

SEEDA Executive Board Meeting
Wednesday 2 June 08:30 – 13:00, Austen
ACTIONS AND DECISIONS

Attendees: Pam Alexander (PA) (Chair), Oona Muirhead(OM), Robert Crawford (RC), Paul Lovejoy (PL), Susan Priest (SP), Lee Amor (LA), Chris Budleigh (CB),

Apologies: None

Also attending: Jenny Lester (JT), Alex Hunter (AH), Chris Hatton (CH) Martin Tugwell (MT) Katie Lloyd (KL), Jane Fisher (JF)

1. Matters Arising

The following actions were considered to be outstanding from 17 May meeting:

- the list of brought forward projects for 10/11 was still incomplete,
- a list drawing together a list of wider SEEDA liabilities, including staff property etc. with a total cost ,
- to draw up a list of investment decisions taken since January 2010,
- update the Corporate scorecard and highlight that this needs to go to the Audit Committee.

ACTION

CB to action as above

2. Post Election Matters

2.01 Budget Planning 2010-11

EB reviewed the draft paper. It was noted that the paper was designed to review budget cuts that would be required in light of the efficiency saving outlined by Government. The paper outlined project savings that are in agreement with the future direction of SEEDA and in line with the agreed Board priorities. It was noted that this Paper would not address the 10% administrative cuts but discussed that measures for administrative cost cutting were being developed. EB noted that some measures were already in place e.g. a freeze on recruitment and spending on marketing and communications.

The list of suggested cuts will be circulated to the Board by COP today and would be discussed fully at the Board meeting on 15 June. EB agreed to add:

- The total gross savings
- Determine whether a map highlighting the areas to be cut can be added to the Board Paper

The Annex from the Paper with the list of suggested cuts will be sent to SWRDA who are coordinating the submission to BIS on behalf of all RDAs. The final list needs to be with them on Friday. EB agreed that a carefully worded cover letter would need to accompany the list to SWRDA. The cover letter should highlight:

- The extent of any redundancies
- Whether withdrawal of funding can occur via the renegotiation of contracts
- SEEDA will be looking to BIS to provide legal advice and costs

EB discussed the draft paper and agreed list of projects and agreed the following actions.

ACTION

CB to check the final date that SWRDA requires the list

PA to draft the initial cover letter to SWRDA

OM to reword the Board Paper as required

CB to recheck the figures in the agreed project list to go to BIS

PA to strengthen the statements in the 'notes' heading to highlight the effects of the suggested cuts

LA to discuss the Hastings project with Julian Crampton

2.02 Administrative Budget and Staff Resourcing

EB noted that communication with staff would be paramount to ensure they are fully informed about the situation. It would be clear to all staff that a 20% budget cut would have implications on staffing levels. It would be important to highlight that staff will be redeployed within SEEDA where practicable. Current plans include:

- Pushing for clarity from Government around redundancy packages
- Maintaining the recruitment freeze and reducing the non-essential temporary and consultancy posts by July
- Freeze on pay awards, career progression and cost of living rises
- Tracking new staff still in their probationary period
- Non-staff savings will also be highlighted (e.g. ceasing the renewal of lease cars and returning at the end of current contracts, reducing the mileage allowance and reducing the cost of facilities management)
- Board Members to be reminded about the use of 2nd class rail travel and taxi costs

ACTION

EB to identify key posts in SEEDA priority areas

JL to keep a track of head count as well as cost

2.03 Feedback from RDA Chief Executives Meeting and RDA Teleconferences

EB reviewed the actions notes from the 1 June meeting.

EB would need to find out who was leading on the shaping of LEPs and the ideas around 'growth clusters'.

ACTIONS

PL to lead on intelligence gathering around the development of LEPs

2.04 Staff Away Day 22nd June

EB reviewed the Paper submitted on the staff away day. It was agreed that it would be important to start and end the day on a positive note. The objective of the day was to be as honest with staff as possible and so they felt fully informed. It was agreed that PA should give an upbeat introduction to the day and that the session on 'Celebrating Success' should be moved to the end of the day. Staff should be told what was being done to reshape the organisation in line with the Budget Paper going to the Board. Staff should be informed that the budget cuts will inevitably have an impact on staffing levels but that staff will be redeployed to fill key posts as the new

shape of SEEDA becomes clearer. Maintaining the knowledge and expertise of staff during the difficult transition is paramount to ensure the success of the reshaped organisation.

