



LEAD MEMBER FOR STRATEGIC MANAGEMENT AND ECONOMIC DEVELOPMENT

DECISIONS to be made by the Lead Member for Strategic Management and Economic Development, Councillor Keith Glazier

TUESDAY, 2 JUNE 2015 AT 10.00 AM

CC2, COUNTY HALL, LEWES

AGENDA

- 1 Decisions made by the Lead Cabinet Member on 11 May 2015 (*Pages 3 - 4*)
- 2 Disclosure of Interests
Disclosure by all Members present of personal interests in matters on the agenda, the nature of any interest and whether the Members regard the interest as prejudicial under the terms of the Code of Conduct.
- 3 Urgent items
Notification of any items which the Lead Member considers urgent and proposes to take at the appropriate part of the agenda.
- 4 South East Local Enterprise Partnership Accountability Board (*Pages 5 - 62*)
Report by the Director of Communities, Economy and Transport
- 5 Any urgent items previously notified under agenda item 3

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22 May 2015

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LEADER AND LEAD CABINET MEMBER FOR STRATEGIC MANAGEMENT AND ECONOMIC DEVELOPMENT

DECISIONS made by the Leader and Lead Cabinet Member for Strategic Management and Economic Development, Councillor Keith Glazier on 11 May 2015 at County Hall, Lewes

Councillors Elkin, Stogdon, Tidy and Pursglove spoke on item 4 (see minute 34)

32. MINUTES

32.1 Councillor Glazier approved as a correct record the minutes of the meeting held on 28 April 2015.

33. REPORTS

33.1 Copies of the reports referred to below are contained in the minute book.

34. DELEGATIONS IN RELATION TO EXECUTIVE FUNCTIONS

34.1 Councillor Glazier considered a report by the Chief Executive regarding delegations in relation to executive functions to be reported to the County Council on 12 May 2015.

DECISION

34.2 RESOLVED to (1) agree the delegation of Cabinet responsibilities and functions as set out in the Constitution in Part 3 Tables 1, 2 and 3 attached as Appendices 1-4;

(2) agree the Officer Scheme of Delegation attached at Appendix 5; and

(3) agree the annual report to the County Council.

Reason

34.3 Part 4 of the Council's Constitution requires the Leader to present to the Council at the annual meeting a written record of delegations of executive functions made to Cabinet Members for inclusion in the Council's scheme of delegation.

35. SOUTH EAST LOCAL ECONOMIC PARTNERSHIP ACCOUNTABILITY BOARD

35.1 The Lead Member considered a report by the Director of Communities, Economy and Transport, and RESOLVED to defer determination to a future decision making meeting of the Lead Member.

Agenda Item 4

Report to: Lead Cabinet Member for Strategic Management and Economic Development
Date of meeting: 2 June 2015
By: Director of Communities, Economy and Transport
Title: South East Local Enterprise Partnership Accountability Board
Purpose: To agree the establishment of the South East Local Enterprise Partnership Accountability Board and to agree nominations and delegations

RECOMMENDATIONS: *The Lead Member is recommended to:*

- (1) Agree to the establishment of the South East Local Enterprise Partnership (SE LEP) Accountability Board as a Joint Committee from 12 June 2015;**
 - (2) Delegate power to the SE LEP Accountability Board to determine matters relating to the SELEP as set out in the Joint Committee Agreement substantially in the form set out in Appendix D;**
 - (3) Agree that the Leader of East Sussex County Council is appointed to the SE LEP Accountability Board;**
 - (4) Delegate authority to the Chief Finance Officer to agree the terms of and enter into service level agreements and / or loan agreements with Essex County Council and East Sussex delivery partners, as appropriate;**
 - (5) Delegate authority to the Director of Communities, Economy and Transport (CET) to take any actions relating to the administering of the SE LEP Accountability Board, including agreeing the terms of and entering into the Joint Committee Agreement and to give effect to any of the recommendations in this report; and**
 - (6) To note the operational functions, roles and responsibilities required of East Sussex County Council and Team East Sussex as set out in Appendix A.**
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1. Background Information

1.1 Cabinet considered and agreed the recommendations of the South East Local Enterprise Partnership (SELEP) Irene Lucas Governance and Delivery Review ('the Review') in March 2010. These recommendations were subsequently approved at the SE LEP Board in March 2015. This report (and appendices) outlines the implications for the County Council and the actions the County Council is required to take as result of the Review.

1.2 Following the announcement of the SELEP's successful £442m Growth Deal in July 2014, the Review was commissioned to ensure that the SELEP was fit for purpose, and sufficiently resourced within its devolved structure, to manage a major Local Growth Fund (LGF) capital programme. The Review strengthened SELEP's case for greater funding, flexibility in applying the funds and moving from quarterly to annual Local Growth Fund claims from Government. Following the Review, the Government has confirmed that the SELEP will now receive annual grant funding payments.

1.3 The current allocation of LGF for East Sussex is £70.16m. This is estimated to yield 21,060 jobs and 28,984 homes. The start dates for east Sussex LGF projects vary from 2015/16 to 2017/18 with most falling into 2016/17. This sets in context the level of risk and overall management by the County Council that will be required as a result of the Review recommendations. The outputs from the LGF funding (i.e. jobs and homes) will not be realised until at least 2016 / 17 and it may take as long as 2021 / 22 for such outputs to come to fruition. As such, a long term commitment shall be required, to both the project related processes, and the monitoring and evaluation. The risks associated with this will therefore not be short term.

2. Supporting Information

2.1 Following the Review, twelve recommendations were agreed. These were outlined in the 10 March 2015 Cabinet Report. This report considers in detail two of the recommendations, which require the greatest response from the County Council (and partners). These are: the introduction of a SELEP Assurance Framework, and the establishment of Local Accountability arrangements (including a Service Level Agreement (SLA)).

The SELEP Assurance Framework

2.2 An overarching Assurance Framework is to be introduced for the SE LEP, with five organisational elements: the Accountable Body (Essex County Council), the Strategic Board, the Accountability Board, the Local Area

Delivery Board / Partnership and the Independent Technical Evaluator. The Assurance Framework will determine how LGF schemes that are funded through the LEP will be selected, delivered and reported. Full details of the five organisational elements are set out in Appendix A.

2.3 The SE LEP Strategic Board is an informal partnership with no legal status and provides the overall strategic leadership agreeing SELEP's vision and priorities based on the Strategic Economic Plan 2014, while championing and lobbying central government to obtain further funding and flexibilities for SELEP. East Sussex is represented with 3 x local government seats for ESCC Cllr K.Glazier, ESCC Cllr Simmons & 1 B/DC, alongside 3 x TES business seats. The role of the new SELEP Accountability Board is to become the main performance management and accountability structure for decision making within the LEP. It will approve all major funding decisions working within the overarching vision and recommendations of the SELEP Strategic Board and monitors and manages SELEP's LGF capital programme.

2.4 The Accountability Board is to be set up as a Joint Committee of the SE LEP authorities under section 102(1)(b) of the Local Government Act 1972. The Terms of Reference are to be set out in the Accountability Board Joint Committee Agreement ('the JCA'), the first draft of which is attached as Appendix D. In accordance with the JCA, each SE LEP authority is to appoint an 'Executive Member' to the Accountability Board. It is recommended that the Leader of the County Council is appointed as Executive Member for the County Council.

2.5 The JCA also sets out that officers and Members of the SE LEP authorities may support the Executive Member. It is therefore proposed that the Chief Finance Officer attend the Accountability Board in an advisory capacity.

2.6 The JCA must be formally entered into prior to the first Accountability Board meeting, which is due to take place on 12 June 2015. However, the final draft of the JCA has not yet been agreed, as it requires input from a range of stakeholders. It is therefore recommended that authority to agree the terms of the JCA and to enter into it are delegated to the Director of Communities, Economy and Transport.

Local accountability arrangements under the Assurance Framework and SLAs

2.7 It is proposed that Essex County Council as Accountable Body ('ECC as AB') will pass the County Council's share of the LGF Funding directly to the County Council to administer. As such, the legal responsibility for the delivery (and any associated risks) will be transferred to the County Council under one or more Service Level Agreements (SLA). Under the SLA the County Council's Section 151 Officer will be required to provide regular reports to ECC as AB and the SE LEP Secretariat. The essential terms of the SLA are set out in Appendix B; however, the final form SLA is yet to be agreed. It is recommended that authority to agree the terms of, and enter into, any SLAs is delegated to the Chief Finance Officer.

2.8 In order to manage the devolved funding, Local Area Delivery Boards or Partnerships will also be key. For East Sussex, 'Team East Sussex' ('TES') is established as the Local Area Delivery Partnership. TES membership consists of 16 members (8 x business, 1 x leader of ESCC, 5 x B/DC leaders, and 1 x higher education and 1 x further education). TES will operate as an advisory body and shall be responsible for local delivery.

2.9 TES will make recommendations as to the reallocation of any project underspends, either for use on an alternative LGF project or to offset overspend from another LGF project. However, this is restricted to a tolerance level of up to 10% variance on any individual LGF project. Any variations above 10% would require formal approval by the SE LEP Accountability Board, and would require a formal report detailing the outputs and outcomes for all projects affected by the funding change.

2.10 This report references all the available documents in relation to the Assurance Framework; however, as detailed in the report, some of these documents are still in draft form (e.g. the 'evaluation matrix' referred to in Appendix A). Furthermore, some of the documents referred to are not yet available in full (e.g. project monitoring template). For this reason, it is possible that some aspects of the Assurance Framework may be subject to further change, which may in turn impact on the County Council's roles and responsibilities as they are currently understood. It is therefore recommended that authority be delegated to the Director of Communities, Economy and Transport to take any actions necessary to give effect to the administering of the Accountability Board, and / or any of the recommendations set out in this report.

3. Conclusion and Reason for Recommendation

3.1 It is important that the County Council engages with the new SE LEP Accountability Board so that the County Council can continue to secure funding to deliver important economic development projects for the county. It is therefore recommended that the Lead Member agrees the establishment of the Accountability Board, the delegation of powers to the Accountability Board and the appointment of an Executive Member thereto, so that the County Council is able to play a full and active role in the decision making process of the SE LEP, working alongside our SE LEP partners.

3.2 It is also recommended that authority be delegated to the Chief Finance Officer as set out in Recommendation (4) above, and authority delegated to the Director of Communities, Economy and Transport as set out in Recommendation (5) above to ensure effective administration of the Accountability Board and associated procedures.

RUPERT CLUBB

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LOCAL MEMBERS: All

BACKGROUND DOCUMENTS: Cabinet paper 10th March 2015 titled: South East Local Enterprise Partnership Board decisions on the South East Local Enterprise Partnership Governance and Delivery Review

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1. The SE LEP Assurance Framework

1.1 The Assurance Framework forms the overarching framework of the SE LEP, with five main organisational elements: the Accountable Body (Essex CC); the SE LEP Strategic Board; The SE LEP Accountability Board; the Local Area Delivery Board / Partnership and the Independent Technical Evaluator. The Assurance Framework sets out how the Local Growth Fund (LGF) schemes funded through the LEP will be selected, delivered and reported. The Assurance Framework will be reviewed and agreed annually by the SELEP Accountability Board.

1.1.1 The Accountable Body, Essex County Council ('ECC as AB'), retains overall legal accountability for the SE LEP investment programme, supported by Essex County Council's Chief Finance Officer (also the S.151 officer). All use of resources will be managed in accordance with ECC established governance processes including arrangements for financial approvals. ECC as AB will ensure that all relevant legal requirements are followed and the SE LEP Assurance Framework is adhered to. In addition, it will ensure that when SE LEP awards project funding there are written agreements to manage the passing of the funds from the Accountable body to the project deliverers, clearly setting out the split of responsibilities and also making adequate provisions for the protection of public funds (e.g. arrangements to suspend or claw back funding in the event of non-delivery or mismanagement).

1.1.2 The SE LEP Strategic Board sets the strategic direction of the SE LEP, as articulated through the SE LEP Strategic Economic Plan. It will provide clear strategic leadership and champion SE LEP priorities. The Strategic Board is the main SE LEP interface with Central Government and will ensure that, where the SE LEP Accountability Board has determined a method of allocation, funds delegated or assigned to the LEP for investment are being implemented to best effect on behalf of Central Government.

1.1.3 The SE LEP Accountability Board is the main performance management and accountability structure for decision making within the SE LEP. The Accountability Board approves all major funding decisions (working within the overarching vision and recommendations set by the Strategic Board) as well as monitoring and managing the SE LEP's capital programme. It is informed by local area management information.

The Accountability Board's responsibilities include:

- Appraisals and approvals (e.g. of investment) in accordance with SE LEP Board recommendations;
- Monitoring project assessment, implementation and delivery;
- Ensuring accountability from each of the local federated areas relating to expenditure and programme delivery (through their responsible S151 officer);
- Approving variations to schemes;
- Quarterly performance reporting on an exceptions basis to the Strategic Board; and
- Reporting on progress to Central Government

1.1.4 Local Area Delivery Boards/Partnerships manage funding devolved by the Accountability Board, taking all local decisions on this investment within defined thresholds. The ESCC Local Area Delivery Partnership is 'Team East Sussex'. Further information on Team East Sussex is set out at 2.2 below.

1.1.5 The Independent Technical Evaluator ('ITE') will work with project deliverers to assess and support full project and business case development. The ITE will advise on project readiness and delivery and overall programme management. The ITE will make recommendations to the SE LEP Accountability Board on the release of funding.

The ITE will also:

- Report to the SE LEP Accountability Board and Local Area Delivery Boards / Partnerships on projects that perform well against the assessment process and where projects may need to be reconsidered due to poor or delayed performance.
- Support local project deliverers in the preparation of submissions for further rounds of LGF bids.

