

**MINUTES OF A MEETING OF THE SOUTH EAST LOCAL ENTERPRISE
PARTNERSHIP ACCOUNTABILITY BOARD HELD AT HIGH HOUSE
PRODUCTION PARK, PURFLEET, AT 10.00AM ON 12 FEBRUARY 2016**

Present:

Geoff Miles	Chairman
Kevin Bentley	Essex County Council
Paul Carter	Kent County Council
Rodney Chambers	Medway Council
Angela O'Donoghue	FE + Skills
Rupert Simmons	East Sussex County Council
Ron Woodley	Southend Borough Council
Myroulla West	HEI's

Also in attendance:

Adam Bryan	SELEP
Kim Mayo	Essex County Council
Nicole Wood	Essex County Council
Dominic Collins	Essex County Council
Ruth Du-Lieu	Medway Council
Ross Gill	Kent County Council
Mike Rayner	SELEP
Lorna Norris	Essex County Council
Suzanne Bennett	Essex County Council
Lucy Spencer-Lawrence	SELEP
Richard Dawson	East Sussex County Council
Ben Hook	East Sussex County Council
John Shaw?	Sea Change Sussex
Sarah Nurden	Kent and Medway Economic Partnership
Edmund Cassidy	Steer Davies Gleave
Tom Higbee	Steer Davies Gleave
Steven Bishop	Steer Davies Gleave
Steve Cox	Thurrock Council
Emma Cooney	Southend Borough Council
Ian Myers	Essex County Council

1. Welcome and Apologies for Absence and Declarations of Interest

Apologies were received from Keith Glazier (substituted by Rupert Simmons) and John Kent.

Cllr Rupert Simmons informed Members he is a Councillor representative on the Board of Sea Change Sussex.

2. Minutes and Actions from Previous Meeting

The minutes of the meeting held on 13 November 2015 were agreed as a correct record and signed by the Chairman.

3. Local Enterprise Partnerships – Annual Conversation

Members received a verbal update from Adam Bryan which detailed:

- The Annual Conversation that took place in December 2015 and Government view on progress.
- The interim arrangements and progress with the appointment of the Chairman
- The positive outcome to funding negotiations

Cllr Paul Carter requested SELEP examine funding amounts given to Highways England and Rail Track. It was agreed an update be provided at the next meeting of the Board.

4. Finance Update – SELEP Budget and LGF Confirmation

Members received a report from Suzanne Bennett which gave updates on:

- The latest 2015/16 forecast outturn
- The 2016/17 funding position
- The continuing financial support by Local Authority partners

Members confirmed and **AGREED**:

- Partner contributions for 2016/17 (as match funding to the core grant of £250,000) as set out below:

Partner	£
East Sussex County Council	26,180
Essex County Council	71,760
Kent County Council	72,500
Medway Council	13,040
Southend-on-Sea Borough Council	8,400
Thurrock Council	8,120
Total	200,000

and **NOTED**:

- Negotiations with Government over the 2017/18 budget. Members agreed negotiations would be difficult and requested an update be taken to the next SELEP Board meeting.
- The Government letter on indicative funding levels for the Local Growth Capital Grant for future years.
- The current 2015/16 outturn forecast for the Secretariat Operating budgets
- Discussion was had around the need to push back to Government about the size of funding given to the SELEP. It was not proportionate given that the SELEP as one of the largest LEP's receive the same amount as the smallest LEP. SB confirmed she would take this up with BIS

- Members discussed future commitments and in light of recent Settlement announcements the SELEP would need to justify the level of funding needed in future years, as partners were in difficulties in committing the current levels provided.

Members also discussed the level of reserves and cautioned against creating a larger SELEP structure than was necessary.

5. Skills Capital Round 3

Members received a report from Mike Rayner which presented recommendations concerning the recent Skills Equipment bidding round.

The following projects were **AGREED**, as recommended by the Assessment Group:

- Sussex Downs College, Specialist Equipment for STEM Centre (**£74,913**)
- North Kent College, Construction of a realistic vehicle servicing centre and related equipment (**£141,850**)
- Colchester Institute, Braintree Campus, Science lab equipment (**£52,304**)
- Plumpton College, Building refurbishment and agricultural engineering equipment (**£88,474**)
- South Essex College, Basildon, Science to support the Health Professions (**£148,972**)

The following projects were **AGREED**, as recommended by the Assessment Group, subject to the project specific confirmations being sought:

- East Kent College, extension to construction centre and related equipment, up to **£1,360,000**, subject to the college providing clarification that it is unable to increase its contribution of match funding from the 8 percent currently offered;
- Harlow College, Digital Labs for the Construction, Health and Social Care and Science Sectors, up to **£350,000**, subject to the college confirming that none of the grant will be retrospectively applied against expenditure already incurred.
- Procat, Advanced Construction, Infrastructure and telecoms, up to **£309,422**, subject to the college confirming that all expenditure items meet the requirement for capitalisation.
- South Essex College, Thurrock, Creating a Centre of Excellence for logistics, **£27,407.36**, subject to the college confirming that their premises do not need alterations to accommodate the equipment.
- Hadlow College, Ashford Campus, Specialist Equipment Ashford phase 1a, **£427,500**, subject to the college confirming that all expenditure items meet the requirement for capitalisation and that the college has been recognised as an Apprenticeship Training Agency; this must be achieved in time for the grant to be defrayed by 31st March 2017.

The following projects were **DECLINED**, on the recommendation of the Assessment Group. Members **approved** the proposal to provide an opportunity

for re-submission of these business cases, in advance of any further bidding rounds, due to the strength of their Skills Funding Agency (SFA) assessment, with final approval being sought from the Accountability Board if successful:

- Mid Kent College, Swale Skills Centre equipment, **£198,500**
- Mid Kent College, Health Science Laboratory, Medway, **£235,062**

The following project was **DECLINED**, on the recommendation of the Assessment Group:

- Writtle College totalling **£264,558** for a Canine and Veterinary Therapy Unit (Phase 2)

Members agreed that a clear set of criteria should be developed by the SELEP Skills Advisory Group for all future bids and also agreed that permission from Government be sought to ring-fence to skills any unspent funding as at 31 March 2017.

6. Business Case Approvals, including independent technical evaluation

Members received a report from Adam Bryan which outlined the business cases for schemes brought forward through the Independent Technical Evaluator (ITE) process.

The following recommendations were assessed as robust and expecting to achieve high value and following discussion were **AGREED**:

- Folkestone Seafront (**£5.0m**)
- Southend and Rochford Joint Area Action Plan (JAAP) (Airport) (**£3.2m**)
- A28 Chart Road (**£10.2m**)
- Maidstone Integrated Transport Package (**£1.3m for 2016/17**) (Noting that funding approval was for the first year only)–
Paul Carter commented that this investment would not allow for more homes to be built in Maidstone but would contain congestion at current levels
- Rathmore Road Link (**£4.2m**)
- Swallow Business Park (**£1.4m**)
- Middle Deal Transport Improvements(**£0.8m**) (Noting a change from the previous title North Deal Improvements, as appears on the forward plan Ref FP/AB/022)
- Strategic Infrastructure Investment: Eastbourne, Bexhill and St Leonards on Sea (**£1.7m**) (noting a change from the previous title Sovereign Harbour, as appears on the Forward plan Ref FP/AB/012)

Members **noted** that the business case for Colchester Broadband Infrastructure has been reassessed through the full Independent Technical Evaluation process due to the significant change in the project's scope. The assessment concluded that this scheme still presents high value for money.

Members requested that progress updates for projects are brought to the Board as a standing item to ensure that members are sighted on where issues may lie early on

7. Capital Programme Management Update

Members received an update on the latest position for the Local Growth Deal Capital Programme and:

- **NOTED** the Quarter 3 position of the Local Growth Deal Capital Programme
- **APPROVED** the changes to projects as detailed in Appendix 2 for managing the forecast variances as set out in the latest position;
- **APPROVED** the application of 'Option 4' to any further slippage that may present between now and the end of the financial year;
- **NOTED** the potentially unmitigated underspend in relation to the Skills element of the Local Growth Deal Capital Programme; and
- **NOTED** the work that is currently being undertaken on future years of the programme.

It was agreed that at the next meeting of the Board, to be held on 8 April 2016, the following information be provided:

- A report detailing the final 2015/16 position
- Options for re-profiling in 2016/17
- Update of the full Local Growth Fund programme to 2020/21

8. Any Other Business

There were no further items of business

Kevin Bentley commented that there was a need for the Strategic Board decisions to be taken in the same robust manner as seen before the Accountability Board, and that each decision before them needs to be put and approved. He had issues around some decisions taken in that arena being approved by virtue of board members lack of challenge, and criticised some of the reports that had been put in recent times

9. Date of Next Meeting

It was noted the next meeting would be held on Friday 8 April 2016.

In principle agreement was also given to additional meetings, should they be required, to be held one hour before the commencement of Strategic Board meetings.

It was requested that the dates of the Board meetings be forwarded to all non-Board Members.

The meeting closed at 11.45am