. The Board and Exec team should consider both the skills mix and backgrounds of individuals as part of any new recruitment exercises to ensure a mix of private and public sector experience is achieved. Whilst there are wider issues with recruitment from the private sector (e.g. pay rates), this should help to ensure that there continues to be a rich mix of experience within the Executive team as the LEP grows further.	Medium	Exec	Approach to recruitment already in place with a policy recruitment policy designed to attract recruits from a mix of backgrounds	Complete	
21. The Board and Executive team should continue to explore opportunities to share skills and collaborate on strategy delivery with other LEPs.	Medium	Exec	Work already underway. Executive already regularly meets with neighbouring LEPs and LEP MD and senior team playing a key role in the LEP Network – sharing best practice with fellow LEPs.	Complete	



New Anglia Local Enterprise Partnership Board

Wednesday 18th April 2018

Agenda Item 12

Finance Report

Author: Keith Spanton

Summary

This report provides board members with an update from the finance department on the LEP's finances to the year ending 31 March 2018. The report includes **confidential** appendices:

Appendix A - core management accounts year ended 31 March 2018

Appendix B - core monthly and year to date graphs

Management accounts

The LEP's core income and expenditure account and graphs for the year ended 31 March 2018 are shown in confidential appendices A and B.

31 March 2018

Headline figures for the year are: Total income £1,382,969 of which £748,000 represents core contribution with recharges and other income of £634,969 making up the balance. Costs to 31 March total £1,197,701 leaving a surplus of £185,268, ahead of budget by £140,640.

This is ahead of management expectations. This has mainly been due to delays in the recruitment of new staff, however these posts are now occupied with the final role being filled in February 2018.

Further detail of the accounts and some of the larger variances will be explained at the board meeting.

Audit and statutory accounts – 31 March 2018

A pre-audit meeting has been arranged in mid-April 2018 to discuss the forthcoming year end audit. The on-site audit work is provisionally booked for week commencing 28 May 2018. Allowing for the remaining off-site work and partner review, an audit clearance meeting will take place early July with the newly formed audit and risk committee and it is proposed to present the draft financial annual statements at the July board meeting.

Recommendation

The board is invited to note the contents of the report.

New Anglia LEP Board Forward Plan

Date	Venue	Forward Looking	Governance & Delivery
17 th January	Orbis, Lowestoft	<ul style="list-style-type: none"> • Aims and Objectives for the Year 	<ul style="list-style-type: none"> • Capital Growth Programme projects • Voluntary Community Sector Programme • New Anglia Capital • The Malthouse • (WSC 2nd Phase Project)
21 st February	Marble Hall, Norwich	<ul style="list-style-type: none"> • Economic Indicator trajectories and targets • Brexit Analysis 	<ul style="list-style-type: none"> • Governance review new structure • Annual review of current operational plan. • ERDF bid
21 st March	Jockey Club, Newmarket	<ul style="list-style-type: none"> • Institute of Technology (IoT) 	<ul style="list-style-type: none"> • 2018/19 budget • Capital Growth Programme bids • Growing Places Fund bids • Scheme of Delegation
18 th April	Green Britain, Swaffham	<ul style="list-style-type: none"> • Tri-Lep Local Energy East Strategy • Cambridge – Norwich Tech Corridor 	<ul style="list-style-type: none"> • Capital budget • Review of professional advisors • Decision Log • Growth Deal Quarterly Dashboard
23 rd May	Co-op Education Centre, Ipswich	<ul style="list-style-type: none"> • Transport strategy • Enterprise Zones • Energy Strategy 	<ul style="list-style-type: none"> • PwC report – review of implementation • Revenues Budget Framework • Capital Growth Programme bids • Speculative Bid Strategy
20 th June	The University of East Anglia	<ul style="list-style-type: none"> • Skills • Inward Investment Strategy 	<ul style="list-style-type: none"> • Growth Hub • Growth Programme start up programme
18 th July	The Innovation Centre, Ipswich	<ul style="list-style-type: none"> • Economic Strategy Delivery Plan • Innovation 	<ul style="list-style-type: none"> • Draft accounts • Growth Deal • Board Transparency
August		No Board Meeting	
19 th September	Aviation Academy	<ul style="list-style-type: none"> • Economic Strategy Priority Places 	<ul style="list-style-type: none"> • LEP AGM • Growing Business Fund and Small Grants
18 th October	Sizewell, Suffolk		<ul style="list-style-type: none"> • EEEGR • Review of Mary Ney implementation plan
21 st November	Keystone Centre, Thetford	<ul style="list-style-type: none"> • Economic Strategy Review – LEP Board, Leaders and Sector Chairs 	
December		No Board Meeting	