2. Local accountability arrangements under the Assurance Framework

2.1 The County Council ('ESCC')

2.1.1 ECC as AB will pass ESCC's share of the LGF funding (£70.16m) directly to ESCC to administer. The legal responsibility for delivery (and any associated risks) will also be transferred to ESCC under one or more Service Level Agreements (SLA) (the key provisions of the SLA are set out in Appendix B). Under the SLA the ESCC Section 151 officer will carry out the normal stewardship role in terms of monitoring and accounting of the funding, and will be required to provide regular reports to ECC as AB and the SE LEP secretariat to enable quarterly reporting on to the SE LEP Accountability Board.

2.1.2 The SE LEP has developed a draft scheme evaluation document with overarching principles (or 'rules') and a suggested evaluation matrix ('the Scheme Evaluation Matrix'). Once finalised, the Scheme Evaluation Matrix will be used as the pan-SE LEP method of 'prioritising' schemes. The Scheme Evaluation Matrix will also facilitate the development of project evaluation (in the traditional sense) and monitoring processes.

2.1.3 Under the Assurance Framework, a 'Statement of Risk' must be provided by the project deliverers for each scheme, and must be kept up to date. The Statement of Risk will be included in project reports.

2.1.4 The proposed terms of the SLA require that ESCC provide quarterly reports to the SE LEP Secretariat, subject to the note in Appendix B (under Point 11). As such, it is considered appropriate that wherever ESCC procures in respect of its own LGF schemes, (for example with a 'tier1' provider), the contract with the provider includes a similar requirement to abide by the SE LEP quarterly reporting process, which sets out the report scope and evaluation requirements.

2.2 Team East Sussex ('TES')

2.2.1 TES is the Local Area Delivery Partnership for East Sussex. TES will have an advisory role making recommendations to ESCC's Section 151 officer in respect of the local Growth Deal Programme.

2.2.2 As set out above, the local accountability arrangements transfers the associated financial risk to ESCC. As such, where there are potential financial and / or reputational risks to ESCC associated with a recommended action or project, whilst respecting the advisory role of TES, ESCC will retain ultimate decision making power.

2.2.3 TES will be responsible for local delivery and managing the local programme within specified local tolerance levels (variance) for both spend and delivery, as determined by the Accountability Board (see 2.2.6 below for details of the tolerance levels). Reports will be prepared for TES by ESCC officers primarily the Economic Development Team working with Section 151 Officer. TES will review quarterly reports to be approved by ESCC's Section 151 Officer and then submitted to the Accountability Board for formal approval as part of SE LEP's reporting to Central Government. TES will work to the SE LEP Assurance Framework.

2.2.4 It is suggested that the ESCC S151 Officer attends TES meetings as a formal adviser to the Partnership.

2.2.5 TES will identify local project priorities based on the Scheme Evaluation Matrix. These will then be submitted to the SE LEP Board in respect of the Growth Deal and Strategic Economic Plan (SEP) or in response to other funding opportunities as appropriate). In accordance with the Scheme Evaluation, liaison will be undertaken with the ITE. The draft Scheme Evaluation Matrix currently includes the following metrics:

- The strategic case
- Outputs
- Value for money
- Deliverability

2.2.6 TES will make recommendations to reallocate any project underspends, either for use on an alternative LGF project or to offset overspend from another LGF project to ESCC. However, this is restricted to a tolerance level of up to 10% variance on any individual LGF project.

2.2.7 Where there is an underspend in excess of 10%, ESCC can submit a report to the Accountability Board to request approval for the variance to be reallocated to a new or another LGF project (or to Central Government, if appropriate) provided that TES has approved such a course of action. In order to obtain TES approval, the impact on outputs and outcomes for all projects affected by the funding change must first be reported to TES. If the request to reallocate unspent funding is not approved by the Accountability Board, ESCC must return any unspent funds to ECC as AB.

2.2.8 Project Reports and progress updates (at SE LEP and local level) will be made available to TES to enable it to identify those interventions that have had the greatest economic benefit. TES will also review to identify interventions that have been less successful or have traditionally realised fewer rewards and are therefore regarded as likely to fail and / or represent poor value for money.

2.2.9 TES will also need to give further consideration to eligible schemes following a sifting process based on the following:

- Department for Transport's - Early Assessment and Sifting Tool (EAST);
- any SE LEP Prioritisation Framework;
- Health Assessment;
- Highways Agency's Project Appraisal Report; and
- other appropriate appraisal tools.

Checklists for this work will be provided to partners by the ITE to ensure a consistent approach.

2.2.10 The Assurance Framework provides that no scheme or programme shall be implemented without the support of the LEP and the local partnership (i.e. TES for ESCC). Once TES support has been obtained, any project deliverers will be required to further develop the scheme in consultation and agreement with TES at every appropriate stage of the project.

2.2.11 TES will engage local businesses and utilise public and private sector knowledge and expertise to ensure 'prioritisation' of future pipeline projects and delivery provide greatest benefit to the SE LEP area.

2.2.12 The SE LEP has adopted a Conflicts of Interest Policy as part of the SE LEP Governance and Terms of Reference document. In light of the devolvement of funding to ESCC and the more formalised role for TES under the SE LEP Assurance Framework, it is considered appropriate for TES to adopt the relevant parts of the SE LEP Conflicts of Interest Policy in order to ensure consistency. A copy of the Conflict of Interest Policy, once adopted by TES, will be available on the ESCC TES web page.

2.2.13 The SE LEP maintains and publishes a register of declared interests on the SE LEP website. As above, it is considered appropriate that a register of declared interests also be made available in respect of TES members on the ESCC TES web page.

2.2.14 TES' existing Terms of Reference will need to be revised to take account of the additional roles and responsibilities required under the SE LEP Assurance Framework and the SLA as well as to incorporate the adoption of the Conflict of Interest Policy and the register of declared interests as set out at paras 2.2.12 and 2.2.13 above.

3. The National Monitoring and Evaluation Framework

3.1 All Local Enterprise Partnerships are required by Central Government to develop a Monitoring & Evaluation Framework in line with the initial government guidance ('the Guidance'). The Guidance focuses on evaluation as it is intended that the LEP evaluation will drive what is then monitored by the LEP. However, it should be noted that central government nevertheless requires monitoring of all schemes through the quarterly reports.

3.2 The Guidance provides an opportunity for SE LEP and project delivery partners to demonstrate the efficiency and effectiveness of certain schemes, and so identify the progress of the wider Growth Deal and SEP. This 'evaluation' is separate from the Scheme Evaluation Matrix outlined at para 2.1.2 above and refers to 'project evaluation' in the traditional sense. Evaluation can also inform local decision making by providing an understanding of what works to drive local economic growth in the context of local challenges and opportunities.

3.3 In terms of the SE LEP evaluation plans there are initially two steps:

3.3.1 The first is to understand the key objectives of the SEP and the key economic questions that monitoring and evaluation can and should answer. To facilitate this, Independent Consultants, Steer Davies Gleave, will be drafting the SE LEP Evaluation Plan.

3.3.2 The second step is to develop further evaluation plans for a sub-set of schemes. The sub-set of schemes will be selected in response to the key objectives and challenges / opportunities of the SEP and Growth Deal, its intended impacts. A shortlist for evaluation at LEP sub set level is now being decided, and currently includes two East Sussex projects: Queensway Gateway and the North Bexhill Access Road.

3.4 The evaluation process will normally involve a 'mixed methods approach' which looks at process, theory (key relationships from Growth Deal to project), monitoring / outcomes and impact. All of these methods are likely to be used at SE LEP/Growth Deal level; however, project level evaluation should be proportionate and selective taking into consideration the scale, value and scope of LGF intervention.

3.4 In respect of monitoring and reporting, Steer Davies Gleave are to develop a template and a consistent set of metrics, metric definitions and collection methods. They will therefore need to revisit the SE LEP metrics identified in September / October 2014 and look at the project data that is already collected. Where possible they will look to use existing data and definitions as already used in project reporting but will need to ensure a consistent approach is applied. It is likely that the metrics included in the Scheme Evaluation Matrix will inform these monitoring metrics. These reporting metrics will be used in the quarterly report.

3.5 Any legal agreement entered into between ESCC and external lead project deliverers should make provision for the scope of monitoring that will be required (as this guidance becomes available). At a minimum, the provisions suggested in para 2.1.4 above should be included. Similarly, any legal agreement will also need to include guidance on the level of evaluation required. This could include evaluation scoping examples as provided under the national monitoring and evaluation framework. Going forward, both monitoring & evaluation methods and scope will need to be more fully detailed in business cases.

3.6 At this time, we are not able to robustly identify what the LGF is being paid against, what will need monitoring and reporting on (and format), what constitutes acceptable (non-spend related) deviation and so when 'clawback' may come into play. The full chain 'is therefore not yet in place. This in turn will and does affect the robustness of relevant aspects of the current SLA where it is noted that changes will be required in the light of the Framework.

3.7 These activities when fully developed will form the overall SE LEP Monitoring and Evaluation Framework.

4. Responsibility for ensuring adherence to the SE LEP Monitoring and Evaluation and Assurance Frameworks:

4.1 A local reporting template has been devised to enable reporting on live project progress into TES. However, although quarterly reporting to SE LEP is part of the SLA between ESCC and ECC as AB, there is currently no reporting template provided by the SE LEP. As noted at 3.4 above, Steer Davies Gleave are developing a template for monitoring and reporting at project level.

4.3 The quarterly reports due at the end of each quarter (exact date to be confirmed) will require approval by ESCC's Section 151 officer prior to submission to the Accountability Board. It will also need to be reviewed by TES. However, prompt receipt of information will be critical to ensuring that the required sign off by the Section 151 officer and review by TES can be secured in advance of the deadline for submission to the Accountability Board. There is a potential danger that in order to accommodate review by TES, the information would have to be submitted so early that would not properly reflect each quarter's progress. In light of this, the requirements for provision of monitoring information to ESCC should be clearly specified within any legal agreement with external project deliverers.

4.4 The SE LEP project report template will be shared with individual project leads as soon as it is available. In the meantime, the existing report form used with TES will be checked to ensure it reflects current monitoring requirements. It is also proposed that the relevant ESCC officers review the new SE LEP template / requirements with the project lead to check their understanding of what is being asked, and the timetables for receipt once the new template is available.

4.5 As a result of the additional work coming out of the SE LEP Assurance Framework, and the devolution of delivery to ESCC, there will be a new Growth Manager post within the County Council working within the Economic Development, Skills, Culture and Infrastructure service. The Growth Manager will work with the ITE to ensure projects meet at least the minimum information requirements, and will need to undertake local 'due diligence' on each project. The Growth Manager will ensure that, as a minimum, the project satisfies the following requirements:

- It fits within SE LEP Growth Deal objectives (and with the ESCC Growth Strategy)
- It is robustly evidenced in respect of need
- It follows guidance in the Treasury Green Book (as appropriate) and other relevant guidance
- It is SMART in terms of objectives
- It can demonstrate value for money and / or a low cost-benefit ratio
- The outline and full business cases comply with monitoring and evaluation requirements and that milestones, spend profile, outputs and outcomes and other economic impacts are clear and realistic.

4.7 The projects will be assessed against the pan SE LEP Scheme Evaluation Matrix (still in draft) with input from the ITE as required. The results will be reported to and agreed by TES.

4.8 Once a project is approved under the SE LEP Assurance Framework process, ECC as AB will provide an SLA to ESCC for the specific project. The SLA will need to be signed off by ESCC's Section 151 officer; however, it is recommended that the SLA is also reviewed internally by legal services and finance. It would also be prudent if the SLA were passed by the project deliverers to ensure that they are in a position to abide by its provisions.

4.19 The Growth Manager will ensure that all monitoring and reporting requirements under each SLA are met by the project promoter(s), and so by ESCC including via TES. The Growth Manager will be alert to any variation/deviation from what has been agreed with the project deliverer and in their legal agreement. And the Growth Manager, will look to ensure that where possible this is addressed by the project deliverer and relevant mitigation is put in place.

4.10 Any issues identified above the variation/deviation allowance (where it applies) (+/- 10%) that may constitute a risk (i.e. in respect of the project's objectives, spend profile, milestones, outputs and outcomes) will need to be reported to ESCC's Section 151 officer immediately.

4.11 Quarterly reports will be required by both SE LEP's Accountable body and TES. Project leads should be encouraged to report more frequently as and when issues arise that could / will impact on the delivery of the project objectives as detailed under the SLA and in reflection of the agreed project business case.

4.12 Where more than one project goes live under the Growth Deal within a given period, ECC as AB will issue a *single* SLA to ESCC to cover both or all projects. Each project lead will need to agree which elements of the SLA provisions and monitoring metrics relate to their project; this will mainly be based on key areas within the individual business case. Each individual project monitoring template will need to then reflect these elements.

5. Accountability and non ESCC projects

5.1 There is a need for clarity in respect of what the LGF is paying for in terms of an individual project's outputs and outcomes (plus spend profile, milestones etc.). This applies equally to ESCC projects and external project deliverers. However, the issue of accountability and clawback is particularly pertinent with external project deliverers.

5.2 Under the local accountability arrangements, ESCC undertakes all the legal and financial risks associated with the funding. As such, it is critical that arrangements with external project deliverers passes this accountability (as appropriate) to external project lead partners; thereby reducing risk that will be associated with projects over which ESCC has minimal control.

5.3 To manage this risk, it is suggested that a legal agreement is put in place with the relevant external project delivery lead to include the following provisions:

- The appropriate provisions of the SLA (including any grant conditions);
- Monitoring requirements;
- Reporting timetable and report scope;

- Evaluation requirements and costs/ resourcing;
- Variance or tolerance levels;
- Milestones; spend profile; match funding; outputs and outcomes;
- Any clawback provisions;
- The external lead body indemnifying ESCC against all costs and losses arising out of, or in connection with, breach of the relevant SLA by the external lead body;
- Provision that the external project delivery lead will be expected to consider how added economic, social or environmental benefits can be maximised and secured through their commissioning, procurement and delivery.
- Provision to ensure a level playing field for small businesses and voluntary, charity and social enterprise organisations in bidding for local delivery contracts as appropriate;
- Requirement for a Value for Money statement and Risk assessment to be supplied.

