

SEEDA Executive Board Meeting
Monday 26 July 09:00 – 12:00, Austen
ACTIONS AND DECISIONS

Attendees: Pam Alexander (PA) (Chair), Oona Muirhead (OM), Robert Crawford (RC),

Apologies: Chris Budleigh, Alex Hunter, Paul Lovejoy, Susan Priest

Also attending: Katie Lloyd (KL), Jane Fisher (JF), Jonathan Sadler (JS), Kathy Slack (KS), Tim Stansfeld (TS), Jonathan Tarttelin (JT).

1. Matters Arising

1a Action Note and Decisions (12 July)

The actions from the 12 July meeting were discussed, no items were outstanding.

1b Action Note and Decisions (20 July)

The actions from the 12 July meeting were discussed, no items were outstanding.

2. Download from Key meetings

2a. SEEDA Board (22 July)

PA indicated that she considers that the Board meeting was overly focussed on the budget cut issues and that Board Members need to be reminded that SEEDA still had a £80m programme to deliver this year. EB felt that there seemed to be more of a realisation around the Board that SEEDA was closing and that Board Members were coming to terms with their changing roles as they could no longer shape economic development around the projects that they had invested time in. PA considered that the stakeholder letter (discussed under Item 3b) would be a useful way to re-engage Board Members with the forward programme.

The group discussed whether there was any value in creating an investment fund that could be used by nascent local enterprise partnerships. The funds could be available to aid relationships with business partners, to aid transition of legacy functions and help set-up the growth agenda. The fund could be useful to help incentivise business and create a voice for the emerging economic areas.

The group discussed the meeting that had been set up between Pam Alexander, Roger House and Paul Carter for the 5th August. This meeting was originally planned to bring together key SEEC members, SEEDA Board Members and key business leaders in the South East to discuss the emerging picture and how SEEDA can help the transition to new structures.

PA updated the group on the Board decision to augment the membership of Board Subgroups. Delores Byrne and Jeremy Birch have been invited to join Audit Committee and Keith House and Julian Crampton are to join the Board Transition Sub-Group. Richard Ascough has stepped down from Audit Committee and has joined the Board Transition Sub-committee. The Chairs of the Sub-committees have invited the Board Members to join and all have accepted.

The Board have also requested a weekly update on developments, including key dates and milestones for government issues e.g. White Papers, consultations and CSR timetable.

Board Members have also offered their services to help staff with transition issues and where possible assist with staff mentoring, attending staff meetings or transition surgeries. It was agreed to add Board Member Engagement as a strand in workstream 3.

ACTIONS

- JF** to ensure Board actions are circulated promptly after the Board Meeting
- OM** to scope out a project plan for a potential investment fund to be available to nascent LEPs from September 2010
- AH** to co-ordinate a weekly transition update for Board Members
- JT** to add a strand around 'Board Member Engagement' with SEEDA staff to workstream 3

2b Board Transition Sub-Committee

PA requested that the action notes from the sub-committee be circulated as quickly as possible. The membership list need to be updated and the terms of reference should be revised to include a strand covering internal and external communication.

ACTIONS

- KL/JF** to ensure the action notes are circulated as quickly as possible
- OM** to revise the membership list and terms of reference

2c Audit Committee

PA indicated that audit committee meetings should increase in frequency to bi-monthly. The terms of reference for the group need to be reviewed to ensure any new functions required around the transition issues are captured.

ACTIONS

- OM** to revise the membership list and review the terms of reference

3. Transition Plan Update

3a Workstream 1: Models for Transition

Programme Spend

The group agreed to check the new consolidated programme spreadsheet while CB was on leave. This spreadsheet needed to be double-checked for accuracy as it has become the key business planning document. It was agreed that CB should hold the master document and that in his absence a member of the finance team should receive the amendments. PA requested all EDs ensure that the data entry onto PMS is up-to-date to ensure that SEEDAs spend profile and forecasting is accurate.

The spreadsheet also needs an additional page to capture the non 'single pot spend' e.g. European funds that SEEDA is responsible for delivering this financial year. This information should also be captured in the revisions to the stakeholder letter (see Item 3b).

Staff Structure

There is a meeting of workstream 1 on Thursday 29 July to discuss the staff structure in detail.

Forward Planning

Until the outcome of the CSR is known, the constraints on SEEDA forward spending will remain unclear. EDs need to plan for 2 scenarios: the first assumes that SEEDA will receive 60% of remaining budget and worst-case scenario should assume a £0 budget with move to closure more quickly. PA indicated that she was expecting a letter from BIS indicating that SEEDA will have the authority to make new commitments within this financial year, with the caveat that there would be no spending implications for the 2011/12 financial year. Any new contracts will need to ensure that any new contracts have a break clause to ensure that SEEDA can stop spend if financial circumstances change.

Spatial Effects of the Budget Cuts

The group reviewed a tabled paper which highlighted the spatial effects of the cuts across the South East. The papers illustrated the percentage of SEEDAs budget that was allocated to each county and the percentage of cuts proposed in each region against the original 2010/11 budget. The paper indicated that bigger cuts had been taken in high business areas and that physical development programmes had been more protected.

