

**MINUTES OF A MEETING OF THE SOUTH EAST LOCAL ENTERPRISE
PARTNERSHIP ACCOUNTABILITY BOARD HELD AT HIGH HOUSE
PRODUCTION PARK, PURFLEET, AT 9.00AM ON 17 JULY 2015**

Present:

Geoff Miles	Chairman
Kevin Bentley	Essex County Council
Paul Carter	Kent County Council
Rodney Chambers	Medway Council
Keith Glazier	East Sussex Council
John Kent	Thurrock Council
Ron Woodley	Southend Borough Council
Steve Bishop	Steer Davies Gleave (Independent technical Advisers, "SDG")

Also in attendance:

Advisers: Terry Osborne, Kim Mayo, Denise Murray, David Godfrey,
Suzanne Bennett

1. Welcome and Introductions

The Chairman welcomed everyone to the meeting explaining his role was that of a non-voting Chairman.

2. Ways of Working

The purpose of the report was to establish a light touch, but effective way of working for the new Accountability Board.

The Chairman opened the item by inviting David Godfrey, Director of the LEP, to explain the planned approach to future ways of working.

David Godfrey drew the Board's attention to paragraph 3.15 of the report which set out the framework for reporting under the Monitoring Cycle. The plan includes federal area reporting which will be signed off by the nominated S151 Officers.

Councillor Paul Carter, KCC, enquired about the level of detail being presented to each federal area. David Godfrey supported this and responded that he thought this was essential so that only exception reporting would need to come to this Board.

Paul Carter enquired about schemes under the Local Growth Scheme being approved and subsequently varied without the knowledge or approval of the Federal Board. It was confirmed this should not happen without Federal Board approval within the agreed federal model but that this Accountability Board would have final endorsement and decision-making responsibility through its reporting to Government. It was acknowledged the need for some level of permitted variation.

Kevin Bentley, ECC, acknowledged the concerns raised but wanted to ensure there was a pipeline of projects to utilise unspent funds.

Kevin Bentley enquired if the Accountability Board can veto decisions made by the federal bodies to vary schemes. David Godfrey confirmed that the Accountability Board does have the right to consider and advise although, ultimately, it will be for the Government to decide.

Ron Woodley, SBC, endorsed earlier comments that variations must come through the federal boards and then onto the Accountability Board and not agreed and implemented only at district levels.

David Godfrey advised that there will be a tolerance of 10% of the value of the scheme for local variations but these low level variations would still need to be reported to the Board.

The following recommendations were **AGREED**:

- To endorse the approach outlined in the report
- To note £100,000 funding allocation in the SE LEP budget for 2015/16 to support the establishment of federal area structures and rigorous local monitoring processes.
- To endorse a request from the Secretariat that each county/unitary authority nominate a responsible officer for their programmes or projects
- To note the later papers providing further detail on reporting and operation.

3. Membership and Terms of Reference

The purpose of the report was to:

- Set out the membership for the Joint Committee, known as the Accountability Board.
- Set out the Terms of Reference under which the Accountable Board will operate

The report was presented by Kim Mayo who briefly explained the formal structure for the Accountability Board as follows:

- The Establishment of the Joint Committee enables the SE LEP to continue to strengthen its governance arrangements in accordance with the promises made to Government in the Assurance Framework.
- The full details of the framework under which the Accountability Board will operate is set out in the attached Joint Committee Agreement (the 'Agreement'), and this report highlight some of the key points.
- The Joint Committee will 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.

- Each of the Upper Tier Authorities have delegated to the Joint Committee the responsibility for the Assurance Framework, decision making for the approval of bids against funding from Government and distribution of that funding by way of grant or loan arrangements, which will enable the Joint Committee to carry out the functions.

The following recommendations were **AGREED**:

- To note the membership of the Accountability Board
- To note the contents of the Joint Committee Agreement

4. Business Case Sign-off and Payment Profile

The purpose of the report was to:

- Agree business cases for any schemes brought forward through the Independent Technical Evaluator (ITE) process for funding to be devolved to federal areas
- Receive an updated payment profile.

The Chairman invited Suzanne Bennett, the finance officer supporting the LEP, to comment on the Business Case sign off report. Mrs Bennett confirmed that £59.6m had been devolved to the areas. £1.5m is being held for those schemes waiting to go through the ITE process. Otherwise all money is now with the local areas.

Kevin Bentley asked why funding which had been allocated to Colchester Borough Council had to be approved at a County level. Terry Osborne advised that all agreements were made with upper tier authorities as the SELEP itself is not a legal entity and this was part of the agreed federal model.

The following recommendations were **AGREED**:

- To note if the Sittingbourne Town Centre Regeneration scheme had met the conditions set by the SELEP Board for release of funding through the ITE process
- To note the final 2015/16 schemes to be agreed for funding to be devolved to federal areas
- To note the the updated Growth Deal payment profile received for 2015/16

5. Quarterly Monitoring Reports

The Chairman invited Steve Bishop, the Independent Technical Adviser from Steer Davies Gleave, to present the report on this item.

The following recommendations were **AGREED**:

- To endorse the attached Quarterly Monitoring framework as developed with federal areas.