5.4 The contract will be drawn up by the Growth Manager with support from ESCC legal services. The contract scope and content will need to be formally approved by the Section 151 officer in line with the project specific SLA and based upon the approved project business case.

Core provisions within an SLA between Essex County Council (ECC) as Accountable Body and East Sussex County Council (ESCC):

1. The provision of grants to ESCC on a scheme by scheme basis within its area.
2. Commits ESCC to all monitoring and reporting requirements that are required of ECC as Accountable Body within its grant agreement with Central Government.
3. Commits ECC as Accountable Body to making payment to ESCC on the same basis that ECC receives it from Central Government.
4. Transfers responsibility for all clawback provisions and other penalties in the grant agreement between ECC as Accountable Body and Central Government ('the Grant Agreement') to ESCC.
5. The current publicity requirements (including any branding guidelines) as defined by Government for Growth Deals must be complied with.
6. Commits ESCC to responsibility for any project overspend.
7. Agrees ESCC may vary LGF expenditure on any single project by up to 10%, provided that the overall schedule of schemes within the ESCCs programme are delivered and this does not have detrimental implications for the overall benefits realisation as set out in the individual business case.
8. All underspends in LGF expenditure on any single project in excess of 10% shall be determined by the Accountability Board and, if required, by Central Government. The inclusion of a new project shall be determined by the Accountability Board.
9. All projects within the Local Growth Deal will have had a business case that has been reviewed by the SE LEP's appointed Independent Technical Advisor (ITE), in line with the requirements specified within the SE LEP Assurance Framework, prior to approval by the Accountability Board.
10. ESCC will indemnify ECC as Accountable Body against all costs and losses arising out of, or in connection with, breach of the SLA by ESCC.
11. ESCC will provide quarterly reports to the SE LEP Secretariat in the timescales and format specified by the Secretariat and approved by the Accountable Body. By project these will include spend against target, milestones, explanation of variance.

Note – the National Monitoring and Evaluation Framework and the SLA:

Although some information is already available, the SE LEP has not yet developed the metrics required under the National Monitoring and Evaluation Framework (the NME Framework') for the monitoring of individual schemes. It is accepted, however, that reporting and performance requirements set out in the NMW Framework will have to be adhered to under the SLA; this is likely to necessitate amendments being made to the SLA to capture these requirements.

The current SLA states that reporting on the anticipated outcomes (e.g. jobs) detailed in the respective project business cases will not normally be required. Nevertheless, it does stipulate that, in the absence of guidance under the NME Framework, the following should be reported:

- Cancellation of an agreed project;
- Inclusion of a project not agreed;
- Moving forward of a project previously programmed to start in later years;
- Delays to project start or end dates of more than six months;
- Changes to LGF expenditure, or to the agreed core metrics and outcomes, on any single project of more than 10%.

The SLA only names the projects it covers in the period; it does not detail project start and finish dates, milestones, spend profile, match funding or the objectives, outputs and outcomes of each project.

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Appendix C – SE LEP Assurance & Accountability Framework (governance & delivery)

- Local framework key responsibilities, functions and main actions

	Key responsibilities	Practical Functions / Main Actions
Government	(i) Awarding LGF funding and contract for each Round, whilst ensuring correct and appropriate use of public money within the Local Growth Fund	Agree projects and funding to SELEP area; Award contracts on yearly advance payments; monitoring against grant contract targets
South East Local Enterprise Partnership (SE LEP)	(i) SELEP Strategic Board (SSB), the main SE LEP interface with Government to influence and lobby, providing strategic leadership on vision and priorities, championing the SELEP area and supporting pan-LEP activity; (ii) The SELEP Accountability Board (SAB) to implement the SELEP Assurance and Accountability framework – the main management and accountability structure	On the SSB – representation from East Sussex includes three local government reps ESCC Cllr K.Glazier, ESCC Cllr Simmons & 1 B/DC rep, alongside 3 x TES business reps. On the SAB - For ESCC Cllr. K. Glazier Leader (executive member with voting right) and supported by ESCC Section 151 officer in an advisory capacity Tolerance levels on over and underspends; agree inclusion of new projects Independent Technical Evaluator (ITE) assesses all business cases before approval; Applying the monitoring and evaluation framework
Essex County Council (ECC)	(i) The Accountable body for SELEP (ii) To ensure all relevant legal requirements are followed and the SE LEP Assurance Framework is adhered to	ECC responsible for overall LGF funding, management and accountability and devolving these responsibilities to local federated accountability arrangements under the Assurance Framework; Single grant SLAs from ECC to federated areas on agreed projects require ESCC S151 officer approval
East Sussex County Council (ESCC)	(i) Local Accountable body for ES – LGF programme management, accountability, spend and monitoring, reporting and evaluation; (ii) Responsible for any project over / under spend and clawback	Financial and monitoring/reporting responsibility - Establish an Internal ESCC Accountability Board or, as a minimum, institute a formal robust checking process under the Assurance Framework by finance and legal? Tolerance levels of below 10% retain funds for ES LGF over/underspends; above 10% to go up to SELEP Acct. Board; Agree SLA from ECC, local procurement & contracts to include SELEP requirements under Assurance Framework e.g. finance, outputs, monitoring and evaluation
Team East Sussex (TES)	(i) Acts as an advisory partnership in respect of overseeing local delivery of LGF programme within agreed tolerance levels, working to the Assurance Framework provisions; (ii) To consider LGF project proposals under SELEP wide project evaluation matrix along with the ITE	Consider and recommend project variance within tolerance levels to include impacts on outputs and outcomes agreed; Monitoring and accountability procedures developed to include quarterly project reporting, agreed by the ESCC S151 officer, to SELEP Acct. Board
Project Deliverers (internal to ESCC and external)	(i) Adherence to SLA/contract requirements and delivery of schemes; raising issues early incl. spend profile changes	Contracts produced to include accountability and finance, alongside reporting, monitoring and evaluation requirements; Cover for ESCC against clawback (external deliverers/Tier 1 contractors)

- **Actions for TES**

The following actions for the 'Local Area Delivery Partnership' (TES) have been drawn from the SE LEP Accountability & Assurance Framework / Service Level Agreement:

1. Under the Assurance Framework TES will operate as an advisory partnership to ESCC (the ESCC S151 Chief Finance Officer) on the local Growth Deal Programme. It is advised that the Section 151 Officer attends future TES meetings.
2. The Partnership will manage local LGF programme delivery within specified local tolerance levels for both spend and delivery as agreed by the SE LEP Accountability Board.
3. TES will submit quarterly reports, agreed by the ESCC S151 Officer, to the SE LEP Accountability Board for formal approval.
4. TES will implement the new cross LEP 'scheme evaluation framework' to identify local priority projects in liaison with the SE LEP Independent Technical Adviser.
5. TES can recommend to the County Council the re-use of any underspend of LGF expenditure on any single project of up to 10%, provided that the overall schemes within the Council's programme are still delivered along with the overall benefits realisation as set out in the individual business cases.
6. In respect of recommendations of reallocation of underspend in excess of 10%, re-use of this money must be agreed by the Accountability Board. The inclusion of a new project shall also be determined by the Accountability Board.
7. TES already has Terms of Reference, however these will need to be revisited to take account of any additional roles/responsibilities as required under the Assurance Framework, and this is likely to include a register of interests and adoption of relevant aspects of the SE LEP Conflicts of Interest Policy.



The Accountability Board Joint Committee Agreement 2015

South East
Local Enterprise Partnership



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Appendix A: Assurance Framework

THIS AGREEMENT is made on the day of 2015.

Between:

- (1) **East Sussex County Council** of County Hall, St Anne’s Crescent, Lewes, East Sussex, BN7 1UE; and
- (2) **Essex County Council**, of PO Box 11 County Hall, Chelmsford, Essex (“the Accountable Body”); and
- (3) **Kent County Council** of County Hall, Maidstone, ME14 1XQ; and
- (4) **Medway Council** of Gun Wharf, Dock Road, Chatham, Kent, ME4 4TR; and
- (5) **Southend Borough Council** of Victoria Avenue, Southend on Sea, Essex, SS2 6ER; and
- (6) **Thurrock Council** of Civic Officers, New Road, Grays, Essex, RM17 6SC.

Together known as ‘the Partner Authorities’.

BACKGROUND

- (A) South East Local Enterprise Partnership (SELEP) was established in 2010 as one of 39 LEPs across the county to provide ‘*clear vision and strategic leadership to drive sustainable private sector-led growth and job creation*’.
- (B) In February 2014, the Partnerships terms of reference were amended to streamline the operation of the SELEP Board structure and embed an innovative federal model or operation.
- (C) The Partner Authorities seek to delegate responsibility for the local implementation of SELEP’s accountability and assurance framework and all local processes within it by which bids are assessed, risks considered, approvals made and performance managed.
- (D) The vision and aim of the Joint Committee will be to support the distribution of funding from Government and project delivery and will assist in securing the outcomes set out in the same.

1. Definitions and Interpretation

1.1 In this Agreement:

- “the Accountable Body”** means Essex County Council;
- “the Act”** means the Local Government Act 1972;
- “Assurance Framework”** means the SELEP Assurance Framework approved on 20 March 2015;
- “Annual Report”** means the report(s) which sets out the Joint Committee’ activities, finance and performance for the preceding year;
- “Commencement Date”** means the date set out in paragraph 3.1;
- “the Committee Members”** means those members appointed to the Joint Committee in accordance with paragraph 5.1 and 5.2 as appropriate;

“Co-opted Members”	Means those individuals appointed in accordance with paragraph 5.2;
“Executive”, “Executive Member” and “Executive Leader”	have the same meaning as in the Local Government Act 2000;
“Joint Committee”	means the Accountability Board, or such name as determined in accordance with paragraph 2.3;
“the Partner Authorities”	means <ol style="list-style-type: none"> 1. East Sussex County Council; 2. Essex County Council; 3. Kent County Council; 4. Medway Council; 5. Southend on Sea Borough Council; and 6. Thurrock Council.
“Partner Authority Members”	means those individuals appointed in accordance with paragraph 5.1;
“Secretariat”	means those appointed to manage the efficient administration of the Joint Committee;
“SELEP”	means the South East Local Enterprise Partnership;

1.2 In this Agreement, except where the context otherwise requires:

- 1.2.1 the masculine includes the feminine and vice-versa and the singular includes the plural and vice-versa;
- 1.2.2 a reference in this Agreement to any Clause, Sub-Clause, Paragraph, Schedule, Appendix or Annex is, except where it is expressly stated to the contrary, a reference to such Clause, Sub-Clause, Paragraph, Schedule, Appendix or Annex of this Agreement;
- 1.2.3 save where stated to the contrary, any reference to this Agreement or to any other document shall include any permitted variation, amendment, or supplement to such document;
- 1.2.4 any reference to any enactment, order, regulation or other similar instrument shall be construed as a reference to the enactment, order, regulation or instrument including any EU instrument) as amended, replaced, consolidated or re-enacted;
- 1.2.5 headings are for convenience of reference only.

2. The Joint Committee

2.1 The Partner Authorities have agreed to form a Joint Committee to manage the distribution of funding from Government managed by the LEP (by way of grants and loan funding in accordance with the

provisions contained in sections 101 and 102 of the Act, the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012 and any other enabling legislation.

- 2.2 The Partner Authorities shall delegate to the Joint Committee the responsibility for the Assurance Framework, decision making for the approval of bids against funding from Government and distribution of those funding by way of a grant or loan arrangements, which will enable the Joint Committee to carry out the functions set out in paragraph 10.
- 2.3 The Joint Committee shall operate under the name “Accountability Board” or such other name as may from time to time be decided on by the Joint Committee.

3. The Term

- 3.1 The Joint Committee shall commence on the date of this Agreement and shall be operational until such time as it is dissolved in accordance with paragraph 30.

4. Service Level

- 4.1 The vision and aim of the Joint Committee will be to support the distribution of funding from Government and will assist in securing the delivery of outcomes set out in the same. Each distribution of funding will have in place a Service Level Agreement between the Accountable Body and the receiving Partner Authority.

5. Membership of the Joint Committee

- 5.1 The Joint Committee shall consist of six members of the Partner Authorities. Each Partner Authority shall, subject to paragraph 5.3, appoint one Executive Member to be a member of the Joint Committee.
- 5.2 The Joint Committee shall also consist of three co-opted members, appointed as follows:
 - 5.2.1 One member appointed by the Joint Committee on the nomination of the higher education sector;
 - 5.2.2 One member appointed by the Joint Committee on the nomination of the further education sector;
and
 - 5.2.3 The Vice Chairman of the SELEP Strategic Board appointed by the Chairman of the SELEP Strategic Board.
- 5.3 A person who is disqualified under Part 5 of the Act from being a Member of a relevant authority shall be disqualified from membership of the Joint Committee.
- 5.4 Each Partner Authority may change its appointed Committee Member at any time provided that written notice of any such change is given to the Secretariat, taking effect upon receipt. Such written notice may be given by electronic mail.
- 5.5 Officers and Members of Partner Authorities may attend meetings of the Joint Committee (or any Sub-Committee) to support their Committee Member in attendance at that meeting, but the numbers may be limited at the discretion of the Chairman.