ACTION
ALL to check the accuracy of the new consolidated spreadsheet
ALL to ensure PMS is updated regularly
CB to create an additional page to the spreadsheet to capture the non-single pot spend

3b Workstream 2: Engagement and Communications: Stakeholders and Staff

Stakeholder letter

KS indicated that the current draft of the stakeholder letter contained some details about certain cuts that may not be known to the staff concerned. It was agreed to maintain the broad picture within the letter. It was agreed that the letter should be circulated to Area Directors and the communications team to ensure that issues were picked up and that lines could be prepared to respond to any potential media interest around the budget cuts and the forward programme.

ACTION
OM/PA to revise the stakeholder letter to:

- re-word the stakeholder letter to ensure the positive messages around programme delivery were highlighted to Board Members.
- include a reference to the non-single pot budget to indicate the total body of work to be delivered this year.
- ensure the letter is circulated to SEEDA staff

Internal Communications

JT indicated that that the VERs scheme had been launched on 23 July, feedback from staff on the information available was positive. JT highlighted that communication about the scheme needed to be handled by Directors and line – managers and could not just be the responsibility of the internal communications team

Outlining the shape of SEEDA to Staff

KS highlighted that staff were keen to have some clarity about the forward shape of the organisation and which posts the organisation were keeping/removing. Staff found it difficult to know whether they were in key posts or had key skills that SEEDA would wish to retain. This was affecting the ability of staff to make considered decisions about redundancy options. PA supported the view that some communication about the structure of SEEDA going forward needed to be shared with staff. Greater clarity about key roles and skills would be needed prior to the closing date for the VERs scheme.

OM indicated that the workstream1 was meeting on Thursday and would begin a more detailed look at the structures and roles needed for closure. It was considered unlikely that a clear picture would be possible before October and would be influenced by various issues (e.g. the outcome of the CSR, the setting up of LEPs , the outcome of the VERs application process).

3c Workstream 3: Capacity for Transition to SEEDA Closure

JT indicated that there had as yet been no specific questions received from staff about the VERs scheme. One expression of interest had been received.

JT had received a form to complete for SWRDA to highlight the key posts that SEEDA would wish to keep until closure. This form will be part of the RDA case to request permission to offer retention payments to key staff. PA was clear that SEEDA would want to retain key staff with knowledge that couldn't be readily bought in e.g. preserving the corporate knowledge base to preserve the legacy of SEEDA and assist with the smooth transition (e.g. knowledge of key assets, local and national partners, contracts). JT agreed to contact other RDAs to see what posts they were suggesting. SEEDA would then discuss internally which key posts/people are required until closure. PA considered it unlikely that the RDAs would be allowed to retain a budget to use for staff retention in the current climate.

ACTION

JT to get intelligence around key posts from the other RDAs

ALL to discuss the key post required until SEEDA closure

3d Workstream 4: Governance and Performance Management

TS introduced the Paper discussing the future of Business Management Group and Gateway Group as SEEDA transitions to closure. The group discussed the proposed changes to the Terms of Reference. The Group agreed with the proposed changes but requested that the review against revised targets should be performed bi-monthly rather than quarterly. The group acknowledged that a formal bi-monthly report was not feasible and agreed that partners should have bi-monthly keep-in-touch conversations to highlight any potential risks. The outcomes of these updates should be fed into EB.

The workstream looking at governance and closure was not well defined at present and needed to be developed once CB was back from leave. The workstream needed to challenge the governance of the other workstreams and tie into the Audit Committee and the evaluation of the risk register. PA requested that the workstream should contact and keep in touch with Pamela Charwood as Chair of the Audit

Committee and lead on the communication around the meetings of the RDA Audit Committee Chairs that were being set up.

It was discussed that a revised set of business outputs needed to be developed before the end of August and that a Paper was required to go to the Board in September

ACTION

TS to formally revise the changes to the Terms of Reference for BMG and Gateway Group

TS to contact Pamela Charwood and ensure communication between the workstream and the Audit Committee.

4. Finance and Operational Matters

4a Risk Register

The group reviewed the risk register. The register had been review by Audit Committee and they agreed with the split of the risks to focus on those risks associated with the delivery of remaining programmes and those risks associated with transition process. The group review the risks highlighted and agreed that they covered the right areas. The group requested the risk register be brought back to the meeting on 9th August.

ACTION

CB to bring the risk register back to the 9 August meeting.

4b Discussion of Board Open Meeting

PA requested that care be taken around use of the phrase 'low key' as Board Members were concerned that SEEDA should focus on the achievement of the past 12 months and link into the annual review. The event may not attract a high audience but would be useful to maintaining staff morale. The event would also be a useful forum for sharing knowledge on the emerging landscape around the successor structures. PA requested an agenda to draft for discussion at the next EB.

ACTION

AH to develop a draft agenda for the Board Annual Open Meeting

5. Forward Look

The briefing Schedule and the Chairman's diary were noted.

6. AOB

1. PA indicated that the agenda should be highlighting Government Consultations and discussing how SEEDA is planning to respond (e.g. individual RDA submissions or jointly with other RDAs). It was agreed that TS should own the process around how SEEDA will respond to the current consultations. A list of the current/expected consultations with the timetables for responses should be produced before the next EB meeting.

ACTION

TS to own the process of responding to the consultations and to pull together a list of the current consultations in conjunction with the communications team for the next EB meeting.

2. PA requested EB respond to David Packhams email about SPEs