ACTIONS

JT to reshape the agenda as discussed

3. SEEDA Board Meeting – Forward Look at Papers

3.01 Innovation Action Plan

EB noted that the Innovation Paper would be discussed at the SESETAC meeting on 3 June. The discussion of the paper will dictate to a large extent any revisions. SP and RC agreed to discuss the implications of the budget cuts and how to strengthen evidence and impact statements. OM suggested that it would be helpful to tie the paper into other key issues such as the Green Economy. The ‘options’ provided in the Paper also need to be revised as some options are mutually dependant on others indicating that there are really only two options. It was agreed that Annex A needed to be discussed with SESETAC in light of the budget cuts that are likely to be approved.

ACTION

SP to revise the paper for circulation by 4 June

3.02 Sector Development Operational Plans

EB agreed that in light of the planned cuts and the effects on the Sectors that it would be prudent not to discuss this paper at the Board on 15 June and to revise the content in light of the expected budget cuts.

ACTION

JF to remove this item from the Board Agenda

RC to revise the paper to take into account the likely impact of the proposed budget cuts in time for the next SEEDA Board & provide a short paragraph for the CEX Report to Board.

3.03 Harwell ISIC

EB noted that this Paper was being discussed this afternoon by Investment Committee and that the discussion from that meeting would dictate the changes to the Paper. EB agreed that much shorter paper would be required for the Board; however it was highlighted that the Paper would be discussed at MPC which was occurring on 15 June prior to the Board meeting leaving no time to make any significant alterations to the Paper. The VFM elements need to be strengthened in the Paper as currently it was not obvious what detrimental effect the removal of SEEDA funding would have on the success of the project. Issues around the possible leverage of EU funding need to be investigated.

ACTION

RC to strengthen the VFM element of the Paper for the Board

CB to check the issues around the leverage of EU funds prior to investment committee

4. Business Plan 2010/11

Chris Harrant presented the summary spreadsheet. EB agreed to update it with actual figures as well as targets. CH to look into the Business Link targets to understand the reduced output and whether this was due to a refocusing around BIS targets rather than SEEDA targets. SP to look at the current outputs from Business Link with current baseline figure of £107m, and to determine the likely impact of a reduction in the budget.

CB to ensure the outputs are reflected in the corporate scorecard.

EB wanted to keep this version of the Plan as a baseline to refer back to as a picture of the forecasts prior to the spending cuts. The forecasts will need to be updated to reflect impact of the spending cuts.

ACTION

MT to revise the spreadsheet to include actual as well as target figures.

CH to look into the reduced output for Business Link

CH to feedback to EB the likely effect of budget cuts to Business Link

CB to ensure outputs are entered into Corporate Scorecard

5. Annual Report and Accounts 2009/10

CB indicated that the final data will be received tomorrow. EB requested that draft be sent to the Chairman as soon as is practicable. PL to ensure that the management commentary is drafted. PL/CB to clarify what is required for the BIS end of year performance report and who is leading this.

ACTION

CB/PL to send the draft management commentary to PA by COP 4 June

PL/CB to determine what is required for BIS end of year performance report and decide who is leading on completion

PL to circulate a draft report to CD when appropriate

6. Finance and Operational Matters

6.1 Spend Update

CB agreed to ensure that the monthly forecasts were based on intelligent predictions that took into account payment schedules and did not automatically assume a division of the annual budget by 12. EB also agreed that a graphical illustration of the 12 month forecast with an overlay of actual spend was a useful figure that immediately illustrated spend. It was agreed it would be helpful to have this figure for the Board Paper.

ACTION

CB to ensure that monthly forecasts taken account of actual payment schedules

CB to provide a graphical illustration of the 12 month forecast overlain with actual spend for the Board Paper

7. Forward Look

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

EB agreed it is essential to check the meetings/engagements planned for the Chairman at the national and regional level. A plan of key stakeholders needs to be drawn up. EB asked for the Board Members matrix of responsibilities to be circulated.

ACTION

KL/RC to initiate a new stakeholder engagement plan for RD

JF to circulate a list of Board responsibilities to EB

8. AOB

8.1 EB/Directors Workshop

EB discussed EB/Directors Workshop and consider it would be important to have this meeting as a preparation on how to organise and plan for the staff away day on 22 June. EB/Directors could also devote some time to key planning that needs to be discussed around the budgets cuts e.g. risk management of key posts, highlighting key stakeholders and managing expectations. AH agreed to organise a draft agenda.

ACTION

AH to draft an agenda for EB/Executive Workshop and circulate by close of play on 4 June

8.2 World Environment Day Donation

EB declined to personally match the funds raised by this year's staff event around World Environment Day. EB were happy to personally contribute funds last year as a one-off gesture but did not want to set a precedent.

ACTION

RC to respond to Elizabeth Heritage declining the matching of funds on behalf of EB

8.3 SEEDA Board Agenda

EB agreed to move various items around to allow more time to discuss budget planning and removed certain papers as a result of decisions taken at EB. The details were to be discussed outside the meeting.

ACTION

JF to amend the SEEDA Board Agenda