6. Tenure of office and casual vacancies

- 6.1 A Public Authority Member will hold office until one of the following occurs;
- 6.1.1 they resign in writing and deliver such resignation to the Chairman of the Joint Committee, who shall forthwith notify such resignation to the Chief Executive of the relevant Partner Authority and Secretariat;
 - 6.1.2 they are removed or replaced by the Partner Authority that appointed them;
 - 6.1.3 they are disqualified from membership of the Joint Committee as they have failed to attend any meeting of the Joint Committee, or any meeting of a sub-committee, for a continuing six month period, unless approved by their Partner Authority and communicated to the Secretariat;
 - 6.1.4 they cease to be eligible for appointment to the Joint Committee in the capacity in which they were appointed; or
 - 6.1.5 the Partner Authority withdraws from the Joint Committee in accordance with the provisions set out in paragraph 31.
- 6.2. Such vacancies occurring under paragraph 6.1.1 – 6.1.4, shall be filled as soon as possible by the relevant Partner Authority responsible for appointing a member to the Joint Committee.

7. Voting

- 7.1 Each Partner Authority shall have one vote at meetings of the Joint Committee or any sub-committee. Each Partner Authority Member, if present, or the substitute member at the meeting will cast the Partner Authority's vote.
- 7.2 Any question coming before the Joint Committee shall be decided by a simple majority of those present and voting. All voting shall be by a show of hands, unless recorded votes have been requested by any Public Authority Member, and any member shall have the right to have the way he voted (or abstained) recorded in the minutes.
- 7.3 For the avoidance of doubt, Co-opted Members shall not be allowed to vote.

8. Substitute Members

- 8.1 A Partner Authority may appoint another Executive Member (subject to paragraph 5.3) of the same Partner Authority to be a substitute member and attend a meeting of the Joint Committee in the absence of the Member appointed under paragraph 5.1.
- 8.2 In such circumstances that member shall give the Secretariat written notice not later than thirty minutes before the start of the meeting on the day advising that they are unable to attend and that the substitute member named in the notice will attend in their place.

9. Chairman and Vice Chairman of the Joint Committee

- 9.1 The Vice Chairman of the SELEP Strategic Board appointed to the Joint Committee shall be the Chairman of the Joint Committee and shall remain in office until his successor is appointed.
- 9.2 The Joint Committee shall at its annual meeting appoint a Vice Chairman, who shall be either the person appointed under paragraph 5.2.1 or paragraph 5.2.2, and who shall remain in office until his successor is appointed at the next annual meeting.

10. Functions to be exercised by the Joint Committee

- 10.1 The Joint Committee shall exercise and be responsible for the following functions:
- 10.1.1 the implementation of the Partnership's Accountability and Assurance framework and all processes by which bids are assessed, risks considered, approvals made and performance managed including;
 - 10.1.2 Appraisals and approvals of grants and loans, in accordance with Board recommendations, such decisions shall not be the responsibility of another;
 - 10.1.3 Monitoring project assessment and delivery;
 - 10.1.4 Ensuring accountability from each of the federated areas relating to expenditure and programme delivery;
 - 10.1.5 Approving variations to schemes;
 - 10.1.6 Quarterly performance reporting on an exceptions basis to the Strategic Board;
 - 10.1.7 Reporting on progress to central government;
 - 10.1.8 Any other accountability or assurance function required by central government or recommended by the Accountable Body's auditors or the S.151 Officer of the Accountable Body;
 - 10.1.9 Approving an Annual Report to be made available to the Partner Authorities; and
 - 10.1.10 agreeing all new, or revised processes, including the Assurance Framework.
- 10.2 Any sub-committee established by any of the individual Partner Authorities may not exercise any function set out above.
- 10.3 The Joint Committee will not have responsibility for staffing decisions but the Partner Authorities agree that the appointment of a replacement for the clerk appointed in accordance with paragraph 17.1, will be carried out in consultation between all Partner Authorities
- 10.4 Operational details will be delegated by the Joint Committee to the Secretariat as set out in this Agreement as a framework within which operational implementation and decisions will be taken as appropriate by the Secretariat or a nominated deputy.
- 10.5 The Joint Committee may perform such other functions as the Partner Authorities may from time to time delegate to the Joint Committee with the written agreement of the Joint Committee.
- 10.6 This Agreement is without prejudice to each Partner Authority's other powers and responsibilities for their respective areas and each Partner Authority agrees that it will not exercise its functions in relation to the function of the Joint Committee except;
- 10.6.1 via the Joint Committee;
 - 10.6.2 via powers delegated to an officer by the Joint Committee; or

10.6.3 after consultation with the other Partner Authorities.

11. The Section 151 Officer

- 11.1 The Section 151 Officer from the Accountable Body, or their representative, will attend the Joint Committee meetings in an advisory capacity.
- 11.2 To support the Section 151 officer of the Accountable Body in their advisory capacity to the board, papers must be sent to the Section 151 officer five clear working days before they are due to be published; any exceptions to this must be agreed in advance.
- 11.3 The S151 officers, or their representatives, from the County and Unitary Councils in the SELEP will be invited to observe the Accountability Board meetings

12. The Partner Authorities

- 12.1 The Partner Authorities agree;
 - 12.1.1 any intellectual property created by or on behalf of the Joint Committee shall be permitted to be used by the Secretariat for the management and running of the Joint Committee, but for the avoidance of doubt, shall remain with the respective Partner Authority;
 - 12.1.2 each will handle and respond to Freedom of Information Act and Environmental Information Regulations requests for information relating to SELEP for their respective Authorities, in consultation with the Secretariat;
 - 12.1.3 upon receipt of a request under the Freedom of Information Act and Environmental Information Regulations which relate to the functions of the Joint Committee, shall notify and cooperate with the Accountable Body as soon as possible; and
 - 12.1.4 to provide reasonable facilities within their respective areas (if so required by the Secretariat on behalf of the Joint Committee) for the essential use by staff working with SELEP or the Joint Committee to enable them to perform their duties (including welfare and IT facilities) without any charge over and above the annual contribution which will be reviewed as part of the annual review process.

13. The Accountable Body

- 13.1 The Accountable Body agrees to;
 - 13.1.1 ensure decisions and activities of SELEP conform with legal requirements with regard to equalities, social value, environment, State Aid, procurement etc.
 - 13.1.2 ensure that the funds are used appropriately, and in a manner that is consistent with the contents of the offer letter from government, where appropriate.
 - 13.1.3 ensure that the SELEP assurance framework is adhered to.
 - 13.1.4 maintain the official record of SELEP proceedings and holding copies of all relevant SELEP documents relating to funding allocated to the SELEP.
 - 13.1.5 ensure that there are arrangements in place for local audit of funding allocated by SELEP at least equivalent to those in place for local authority spend.

- 13.1.6 review all complaints received from members of the public relating to the Joint Committee; and
- 13.1.7 handle and respond to all Freedom of Information Act and Environmental Information Regulations requests relating to the terms and conditions of this Agreement.
- 13.2 Any issues may be raised, from time to time, by the Accountable Body, in its assurance role at the Committee Meetings.

14. Meetings of the Joint Committee

- 14.1 The first meeting of the Joint Committee shall be the annual meeting for the year and thereafter the first meeting held after 1 April in any year shall be the annual meeting.
- 14.2 The Joint Committee shall meet at least four times in each year save and except that;
 - 14.2.1 the Chairman may in his discretion cancel any meeting if in his opinion there is insufficient business to be transacted; or
 - 14.2.2 a meeting may be convened at any time on the requisition of the Chairman or not less than three members of the Joint Committee delivered in writing to the Accountable Body.
- 14.3 The dates for the meetings in any year shall be agreed at the annual meeting of the Joint Committee.
- 14.4 Meetings of the Joint Committee shall:
 - 14.4.1 wherever possible take place at High House, Production Park, Purfleet, RM19 1RJ; or
 - 14.4.2 at such alternate venues as notified to the Partner Authorities by the Secretariat; or
 - 14.4.3 the chairman may in his discretion require any meeting to be held by way of a telephone conference, where there is limited business to be transacted.
- 14.5 The Secretariat shall ensure that a printed copy of the agenda for each meeting, any relevant reports and the minutes of the previous meeting shall be despatched by the Clerk to the Joint Committee, at least five (5) clear days before such meeting to each Committee Member, excepting that other items of urgent business may be considered with the agreement of the Chairman, at the end of business at any meetings.
- 14.6 At the same time, such papers will also be despatched to all relevant parties as notified to the Clerk to the Joint Committee from time to time.
- 14.7 The agenda shall contain notice of all business, except urgent business, which is required to be brought before the Joint Committee either in the ordinary course of business, or which is brought by the Chairman to the Joint Committee.
- 14.8 Meetings of the Joint Committee will be open to the public and press except where the Joint Committee resolves that the press and public be excluded (which may only be during consideration of items containing confidential or exempt information within the meaning of Schedule 12A of the Act). Each meeting will have a public question time of not exceeding 15 minutes in which members of the public may ask questions or make statements on a matter within the remit of the Joint Committee.

14.9 In addition to paragraph 5.6, the Chairman in consultation with a Partner Authority may invite any person to attend a meeting of the Joint Committee for the purpose of making a presentation, or participating in discussion, on any item relevant to the Joint Committee's functions where that person is able to provide a professional or commercial viewpoint, which the Chairman or the Partner Authority considers would be of assistance to the Joint Committee.

15. Quorum

15.1 The Quorum for meetings of the Joint Committee is one third of the Committee Members, including at least two voting members.

16. Minutes

16.1 The minutes of the meeting shall be recorded as an accurate account of the meeting and circulated to all Committee Members of the Joint Committee, and shall be reviewed at the next available meeting, signed by the Chairman or in his absence the Vice Chairman or the person presiding over the meeting in their absence, confirming that they are an accurate account of that meeting.

16.2 Minutes of the Joint Committee shall (subject to the provisions of paragraph 14.8) be available;

16.2.1 to the public and press as though they were minutes of a meeting of a Partner Authority; and

16.2.2 shall be published on the SELEP website as soon as possible following confirmation of their accuracy set out in paragraph 16.1.

17. Support

17.1 The Clerk to the Joint Committee shall be appointed by SELEP annually and shall exercise the functions and responsibilities set out in the Contract for Services, which shall include

17.1.1 Organisation and advertising of dates of forthcoming meetings in conjunction with the SELEP Secretariat;

17.1.2 Production, publication and distribution of agenda; reports and minutes or meetings following receipt of the final version from the SELEP Secretariat;

17.1.3 Attendance at all meetings including preparation in advance;

17.1.4 Providing advice and guidance on the constitution and application of procedural rules; and

17.1.5 Provide guidance to, and recording, members declarations of interest in accordance with the SELEP's code of conduct and adopted procedures.

17.6 The SELEP shall be responsible for the reasonable costs incurred as a result of providing the Clerk's support.

18. Sub Committees

18.1 By exception, the Joint Committee may appoint such sub committees as it considers appropriate to exercise such functions as may be delegated to it by the Joint Committee and to advise the Joint Committee in the discharge of its functions, save and except that the Joint Committee may not

delegate to any subcommittee that approval of the Joint Committee's budget or Annual Business Plan or the fixing of the annual contributions by the Partner Authorities.

- 18.2 The Joint Committee will determine the membership and terms of reference of the subcommittee, and the quorum for its meetings, when it is appointed.
- 18.3 If the Joint Committee appoints more than one subcommittee to exercise one or more of its functions then it shall ensure that the Lead Authority allocates particular matters to a subcommittee first on the basis of the availability of the members required to constitute the subcommittee, and thereafter by rotation, and summons meetings accordingly.

19. Finance Arrangements

- 19.1 The Accountable Body will be responsible for Accounting for all monies received by and all expenditure incurred by SELEP, in line with the agreed Assurance Framework.
- 19.2 All investment decisions in relation to use of monies received by SELEP must be made in line with the agreed Assurance Framework and approved by the Accountability Board, including the use of grants, awarding of loans and establishing a budget for SELEP.
- 19.3 All grants awarded to the SELEP that are agreed to be passed through to the County or Unitary Councils within the Federated Model will be subject to a Service Level Agreement with the Accountable Body in line with the agreed Assurance Framework
- 19.4 All loans made using monies awarded to the SELEP will be subject to the standard loan agreement with the Accountable Body. The standard loan agreement is approved by the Accountability Board
- 19.5 All investment decisions made under 21.2 will be subject to review by the Accountable body to ensure that:
 - 19.5.1 The decision complies with the Financial Regulations of the Accountable body;
 - 19.5.2 The decision is not contra to any requirements laid out in all agreements, including any Service Level Agreements for which the Accountable body is responsible;
 - 19.5.3 The decision is lawful; and
 - 19.5.4 The decision must comply with the agreed assurance framework for the SE LEP.
- 19.6 The Accountable Body shall produce to the Joint Committee a financial report for the Joint Committee to consider at each meeting.
- 19.7 All expenditure and income for the SELEP will be managed by the Accountable Body in line with the approved Financial Regulations of the Accountable body.
- 19.8 The Joint Committee shall be responsible for approving the budget for the financial year for SELEP, taking into account contributions agreed from Partner Authorities for the provision of Secretariat and clerking services, staffing, consultancy, and meeting provisions and will include contingency planning.

20 Audit

20.1 The Accountable Body, (through the Section 151 Officer), is responsible for ensuring that grant income received, payments out and any applicable repayments are accounted for and administered correctly (which will fall under the Accountable Body's normal audit arrangements).

21. Monitoring and Assessment

21.1 The Joint Committee will be responsible for monitoring and assessing in terms of:

21.1.1 delivery of the Growth Deal and any similar funding agreements made with the Government;

21.1.2 reporting, of the implementation of projects funded by the SELEP that are subject to monitoring under the agreed Assurance Framework, and/or a Service Level Agreement or Loan Agreement in place with the Accountable Body

21.1.3 the implementation of the SELEP Assurance Framework; and

21.1.4 progress in fulfilling the Strategic Economic Plan.

21.2 The Joint Committee will receive presentations and progress reports on key issues and notable projects.

21.3 The Joint Committee will issue an Annual Report of its activities, finances and performance to the Partner Authorities and other appropriate parties. The Joint Committee may decide to publish the report.

22 Scrutiny Arrangements

22.1 The decisions made by (and, for the avoidance of doubt, not mere recommendations of) the Joint Committee may be subject to the individual scrutiny arrangements of each Partner Authority operating under executive arrangements.

22.2 Committee Members and their officer advisers shall fully co-operate with the relevant Scrutiny Committee of any of the Partner Authorities and shall, where requested, attend any meeting of any relevant Scrutiny Committee. The expectation would be that the Committee Members and their officer advisers attending any meeting of any relevant Scrutiny Committee will be those relevant to the decision to be discussed.

23. Call in

23.1 The provisions set out in paragraphs 23.4 – 23.12 shall apply to all relevant Partner Authorities with executive responsibility for the function to which the decision or action relates.

23.2 Those functions delegated to the Joint Committee under paragraph 2.2 remain part of the Partner Authorities executive function, to which only the Partner Authorities shall apply paragraph 23.4 – 23.12.

23.3 Call in should only be used in exceptional circumstances, day to day management decisions or routine operational decisions should not be subject to Call in.

- 23.4 Any decision or other action taken of the Joint Committee may be called in for scrutiny by Members of any Partner Authority operating under executive arrangements. A decision is called in by Members of such a Partner Authority in the same way in which they would call in a decision of each Partner Authority's Executive or Committee except that;
- 23.4.1 decision or other action taken may not be called-in after 5pm on the third working day after the date upon which the decision is published; and
- 23.4.2 a call in of such a decision or other action taken may only be made if the decision or other action taken affects that Partner Authority area whose membership wishes to call in the decision or action.
- 23.5 Once a decision or other action taken has been called in it may not be implemented until the scrutiny arrangements of the relevant Partner Authority whose membership has called in the decision or action has been completed. Where a relevant Scrutiny Committee (or full Council) makes recommendations to the Joint Committee, the Joint Committee shall arrange for the decision or action to be reconsidered in the light of comments made by the relevant Scrutiny Committee (or full Council) and the final decision or action of the Joint Committee shall not be subject to call in.
- 23.6 The call-in procedure set out in paragraph 23.1 shall not apply where the decision or action being taken by the Joint Committee is certified by the Joint Committee as urgent. (A decision will be deemed to be urgent if any delay likely to be caused by the call in procedure would prejudice the Joint Committee, the public's or a third party's interests or the decision relates to the commencement of a statutory consultation process).
- 23.7 Where any Partner Authority Member or officer is required to attend a Scrutiny Committee, the Chairman of that Committee will inform the Monitoring Officer (or Chief Executive as appropriate) of their own authority.
- 23.8 That Monitoring Officer (or Chief Executive as appropriate) shall inform the Partner Authority member or officer in writing giving at least ten (10) working days notice of the meeting at which he is required to attend, such notice to state the nature of the item on which he is required to attend to give account and whether any papers are required to be produced for the Scrutiny Committee.
- 23.9 Where the account to be given to the Scrutiny Committee will require the production of a report, the Partner Authority Member or officer concerned will be given sufficient notice to allow for preparation of that documentation.
- 23.10 Where in exceptional circumstances, the Partner Authority member or officer is unable to attend on the required date, the Scrutiny Committee shall in consultation with the Partner Authority member or officer arrange an alternative date for attendance which shall be as soon as practicable in relation to the original date specified.
- 23.11 If, having considered the decision or action, a Scrutiny Committee remains concerned about it, then it may refer it back to the Joint Committee for reconsideration, setting out in writing the nature of its concerns. If referred back to the Joint Committee for reconsideration the Joint Committee will have a further seven (7) working days to consider whether to amend the original decision or revise the original action taken before reaching a final decision or taking final action.
- 23.12 The operation of the provisions relating to call-in and urgency shall be monitored annually by the Clerk to the Joint Committee, and a report to the Joint Committee with proposals for review if necessary.

24. Conduct and expenses of members

- 24.1 All Committee Members shall observe at all times the provisions of the Code of Conduct adopted by their respective authorities.
- 24.2 Each Partner Authority shall be responsible for meeting any expenses to which any Committee Member or officer appointed by them, as its representative, is entitled as a result of their attendance at meetings of the Joint Committee.

25 Liability of Joint Committee Members

- 25.1 Committee Members appointed by each of the Partner Authorities shall have the same responsibilities and liabilities as those which apply when sitting on other committees and bodies as appointed representative on behalf of their respective authorities.
- 25.2 Where any contractual arrangements are authorised by the Joint Committee, any liabilities arising under those arrangements will be met by the relevant Partner Authority.
- 25.3 Indemnification for any liabilities which arise shall be resolved as a matter between the Committee Member and their respective authority.

26. Expenses of the Joint Committee

- 26.1 The expenses of the Joint Committee incurred in the discharge of the Joint Committee functions shall be paid by SELEP.

27. Insurance

- 27.1 The costs of Public Liability Insurance and employee insurance for SELEP will be covered by [insert] corporate insurance arrangements where that liability arises due to the actions of the SELEP. Where a liability arises due to the actions of an individual Partner Authority, that Partner Authority shall remain responsible for the liability.
- 27.2 All costs including claims administration and legal costs associated with this insurance will be paid by [insert].
- 27.3 All insurance claims made against or on behalf of SELEP or the Joint Committee will be managed by the Accountable Body.
- 27.4 All Partner Authorities will cooperate with insurance claims investigations and notify the Accountable Body of any potential claims as soon as is reasonably practicable and take all reasonable action to prevent and minimise any loss.
- 27.5 In relation to insurance for buildings & contents and other assets, it is the responsibility of the individual Partner Authorities separately to ensure that the appropriate insurance arrangements are in place. Consequently the insurance cost for buildings and assets shall not be charged to the Joint Committee.
- 27.6 The Accountable Body shall consider any reasonable request made by the Partner Authorities for the purpose of facilitating the procurement, administration and maintenance of any insurance relating to SELEP.

28. Variation

28.1 Any future amendments to this Agreement will be put before a meeting of the appropriate decision making body of each of the Partner Authorities and will be adopted by each Partner Authority committing that authority to membership of the Joint Committee and to the terms and conditions of this Agreement.

29. Withdrawal from the Joint Committee

29.1 A Partner Authority may serve notice in writing to the Accountable Body at least three (3) months before the date on which it is to take effect, that they will be withdrawing from the Joint Committee.

30. Dissolution of the Joint Committee

30.1 Dissolution of the Joint Committee will take place upon;

30.1.1 termination of SELEP;

30.1.2 funding received from Government or EU ends; or

30.1.3 all remaining funding managed by the Joint Committee has been allocated;

30.2 In the event that one of the events listed above occurs, the SELEP Strategic Board in agreement with Government shall determine the exit provisions to be put in place, and how any remaining public funds will be managed.

30.3 The Secretary of State may decide to terminate the arrangements in place for SELEP, which shall result in the dissolution of the Joint Committee at a date determined by the same.

31. Third party rights

31.1 No term of this Agreement is intended to give any entitlement as against either party to any person who is not a party to this Agreement.

31.2 No term of this Agreement may be enforced by any person other than a party to this Agreement under the Contracts (Rights of Third Parties) Act 1999.

32. Dispute Resolution

32.1 Any dispute between the Partner Authorities shall:

32.1.1 first be referred to a meeting of each of the Partner Authorities involved in the dispute within 10 working days of the dispute arising. The Partner Authorities agree to discuss and, in good faith, attempt to resolve any such dispute or difference in accordance with the spirit of partnership working.

32.1.2 In the event that the relevant Partner Authorities are unable to resolve the dispute then the matter shall be referred to the Chief Executives of each of the Partner Authority involved in the dispute who shall try to resolve the dispute by agreement.

32.2 Any dispute between the Accountable body and the Accountability Board shall

- 32.2.1 first be escalated to the Chairman of the Board and the Section 151 Officer of the Accountable Body within 10 working days of the dispute arising. The Chairman of the Board and the Section 151 Officer agree to discuss and, in good faith, attempt to resolve any such dispute and try and reach agreement on the action required to resolve the decision.
- 32.2.2 In the event that the Chairman and Section 151 Officer are unable to resolve the dispute, then the matter shall be referred to the Government (or grant awarding body of not the Government) for consideration.

The Common Seal of)
East Sussex County Council)
 was hereunto affixed)
 in the presence of)

Attesting Officer

The Common Seal of)
Essex County Council)
 was hereunto affixed)
 in the presence of)

Attesting Officer

The Common Seal of)
Kent County Council)
 was hereunto affixed)
 in the presence of)

Attesting Officer

The Common Seal of)
Medway Council)
 was hereunto affixed)
 in the presence of)

Attesting Officer

The Common Seal of)
Southend Borough Council)
 was hereunto affixed)
 in the presence of)

Attesting Officer

The Common Seal of)
Thurrock Council)
was hereunto affixed)
in the presence of)

Attesting Officer

APPENDIX A

Assurance Framework

SOUTH EAST LOCAL ENTERPRISE PARTNERSHIP

ASSURANCE FRAMEWORK

Date Approved: TBA

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1. Overview

- 1.1. The South East Local Enterprise Partnership is one of 39 LEPs established to “provide the clear vision and strategic leadership to drive sustainable private sector-led growth and job creation in their area” [Local Growth: Realising every place’s potential, HMG, October 2010]. It encompasses the local authority areas of East Sussex, Essex, Kent, Medway, Southend and Thurrock.
- 1.2. The **SE LEP Assurance Framework** sets out how local growth schemes funded through the LEP will be selected and delivered to ensure maximum impact and best value for money. It achieves this by applying the federal model of operation of SE LEP to support local management and the proven track records of member councils for transport, economic development and wider programme delivery.
- 1.3. The **SE LEP Strategic Board** sets the strategic direction of the LEP, providing clear strategic leadership and championing shared SE LEP priorities. It is the main SE LEP interface with Government, bringing together both private and public sectors to drive local growth and job creation and to oversee all SE LEP activity to deliver this aim.
- 1.4. Formal democratic decision-making is through the **SE LEP Accountability Board** which approves all major funding decisions and monitors and manages SE LEP’s capital programme for greatest impact, informed by local area management information. The Joint Committee structure of the Accountability Board roots decision-making firmly in the democratic process and enables it to be subject to democratic scrutiny.
- 1.5. **Local Area Delivery Boards/Partnerships** manage funding devolved by the Accountability Board, taking all local decisions on this investment within defined thresholds (based on the quantum and percentage of local investment programme). Local Area Partnerships/Boards may either be established as Joint Committees in their own right or operate by advising their responsible County/Unitary authority (S151) Finance Director.
- 1.6. Local Area Delivery Boards/Partnerships are responsible for local delivery and managing their local programme within these local tolerance levels for both spending and delivery as agreed by the SE LEP Accountability Board. They will submit quarterly reports to the SE LEP Accountability Board for formal approval as part of SE LEP’s reporting process to Government.
- 1.7. An **Independent Technical Evaluator** will work with scheme sponsors to assess and support business case and project development, advising on project readiness and delivery and overall programme management. The Independent Technical Evaluator will make recommendations on the release of funding to the SE LEP Accountability Board.
- 1.8. As **Accountable Body**, Essex County Council, retains overall legal accountability for the SE LEP investment programme, supported by Essex’s Chief Finance Officer, the S151 officer.

- 1.9. Local Area Delivery Boards/Partnerships, local councils and project sponsors will adhere to the SE LEP Assurance Framework as a requirement for funding and to ensure consistency of prioritisation, programme management and investment, cost control and approval and programme/risk management.

- 1.10. Our SE LEP Assurance Framework draws heavily on both the SE LEP Local Transport Board Assurance Framework agreed with Government in 2012 and the SE LEP Governance and Terms of Reference Statement agreed by the SE LEP Board in December 2014 and published on the SE LEP website.

- 1.11. The SE LEP Assurance Framework will be agreed annually.

2. Governance and Decision Taking

2.1. SE LEP Strategic Board

2.1.1. The SE LEP Strategic Board remains the primary private/public partnership board with the SE structure. It is responsible for setting the LEP's strategic direction and providing clear strategic leadership.

2.1.2. Working collectively, Board members are responsible for:

- Setting the strategic direction and priorities of the LEP;
- Satisfying themselves that the SE LEP business plan is in accordance with the strategic direction and that the milestones are sufficiently ambitious;
- Considering and agreeing a position on major items of strategic importance;
- Monitoring performance of the operations and activities of the LEP;
- Ensuring that funds delegated or assigned to the LEP for investment, where the Board has determined a method of allocation, are being implemented to best effect on behalf of government; and
- Deciding how the activities of the LEP should be delegated.

2.1.3. In particular, the SE LEP Strategic Board will take a leading role in:

- Providing strategic leadership in agreeing SE LEP's overarching strategic vision and priorities (ie Strategic Economic Plan)
- Championing the SE LEP area as a whole where appropriate for growth and jobs
- Supporting pan-LEP activity on SEFUND, Rural and Coastal regeneration, U9 Universities activity, Centre for Offshore Renewable Engineering (CORE), priority sectors as appropriate (eg Creative) and the Growth Deal.

2.1.4. The SE LEP Strategic Board is constituted as follows:

The Chair of the LEP Board (in addition to the representatives below);
5 business representatives from Essex, Southend & Thurrock;
4 business representatives from Kent and Medway;
3 business representatives from East Sussex;
5 local government representatives from Essex, Southend & Thurrock, of which 3 must be from the local authorities that formed the Thames Gateway South Essex Partnership;
4 local government representatives from Kent and Medway;
3 local government representatives from East Sussex;

- 1 representative of the higher education sector;
- 1 representative of the further education and skills sector.

2.1.5. Members are selected by their local private/public sector partnerships or their representative bodies.

2.1.6. The diagram in Appendix A summarises the relationship between the Strategic Board and the group structure of the SE LEP.

2.2. SE LEP Accountability Board

2.2.1. The SE LEP Accountability Board is the main performance management structure within the LEP. Working through local area accountability arrangements, the SE LEP Accountability Board provides the accountability structure for decision-making and approval of funding within the overarching vision of the Board. By doing so, SE LEP satisfies the accountability processes for the Accountable Body and the national LEP Assurance Framework.

2.2.2. Within the Partnership's Growth Deal and Strategic Economic Plan and such other plans as may be approved by the Strategic Board, the Accountability Board will be responsible for the implementation of the Partnership's Accountability and Assurance framework and will agree all processes by which bids are assessed, risks considered, approvals made and performance managed. As agreed by the SE LEP Board, this will include:

- Appraisals and approvals (eg of business cases and investment) in accordance with SE LEP Board recommendations
- Monitoring project assessment/implementation and delivery
- Ensuring accountability from each of the federated areas relating to expenditure and programme delivery (through their responsible S151 officer)
- Approving variations to schemes
- Quarterly performance reporting on an exceptions (to tolerance levels) basis to the Strategic Board
- Reporting on progress to central government
- Any other accountability or assurance function required by central government or recommended by the Partnership's auditors or the Chief Finance Officer of the Partnership's accountable body,

2.2.3. The Accountability Board will be advised by the Accountable Body's chief finance officer.

2.2.4. The SE LEP Accountability Board is constituted of 9 members appointed as follows:

Voting Members

1 member appointed by each of the 6 member councils (6)

One member appointed by the Accountability Board on the nomination of the higher education sector (1)

One member appointed by the Accountability Board on the nomination of the further education sector (1)

Non-voting Co-opted members

A Vice Chairman of the SELEP Strategic Board appointed by the Strategic Board (1)

2.2.5. Any funding which may be allocated for pan-LEP projects may be managed through the SE LEP Secretariat, SEFUND (once established) or alternative arrangements in agreement with the SE LEP Board and will also report regularly to the SE LEP Accountability Board.

3. Local Area Delivery Boards/Partnerships and SE LEP Sub Groups

3.1. SE LEP is a clear partnership between business and public sector at SE LEP and at local partnership levels. At the heart of this partnership is the devolution of local accountability and funding to ensure decision-making at the most local level appropriate.

3.2. Local Management and Accountability Arrangements

3.2.1. In such a large LEP area, local management of schemes and project spending is not only desirable but is imperative if full value and impact is to be obtained.

3.2.2. As such, local accountability arrangements are established in each local area through existing private/public partnerships to oversee local programme management supported by their nominated section 151 officer. The form and structure of these arrangements will be a matter for local determination.

3.2.3. The SE LEP Accountability Board, through Essex County Council as Accountable Body, will enter into a Service Level Agreement (SLA) with each local area through the county/unitary S151 officer(s) supporting it. This SLA would include financial responsibilities, information requirements, terms of operation and scheme communications.

3.2.4. Nominated S151 officers provide regular quarterly monitoring reports to an agreed format to the SE LEP Accountability Board as agreed within its SLA.

3.3. Devolution of Funding

3.3.1. By agreement of the SE LEP Accountability Board, the SE LEP Accountable Body will pass funding directly to the relevant county/unitary local authority or other legal entity which will assume legal responsibility for delivery. The Section 151 officer of this local body will carry out the normal stewardship role in terms of monitoring and accounting. They will be responsible for providing regular reports to the Accountable body and the SE LEP secretariat to enable quarterly reporting to the main Accountability Board as specified in the SLA.

3.3.2. Financial “tolerance levels” for local programme management are set for local areas expressed as an absolute or as a percentage of the local programme. It is anticipated most financial variances would be absorbed or retained locally with space for local prioritisation in programme management within these agreed tolerance levels.

3.3.3. For all devolved funding, Essex County Council as Accountable Body will issue an SLA with the following minimum requirements in relation to grant allocations to each county and unitary council to:

- Provide grant funding to the relevant council for all schemes within its area approved by the Accountability Board following technical appraisal
- Devolve responsibility for all relevant requirements, including clawback provisions if applicable, as may be specified or intended by the grant awarding body
- Any monitoring or reporting requirements that may assist decision making and prioritisation by the Accountability Board or the Strategic Board.
- Commit the Accountable Body to making payment to the council within a maximum number of days following receipt of the grant from the Government, for the purpose of delivering the schemes for which the grant has been allocated, provided that the following conditions are met:
 - The business cases for which the funding has been allocated, have been ratified by the SE LEP Strategic Board for payments in April 2015; for all subsequent payments, the business case must have been approved by the Accountability Board and ratified by the SE LEP Strategic Board.
 - A copy of the SLA signed by the respective Council's section 151 officer has been sent to the Accountable Body's section 151 officer.
 - The Accountable Body is in receipt of the grant from the Government.
- Commit the Council to be responsible for any project overspend
- Enable the Council to retain the proceeds of project underspends for use on other local growth fund schemes or to offset overspend, provided that this is within the tolerance levels of up to 10% variance on any individual local growth fund project and has been approved by the Government, where this is required. As part of the on-going reporting process, the Accountability board will be informed of such amendments to support its check and challenge role.
- Enable the Council to request approval from the Accountability Board (and if necessary, the Government) for underspends that are in excess of 10% variance on any individual project to be reallocated to a new or another Local Growth Deal project. In requesting approval for re-allocating underspends, the impact on outputs and outcomes for all projects affected by the re-alignment of funding must be reported to the Accountability Board and the replacement scheme must be the next agreed local priority.
- Require the Council to return to the Accountable Body any unspent grant where re-allocation to other projects has not been approved. In such instances, the Accountable Body will require the Accountability Board to agree how the funding will be utilized; The Accountable Body is not permitted to utilize the funding for its own purposes without the permission of the Accountability Board.

3.3.4. The process for managing underspends as set out in 3.3.3 will be reviewed by the Accountable body in conjunction with the Accountability Board nine months after the implementation of this Assurance Framework to ensure that the arrangements are operating effectively.

3.3.5. All devolution of funding will be made in accordance with Government grant conditions.

3.4. Local Area Delivery Boards/Partnerships

3.4.1. Local Area Delivery Boards/Partnerships are the local private/private partnerships for East Sussex, Essex, Kent, Medway, Southend and Thurrock. The form and structure of Local Area Delivery Boards/Partnerships is for local determination.

3.4.2. Local Area Delivery Boards/Partnerships present their local priorities to the SE LEP Board in the Growth Deal and Strategic Economic Plan (or as appropriate in response to other funding opportunities), agreeing a prioritised list of growth schemes that will deliver on SE LEP objectives.

3.4.3. Local Area Delivery Boards/Partnerships engage local business and utilise public and private sector knowledge and expertise to ensure prioritisation and delivery to provide greatest benefit to the SE LEP area in terms of achieving economic growth through the delivery of development, infrastructure and regeneration projects. They are responsible for prioritising, monitoring delivery and management of the SE LEP programme within local tolerance levels for spending and delivery agreed by the SE LEP Accountability Board.

3.4.4. Local areas shall determine their own processes for the selection and term of office of their Local Area Delivery Board/Partnership representatives.

3.5. Independent Technical Evaluator

3.5.1. To support local project development and SE LEP Business case approval, an Independent Technical Evaluator (or an independent technical evaluation capacity) is appointed by SE LEP on the advice of the Transport and Economic Development officers through an open engagement process.

3.5.2. Independent Technical Evaluation is put place to:

- Provide technical advice to the SE LEP Strategic Board and SE LEP Accountability Board and local project sponsors on the basis of which funding should be released.
- Support project sponsors in ongoing management and prioritisation of local programmes and projects where required
- Support project sponsors in applying a consistent and proportionate project appraisal methodology in scheme prioritisation
- Support project sponsors in complying with the agreed proportionate business case development process

- Support project sponsors in assessing each project business case in relation to compliance with process, and delivery of desired outcomes including value for money and cost benefit.
- Make recommendations to SE LEP Board and Local Area Delivery Boards/Partnerships on projects that perform well against assessment process (eg on agreed weightings) and where projects may be reconsidered due to poor or delayed performance.
- Support local partners in the preparation of submissions for further rounds of Local Growth Fund bids

3.6. **Accountable Body**

3.6.1. By agreement of the SE LEP Board including all county and unitary authorities, Essex County Council is the Accountable Body for SE LEP and through its S151 Chief Finance Officer or their representative will support the SE LEP Accountability Board.

3.6.2. In this role, the Accountable Body has responsibility to:

- Support SE LEP in accounting to Government on programme delivery and financial management
- Make payments for local programme management and delivery as appropriate
- Through Local Area Delivery Boards/Partnerships, keep full accounts and provide financial statements, in consultation with local county/unitary authorities
- Account for all spend allocated to the SE LEP
- With the responsible local S151 officer, ensure that the decisions and activities of the SE LEP conform to legal requirements with regard to equalities, environment, EU issues etc
- Take responsibility for the decisions of the SE LEP in approving schemes or programmes (for example if subjected to legal challenge)
- Ensure appropriate response to FOI requests with regard to the responsibilities of the Accountable body
- Ensure the appropriate use of Government funds
- Set up and manage necessary legal agreements such as:
 - Agreements between the LEP and Local Area Delivery Boards/Partnerships and individual county/unitary authorities
 - Grant agreements and conditions
- The Accountable Body shall also be responsible for ensuring that the SE LEP adheres to the agreed assurance framework and meets all appropriate procedural, financial and legal requirements; these are set out further in section 5.9 below.

3.7. **SE LEP Group Structure**

3.7.1. With a devolved structure, there is no requirement for additional assurance sub groups. Local performance management rightly takes place at local level. Equally, it is vital that additional layers are not placed between the SE LEP Accountability Board and local accountability arrangements.

3.7.2. Within the structure, therefore, only a limited number of working and advisory groups are recognised. All clearly link to the agreed SE LEP Terms of Reference for the SE LEP Board or to specific Board decisions.

3.7.3. The groups range from agreed sub-committees to informal groupings supporting a lead Board Member. All report to the SE LEP Strategic Board.

3.7.4. As agreed by the SE LEP Board in December 2014, there are four types of group as set-out below:

3.7.5. **Sub-Committees**

3.7.5.1. These are formal sub-committees of the SE Strategic Board with a remit from the Board to undertake clear functions on behalf of the LEP as a whole. They are the European Structural Investment Framework (ESIF), the Centre for Offshore Renewable Engineering (CORE) and SEFUND groups.

3.7.6. **Spatial Groups**

3.7.6.1. These are working groups recognised by the LEP representing clear geographical areas of interests. They are the Coastal Communities and Rural groups. In addition, the Thames Gateway Strategic Group is a partnership with the Greater London Authority.

3.7.7. **Sector Groups**

1.1.1.1. These are specific sector representational groups, linked to an industry sector or group identified as a priority in the Strategic Economic Plan. They are the U9 (universities) and Creative groups.

3.7.8. **Working Groups**

3.7.8.1. These are specific, non-decision-making advisory groups to the SE LEP Strategic Board and SE LEP Accountability Board providing specialist knowledge or technical expertise in shaping strategy or delivering agreed pan-LEP priorities. They are the Transport, Skills, Housing, Growth Hub and Senior Officers Group (SOG) groups.

3.7.8.2. Working groups will range from a formal advisory group to an informal, ad hoc support mechanism for a lead Board member.

3.7.9. Terms of reference and membership of all groups are detailed in Appendix B.

4. Transparent decision making

- 4.1. Clear arrangements have been put in place to support effective and meaningful engagement of local partners and the public. The SE LEP Strategic and Accountability Boards operate on the basis of transparency, openness and good communications, and has processes in place to ensure that these principles are replicated as part of the decision making processes. SE LEP has implemented the following in support of this approach:
- 4.2. Meetings of the Board are open to the press and public as observers, with the exception of any items that should be treated confidentially for commercial or other reasons. Filming or recording of proceedings can take place provided that they are agreed in advance with the Secretariat.
- 4.3. Final papers for Board discussion shall be made available on the LEP website (see below) as soon as they are disseminated to the Board, except for papers which are not suitable for release into the public domain as they would be exempt from publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972, as amended.
- 4.4. Minutes shall be made publicly available on the LEP website no more than five working days following approval by the Board, except for minutes which are not suitable for release into the public domain for example due to them containing personal information about individuals or commercially sensitive data. Any minutes which are not released into the public domain will be stored confidentially by the secretariat.
- 4.5. Through the Chairman, the Board shall be responsible for the LEP's communications strategy. This shall include communications to Board members, participating organisations and the wider public and shall include the maintenance of an up-to-date, relevant and accessible website. The Secretariat shall be responsible for implementation of the communications strategy.

4.6. SE LEP Website

4.6.1. A dedicated website for the SE LEP is available for local partners and the public to keep in touch with progress on implementing the Growth Deal, access key documents, including agenda's, minutes and decisions of the SE LEP board.

4.6.2. The website can be accessed at <http://www.southeastlep.com/>

4.7. Arrangements for making and recording decisions

4.7.1. The arrangements for making and recording decisions and for ensuring that papers, decisions, minutes, agendas etc are published are set out in the SE LEP Governance and Terms of Reference document, a copy of which can be accessed on the website at [SE LEP Governance and Terms of Reference](#).

4.8. Information requests and complaints

4.8.1. Contact arrangements for all freedom of information and environmental information requests are made available on the SE LEP website; The Accountable Body will ensure that all such requests are dealt with in line with the relevant legislation

4.8.2. The LEP will deal with any complaints in line with a complaints policy that will be published on the SE LEP website.

4.9. Conflicts of Interest

4.9.1. The conflicts of interest policy is published as part of the SE LEP Governance and Terms of Reference document, a copy of which can be accessed on the website at [SE LEP Governance and Terms of Reference](#).

4.9.2. A register of declared interests is maintained and published on the SE LEP website.

4.10. Local Engagement

4.10.1. Local Area Delivery Boards/Partnerships are the primary forum for engagement with local businesses and councils. Local Boards/Partnerships engage local business and utilise public and private sector knowledge and expertise to develop projects and ensure prioritisation and delivery to provide greatest benefit to the SE LEP area.

4.10.2. In addition, the LEP Secretariat will support the SE LEP Strategic Board in wider engagement on pan-LEP and national priorities as necessary. All SE LEP Board meetings are open to the press and public and SE LEP will hold an Annual Review in July each year. The SE LEP website will be regularly updated.

4.11. Involving delivery partners in decision making

4.11.1. With the exception of any pan-LEP projects or those for which national or alternative decision-making is prescribed, Local Area Delivery Boards/Partnerships are responsible for prioritising, monitoring delivery and management of their local SE LEP programme within local tolerance levels for spending and delivery agreed by the SE LEP Accountability Board.

4.11.2. Local Area Delivery Boards/Partnerships select their representatives on the SE LEP Strategic Board and will be involved in all decision-making.

4.12. Maximising Social Value

4.12.1. SE LEP and local partners will at all times consider how added economic, social or environmental benefits can be maximised and secured and through our commissioning, procurement and delivery. All partners in the SE LEP support the principles of the Social Value Act 2012.

The SE LEP will endeavour to ensure a level playing field for small businesses and voluntary, charity and social enterprise (VCSE) organisations in bidding for SE LEP or local delivery contracts as appropriate in the delivery of SE LEP objectives.

5. Accountable Decision Making

- 5.1. Grants, such as the Local Growth Fund, allocated to the SE LEP from Central Government will be paid via a Section 31 grant determination to the Accountable body, Essex County Council. The Accountable body will be responsible for the proper use and administration of the funding, in line with any requirements set out in the grant funding letter / agreement. The Accountable body is not able to use this funding for its own purpose without a clear mandate from the SE LEP Accountability Board.
- 5.2. The Accountable body, (through its Responsible Financial Officer - the Section 151 Officer), is responsible for ensuring that grant income received, payments out and any applicable repayments are accounted for and administered correctly (which will fall under the Council's normal audit arrangements). The Accountable body is also responsible for ensuring that all decisions are made in accordance with any requirements stipulated by the grant awarding body. The Accountable Body will ensure that this requirement is met by transferring grant to partner bodies under a service level agreement which reflects the grant requirements of the awarding body.
- 5.3. The SE LEP has a vital leadership role to play; it is responsible for developing and maintaining the Strategic Economic Plan and determining the key funding priorities to which Local Growth Fund and other resources should be directed, and ensuring that there is adequate capacity to deliver against those.
- 5.4. Democratic accountability for the decisions made by the SE LEP are provided through local authority leader representation, with accountability to the business community flowing through the business leaders.
- 5.5. The complementary roles of both parties – the financial responsibilities of the lead section 151 officer and the leadership role and accountabilities of the SE LEP – will be supported by a set of agreed systems and practices and managed through the Accountability Board. These practices/ systems are set out in the terms of reference of the Accountability Board and a Joint Committee Agreement, will support both the Section 151 officer role in ensuring proper, transparent decisions which deliver value for money but also support timely, informed decision making by the SE LEP.
- 5.6. **The circumstances under which the Accountable body would not comply with a SE LEP Accountability Board decision are:**
 - The decision does not comply with the Financial Regulations of the Accountable body
 - The decision would be contra to any requirements laid out in all agreements, including the SLA and the Joint Committee Agreement, for which the accountable body is responsible
 - The decision is unlawful
 - The decision does not comply with the requirements of this assurance framework
- 5.7. **The process for resolving any conflict in decision between the Accountable body and the SE LEP Accountability Board is as follows:**
 - 5.7.1. Where there is conflict of decision between the Accountable body and the Accountability Board, the following process should be followed:

i) In the first instance, any dispute would be escalated to the Chairman of the Board and the Section 151 Officer of the Accountable Body within 10 working days of the dispute arising. The Chairman of the Board and the Section 151 Officer will meet to try and reach agreement on the action required to resolve the decision. If agreement cannot be reached, the following action should be taken:

ii) If the meeting between the Chairman of the Board and the Section 151 officer of the Accountable Body fails to resolve the issue, the matter will be referred to the Government (or grant awarding body of not the Government) for consideration.

iii) The Accountability board will be informed of the outcome of the discussions to resolve the conflict.

5.8. Scrutiny arrangements for the LEP

5.8.1. The SE LEP is a multi-authority partnership which presents the challenge of different scrutiny arrangements in place in each of the respective local authorities; the over-arching scrutiny arrangements put in place for the LEP need to take this into account.

5.8.2. The details of the scrutiny arrangements are set out in the Joint Committee Agreement, signed up to by each authority with representatives on the board. They give each authority the ability to challenge a decision made by the Accountability Board providing checks and balances to the operation of the LEP.

5.8.3. The arrangements will ensure that scrutiny is managed in a way that gives equal footing for all partners in the SE LEP.

5.9. This Assurance Framework confirms that:

- Essex County Council will be the accountable body for the Single Local Growth Fund and other funding sources received from Government
- use of resources will be managed in accordance with the Accountable body's established processes including financial regulations and contract regulations
- annual accounts for the SE LEP will be published
- The Accountable body's responsibilities with regard to the SE LEP assurance framework are:
 - ensuring decisions and activities of SE LEP conform with legal requirements with regard to equalities, social value, environment, State Aid, procurement etc.
 - ensuring that the funds are used appropriately, and in a manner that is consistent with the contents of the offer letter from government, where appropriate.
 - ensuring that the SE LEP assurance framework is adhered to.
 - maintaining the official record of SE LEP proceedings and holding copies of all relevant LEP documents relating to LGF and other funding allocated to the LEP.
 - ensuring that there are arrangements in place for local audit of funding allocated by LEPs at least equivalent to those in place for local authority spend.
 - SE LEP and the Accountable body have agreed timescales and operating practices to support the effective implementation of decisions. These are reflected in the Service Level Agreements between the Accountable body and the delivery agent and include:
 - ensuring arrangements are in place for monitoring delivery

- ensuring that there are clear expectations in relation to the information required from scheme partners and delivery agents;
- ensuring that when the SE LEP awards funding for a project, that there are written agreements in place between the Accountable body and the delivery agent, clearly setting out the split of responsibilities and makes adequate provisions for the protection of public funds (e.g. arrangements to suspend or claw back funding in the event of non-delivery or mismanagement).

6. Ensuring Value For money: Prioritisations, Appraisal, Business Case Development and Risk Management

6.1. The SE LEP recognises the importance of having robust arrangements in place to ensure value for money and effective delivery, through strong project development, project options and appraisal, prioritisation and business case development. This section of the assurance framework sets out the arrangements in place for ensuring that effective processes are in place for addressing each aspect as follows:

6.2. Options Appraisal and Prioritisation

6.2.1. As the SE LEP covers such a wide geographical area encompassing a number of local authorities facing competing challenges, prioritisation of projects is most effectively managed within local areas through the federal model, with the exception of any pan-LEP priority projects which will be prioritised by the SE LEP Strategic Board. This will ensure that the priorities of the strategic economic plan within functional economic areas can be delivered. The SE LEP Accountability Board will oversee the delivery of the overall programme of investment and seek to ensure value for money across each of the projects.

6.2.2. Prioritisation will be undertaken by Local Area Delivery Boards/Partnerships through their submission to the Growth Deal and Strategic Economic Plan or to other funding opportunities.

6.2.3. They will implement scheme prioritisation in liaison with an Independent Technical Evaluator.

6.2.4. Working with the Independent Technical Evaluator, local areas will consider:

- Purpose
- Strategic Impact
- Scheme Type
- Contribution to policy objectives (economic growth and job creation)
- Value for Money / Benefit Cost Ratio
- Deliverability, including public support, affordable (taking account of any funding contribution) and deliverable within a clearly defined timescale.

6.2.5. Partners will give further consideration to eligible schemes following a sifting process based on the Department for Transport's EAST tool, any SE LEP Prioritisation Framework, Health Assessment and Highways Agency's Project Appraisal Report or other appropriate appraisal tools. Checklists for this work will be provided to partners by the Independent Technical Evaluator to ensure a consistent approach.

6.2.6. Assessment criteria shall include:

- Value for Money – based on Benefit Cost Ratio and wider Economic Benefits.
- Environmental and Community Impact – Potential benefits and adverse impacts.
- Contribution to Objectives – SE LEP Strategic Economic Plan, Local Transport Plan Objectives.
- Deliverability – affordability. Practicality, key risks, stakeholder and public support

6.2.7. Any Business partner of a scheme, having first gained local partnership support shall develop that scheme in consultation and agreement with the local partnership at every stage of the project and no scheme or programme can be implemented without the support of the LEP and local partnerships under the Assurance Framework.

6.3. Programme Management and Investment Decisions

6.3.1. Business Cases

6.3.1.1. Scheme Partners will develop business cases, including a Value for Money (VfM) statement in accordance with the SE LEP agreed proportionate business case assessment process which is outlined in the SE LEP Growth Deal and Strategic Economic Plan. Through the SE LEP Capital Programme Manager, the Independent Technical Evaluator will provide advice to partners on applying the assessment process on a scheme by scheme basis.

6.3.1.2. Business cases will follow the Department for Transport Business Case Guidance and WebTAG or similar non-transport national guidance appropriate to their scheme with appropriate proportionality as set out. Schemes will be expected to pass the equivalent of a Programme Entry and Final approval stages.

6.3.1.3. For transport schemes, central case assessments shall be based on forecasts consistent with the latest version of National Trip End Model (NTEM) and the appraisal results included in the business case to be considered by the SE LEP.

- 6.3.1.4. Each business case shall set out a statement of objectives and the specific outcomes that the scheme is intended to achieve. The business cases will include sign-off by the promoting local authority and its S151 Officer before being submitted.
- 6.3.1.5. The Independent Technical Evaluator will independently assess the business cases and will in the first instance, make recommendations to the local authority partner.
- 6.3.1.6. The Independent Technical Evaluator will ensure that the approach taken by partners is technically robust, consistent with technical guidance and able to withstand scrutiny. In so doing, the Independent Technical Evaluator will collaborate with partners to minimise the time and cost associated with preparing business cases by adopting practices which are proportionate to the specifics of each scheme.
- 6.3.1.7. The ITE will work with scheme partners to evaluate business cases on a staged basis as follows:

Assurance Level	Gate
<ul style="list-style-type: none"> • Agreeing the scope of work for an outline business case 	<ul style="list-style-type: none"> • Gate 0
<ul style="list-style-type: none"> • Giving assurance for an outline business case 	<ul style="list-style-type: none"> • Gate 1
<ul style="list-style-type: none"> • Giving assurance and approval for a final business case for projects under £8M 	<ul style="list-style-type: none"> • Gate 2
<ul style="list-style-type: none"> • Giving assurance for submission to DfT for larger projects over £8M 	<ul style="list-style-type: none"> • Gate 3 + Gateway review co-ordination.

6.3.2. Value for Money

- 6.3.2.1. The Independent Technical Evaluator shall assess that all evidence provided by the partner, including VfM, is robust and relevant, and report back to partners on any inconsistencies that need to be addressed if the scheme is to go forward for consideration for funding. Value for money is assessed on the basis of the methodology outlined in The Green Book published by the Treasury; this assessment includes the calculation of the benefit cost ratio, used as an indicator of VfM.
- 6.3.2.2. To receive a recommendation for approval, schemes should have a benefit cost ratio of at least 2:1. Schemes with less than high VfM but with a benefit cost ratio of at least 1.5:1 may still be recommended for funding if they meet two or more of the following criteria:
- where there is an overwhelming strategic case (with minimal risk in the other cases);
 - where scheme benefits are notoriously difficult to appraise in monetary terms and there are qualitative benefits which if monetised would most likely increase the BCR above two-to-one; and

- where schemes are less than £1.0m and to conduct further quantified and monetised economic appraisal would be disproportionate.
- 6.3.2.3. Prior to approval, the SE LEP Accountability Board will review the VfM statement when schemes are presented for approval to ensure that they meet the criteria set out in 6.3.2.2 above.
 - 6.3.2.4. The Accountable body will ensure that all projects sent for approval to the Accountability board include a VfM statement that has been prepared in line with the requirements set out in this Assurance Framework.
 - 6.3.2.5. The business cases and VfM statements, following scrutiny by the Independent Technical Evaluator, shall be reported and published at each stage of approval.
 - 6.3.2.6. The Secretariat will ensure the business cases are published on the SE LEP web site to enable input from the public, businesses, environmental groups and other interested parties.
 - 6.3.2.7. As necessary, the economic cases shall be reviewed and updated to reflect changes in scheme scope, cost, and WebTAG/NTEM or relevant guidance (if this could be material in decision making).
 - 6.3.2.8. On completion of a business case, the ITE will make recommendations to SE LEP Board on projects that perform well against assessment process and therefore should be funded, and where projects should be reconsidered due to poor performance.
 - 6.3.2.9. Successful schemes will progress to delivery via the Partner.
 - 6.3.2.10. Unsuccessful schemes will be considered by the local area for deletion, revision or adding to a reserve list.

6.3.3. Release of Funding, Cost Control and Approval Conditions

- 6.3.3.1. A capped contribution from the SE LEP via the Accountable Body will be made to the scheme cost where agreed and the promoting Authority will be responsible for all cost increases that may occur through the delivery period.
- 6.3.3.2. Essex County Council's S151 Officer will sign off all funding payments and these will be subject to a completed SLA between Essex County Council and the promoting local authority.
- 6.3.3.3. Funding will only be released when construction or relevant actions are approved by the Accountability Board and only in quarterly instalments, unless greater flexibility is provided in our Growth Deal arrangements.

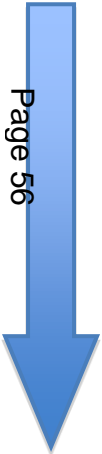
- 6.3.3.4. Through the nominated S151 Officer, SE LEP will undertake an audit of the Partner's project to ensure the correct use of funding and may, if necessary, arrange for the recovery of any funds.
- 6.3.3.5. Any under-spend of capital must be identified at an early stage so it can be potentially used on other schemes. Within agreed thresholds as outlined in section 3.3.3 this will be dealt with by the Local Area Delivery Board/Partnership, outside those thresholds this will be addressed by the SE LEP Board.

6.3.4. Programme and Risk Management

- 6.3.4.1. Working with the ITE, for each scheme that is included in the programme the partner will be required to provide an initial project programme including:
- Outline/detailed design
 - Statutory requirements
 - Consultations
 - Procurement
 - Construction
- 6.3.4.2. In addition a statement of risk will be provided by the partner for each scheme. The project programme and risk statement shall be kept up to date by the partner and shall be included in project reports.
- 6.3.4.3. The SE LEP Accountability Board through the Local Area Delivery Board/Partnership and nominated S151 Officer shall require the partners to submit regular detailed project monitoring reports in accordance at quarterly intervals. This process will be managed by the SE LEP Capital Programme Manager and will enable on-going monitoring and evaluation of individual schemes and the programme generally.
- 6.3.4.4. Local Area Delivery Boards/Partnerships will manage programmes within agreed local tolerances reporting to the SE LEP Accountability Board, with exceptions such as significant modifications during development or even construction clearly reported for decision.
- 6.3.4.5. For transport schemes, partners shall provide an initial report, in accordance with the DfT's Monitoring and Evaluation Guidance, to the SE LEP Accountability Board on data collected on both one year post scheme opening and approximately five years post scheme opening. The Accountability Board through the Secretariat shall ensure this is published on the SE LEP's website.

SE LEP Board and Group Structure

Funding



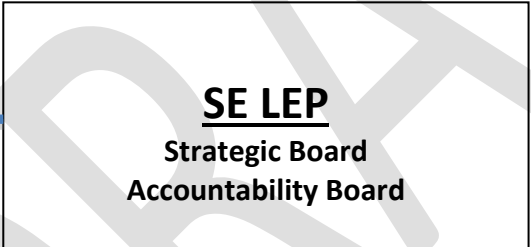
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Spatial Groups:

- Coastal
- Rural
- Thames Gateway

Sector Groups:

- U9 (HE)
- Creative



Sub-Committees:

- SEFUND
- CORE
- ESIF

Working Groups:

- Transport
- Skills
- Housing
- Growth Hub
- Senior Officers Group

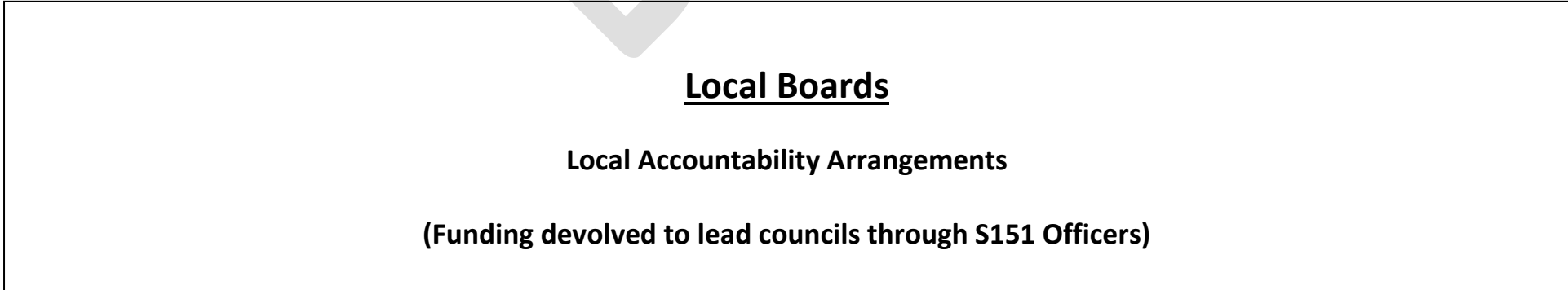
Accountability



Local Boards

Local Accountability Arrangements

(Funding devolved to lead councils through S151 Officers)



Groups and Sub Committees supporting the SE LEP

Only a limited number of working and advisory groups are recognised within the SE LEP Structure, all clearly linked to the agreed SE LEP Terms of Reference for the SE LEP Board or to specific Board decisions.

As agreed by the SE LEP Board in December 2014, there are four types of group ranging from sub-committees to informal groupings supporting a lead Board Member. All report to the SE LEP Strategic Board.

1. Sub Committees

1.1 European Structural Investment Framework (ESIF)

1.1.1 The ESIF Committee is one of 39 LEP EU Sub-committees reporting to the National Growth Board. Through its Chairman, it provides regular updates to the SE LEP Strategic Board.

1.1.2 Terms of reference are prescribed by the Department for Communities & Local Government (DCLG) and include:

- - Overseeing and monitoring the progress of the SE LEP European Structural Investment Framework (ESIF) towards achieving its objectives and the delivery of EU SIF funding
 - Considering Calls and advising on their fit with LEP priorities
 - Monitoring the extent to which EU resources are being used to deliver the Growth Deal/SEP priorities and advising the SE LEP Strategic Board on a regular basis
 - Providing expert advice to the LEP Board on EU SIF implementation and wider EU matters

1.1.3 Membership of the ESIF Committee is prescribed by DCLG.

1.1.4 The EU Delivery Group is supported by the Government's Local Growth Delivery team.

1.2 Centre for Offshore Renewable Engineering (CORE)

1.2.1 The SE LEP CORE Group is a partnership between Central and Local Government and LEPs established to ensure businesses looking to invest in manufacturing for the offshore renewables industry receive the most comprehensive support possible.

1.2.2 Full terms of reference and membership for the SE LEP Group are to be published.

1.3 SEFUND

1.3.1 SEFUND is the real estate investment fund for the SE LEP area, seeded by the Growing Places Fund.

1.3.2 Full terms of reference, membership and structure are to be published on establishment of the fund.

2. Spatial Groups

2.1 Coastal Communities Group

2.1.1 The Coastal Communities Group is an interest group of the LEP open to councils whose areas include coastal communities.

2.1.2 The group provides expert advice to the SE LEP Strategic Board in relation to coastal issues and opportunities.

2.1.3 Full terms of reference and membership are to be published.

2.2 Rural Group

2.2.1 The Rural Group is an ad hoc group supporting the lead SE LEP Board member for rural growth.

2.2.2 Full terms of reference and membership are to be published.

2.3 Thames Gateway Strategic Partnership

2.2.3 The Thames Gateway Strategic Group is an ad hoc partnership with the Greater London Authority

2.2.4 Full terms of reference and membership are to be published.

3. Sector Groups

3.1 U9 (Universities)

3.1.1 The U9 Group is an interest group of the Higher Education Sector.

3.1.2 All universities located in the SE LEP area are represented.

3.1.3 Full terms of reference and membership are to be published.

3.2 Creative

3.2.1 The Creative Industries Group is an interest group of the creative and cultural sector formed to unleash the potential of the creative and cultural industries in the SELEP area

- 3.2.2 Terms of reference for the Group are to work together to:
- Establish Creative Industries Innovation Hubs in SE LEP local areas
 - Build incubation space for new talent alongside workspace for innovative SMEs
 - Forge stronger industry led partnerships with Higher Education
 - Devise innovative skills solutions to create new jobs
 - Grow a creative industries supply chain with London
 - Increase innovation in placemaking and tourism
 - Use the creative sector to enhance the quality of places across SELEP and attract investment
 - Use the River Thames, the coast and other natural assets as creative catalysts
 - Connect creative industries to local communities through a cultural entitlement

3.2.3 Membership is to be published.

4. Working Groups – Advisory to SE LEP Strategic Board

4.1. Transport Working Group

4.1.1 The Transport Working Group replaces the Strategic Infrastructure Group (STIG) to advise the SE LEP Strategic Board on strategic infrastructure issues within the SE LEP area.

- 4.1.2 The Transport Working Group is advisory only providing administrative and technical support to manage the SE LEP transport programme to ensure compliance with Government. It reinforces the primacy of SE LEP and the Local Area Delivery Boards/Partnerships.
- 4.1.3 In undertaking this role, the Transport Working Group will make recommendations to the SE LEP Board to:
 - Support the SE LEP Board in championing and supporting the implementation of the SE LEP Growth Deal and Strategic Economic Plan
 - Make recommendations to the Accountable Body on the appointment of an Independent Technical Evaluator to support programme management and to assess and support business case development
 - Develop and agree and update as necessary a proportionate process for business case development for Board approval

- In liaison with the Programme Manager and SE LEP Accountability Board monitor delivery against agreed tolerance levels quarterly reporting to the SE LEP Board and working in close liaison with Local Area Delivery Boards/Partnerships
 - Investigate and pursue where possible other sources of funding for transport infrastructure
 - Identify and investigate longer term strategic transport topics that support growth in the South East
 - Develop responses to national transport consultations and issues for consideration by SE LEP Board
 - Work with the Highways Agency and Network Rail on SE LEP area priorities
 - Consider cross-boundary and cross-modal strategic transport issues undertaking appropriate consultations and collaboration with other LEPs as appropriate
 - Support the SE LEP Board and Accountable Body in ensuring that all Department for Transport/Treasury reporting requirements are met via the Programme Manager
- 4.1.3 Membership of the Transport Working Group is
- TWG Chairman (appointed by SE LEP Board, but not necessarily a SE LEP Board member) (1)
 - 1 technical representative from each Local Transport Authority (6)
 - 1 private sector representative from each Local Area Delivery Board (4)
 - Programme Manager and other members of the SE LEP Secretariat as appropriate
- 4.1.3 A Vice Chairman from the LTA technical representatives shall also be appointed by the SE LEP Board and will lead on technical issues.
- 4.1.4 Invitations will be extended to Network Rail, Highways Agency, Ports Authority and Department for Transport to attend each meeting as appropriate.
- 4.1.5 The meetings will be open at all times to all SE LEP Board members, Council Cabinet Member and LTA officers.
- 4.1.6 The Transport Working Group will normally meet one month before SE LEP Board meetings. Additional meetings will be held as necessary.
- 4.1.7 A quorum of at least 6 Full Members (or their authorised representatives) must be present for any business to be transacted at any meeting, of which at least three should be from Local Authorities.
- 4.1.8 Alternates may be appointed by their relevant organisations and will have voting rights. Other than this, only representatives agreed by a majority of

the full members of the Transport Working Group may, by prior invitation, take part in the proceedings.

- 4.1.9 It is anticipated that the majority of issues considered by the Transport Working Group will be agreed by consensus – it is not a decision-making body. Where this is not possible, a simple majority vote will determine issues. Every Full Member (or their authorised representative) present has one vote on each issue.

4.2 Skills Advisory Group

- 4.2.1 The Skills Advisory Group will monitor and oversee the Skills Capital funding allocation to SE LEP and to pursue new freedoms and flexibilities as defined in the Growth Deal/Strategic Economic Plan.
- 4.2.2 The Skills Advisory Group will oversee the skills capital process and system and will ensure that a pan-LEP approach to skills is managed. It replaces existing Skills Groups, but recognises the continuing desire for greater cross-LEP working by skills providers within a wider skills strategy.
- 4.2.3 As agreed at the SE LEP Board in December 2014, terms of reference are to:
- Develop technical specifications and timetables with the Skills Funding Agency to administer the competitive bidding rounds for SE LEP Skills Capital competition
 - Manage the relationship with the SFA, particularly relating to Skills Capital and EU programmes, advising the Board as appropriate on SE LEP (not local) arrangements and providing a direct link to local areas
 - Provide specialist governance of existing ESF funding and other funding streams under LEP influence (eg EU Skills Support for Workforce)
 - Provide specialist advice to the SE LEP Board and ESIF Committee on EU SIF opt-in arrangements
 - Provide expert advice to the Board on new projects as appropriate
 - Provide a direct link with officers supporting local Employment and Skills Board
 - Reflect the priorities, views and recommendations of local Employment & Skills Board, ensuring federated priorities are central to pan-LEP initiatives/funding opportunities
 - Provide expert skills advice to the LEP Board in ensuring that skills remains a high priority within the LEP
- 4.2.4 Membership includes representatives from each county and unitary authority nominated by the Employment and Skills Boards, together with representatives from HE, FE, Schools and private providers.
- 4.2.5 Full terms of reference and membership are to be published.

4.3 Housing

4.3.1 The Housing Group is an ad hoc group supporting the lead SE LEP Board member for housing.

4.3.2 As agreed following consultation, its terms of reference are:

- Supporting delivery of the SE LEP Growth Deal
- Bringing together all parties (HCA, councils, developers, finance, utilities) involved to drive development forward
- Encouraging and supporting councils to bring forward their local plans
- Reviewing the performance of utility companies
- Promoting best practice
- Looking across LEP boundaries

4.3.3 Full terms of reference and membership are to be published.

4.4 Growth Hubs

4.4.1 The Growth Hub Steering Group is a pan-LEP steering group to coordinate and the SE LEP Growth Hub programme.

4.4.2 Membership includes officers from each county and unitary authority

4.4.3 Full terms of reference and membership are to be published.

4.5 SOG

4.5.1 The Senior Officer Group supports the SE LEP Secretariat as defined in the SE LEP Terms of Reference.

4.5.2 SOG's role is to prepare papers as required, undertake specific pieces of work as mandated by the Board and to provide technical assistance to the Secretariat and SE LEP Strategic Board.

4.5.3 Full terms of reference and membership are to be published.