6. Growth Deal Progress

The Chairman invited each Member to provide a verbal update on local growth fund projects.

Southend-on-Sea

A brief update was provided by Councillor Ron Woodley who also agreed to submit a report to the secretariat.

Essex

An update was provided by Councillor Kevin Bentley as follows:

- Colchester Park & Ride is open.
- Road improvement work in Harlow has commenced.
- The Maldon to Chelmsford section of the A414 has had funding released.
- Railway work is underway in Chelmsford
- Work at Beaulieu Park, Chelmsford, particularly around the station, is being progressed under a MOU between parties.

Kent

A brief update was provided by Councillor Paul Carter who also agreed to submit a report to the secretariat.

East Sussex

An update was provided by Keith Glazier as follows:

- Queens Gateway
- New Haven flood defences have planning and spades ready. Agreements in place and will commence Sept 2015.
- Cycling package approved and have reallocated funding, to enable this deliverable to move forward.

Thurrock

An update was provided by John Kent on the following:

- A13 road widening
- Stanford-le-Hope rail scheme
- Cycling infrastructure

Medway

An update was provided by Rodney Chambers on the following:

- A290 Four Elms Roundabout to Medway tunnel scheme.
- The Medway City Estate
- Chatham Town Centre Place Making.
- The Stroud Town Centre
- Medway's Cycling Action Plan

7. Monitoring and Evaluation Framework

The purpose of the report to agree the Growth Deal Monitoring & Evaluation Framework as required by Government, building directly on the quarterly monitoring arrangements.

The Chairman invited David Godfrey to introduce the report.

Steve Bishop (SDG) was then invited to address the issues raised in the report and to explain the background and overall approach to the Monitoring and Evaluation framework for the Growth deal Schemes as required by Government. He explained:

- The SE LEP Monitoring & Evaluation Framework is a requirement of Government and has been developed to meet national guidelines. It provides the ability to assess the effectiveness and efficiency of selected schemes over time and, by inference, the impact of the Growth Deal and Strategic Economic Plan.
- The framework builds directly on the Quarterly Monitoring and metrics reporting and will support local decision-making by adding further local understanding of what can best drive local economic growth.
- As indicated in the report commissioned by SDG, the framework has been developed around a series of evaluation questions and key schemes for which specific evaluation plans have been developed.

The following recommendations were **AGREED**:

- To endorse the proposed Monitoring and Evaluation Framework
- To note that further feedback from BIS may be incorporated into the final framework

8. Finance Update – Budget Outturn

The purpose of the report was to give Board Members an update on the financial position of the South East Local Enterprise Partnership (SELEP) and covers all funds held by the Accountable Body (Essex County Council) on behalf of SELEP.

The Chairman invited Suzanne Bennett, financial officer supporting the LEP, to introduce the report. Ms Bennett explained that a financial report will be brought to every future meeting of the Accountability Board.

Members were referred to the tables set out in the report which detailed the provisional outturn position for the financial year 2014/15.

Ms Bennett also summarised the position in relation to the Local Growth Funds as set out in the report.

Paul Carter restated his view that Steve Bishop (SDG) should attend Federal Boards in order to provide them with advice and support schemes with their federal areas. Paul Carter enquired if a budget was available to support this advice if required. It was confirmed that initial advice would be provided through the ITE contract.

The Board **NOTED** the report.

9. Any Other Business

Terry Osborne, Monitoring Officer for the Accountable Body, indicated that an urgent item should be considered concerning the possible extension of the contract of the current Chairman of the Strategic Board, Mr Peter Jones.

Miss Osborne circulated a paper the purpose of which was to advise board members of the timetable for consideration of a possible extension of the term of office of the Chairman of the Board and to seek agreement to the establishment of a Panel to consider the issue.

Miss Osborne explained that on 17 July 2013, following the resignation of the then chairman, John Spence, who had recently been elected as a councillor to ECC, a Panel of board members met to consider the appointment of a new chairman of the board. The Panel agreed to appoint the current chairman, Mr. Peter Jones, to the role for a period of 2 years with effect from 1st August, expiring on 31st July 2015.

Miss Osborne advised that there are currently discussions taking place on the future shape and direction of the LEP but there is no indication as yet when any changes will be submitted to the government for approval, nor how long that approval process may take although it could be as soon as October 2015. Accordingly, it was now necessary to consider whether to extend the Chairman's tenure or let his contract expire on the due date, namely 31st July 2015.

Although the appointment of the current chairman was carried out by a Panel convened especially for that purpose, the Terms of Reference for the main strategic Board have since changed (in February 2014) and they now require the Board itself to appoint the Chairman. It is, however, possible for the Board to appoint a Panel to deal with the issue on its behalf.

In order to take this forward as quickly as possible, and before the expiry of the term of office of the current Chairman, it is proposed that a Panel similar to that which was created to appoint the Chairman originally be established to consider whether to extend the Chairman's contract and that it should have power delegated to it by the Board to decide the matter.

If the Board agrees this proposed approach then it will subsequently be recommended to the Panel that they consider the following options:

1. To allow the contract to expire at its end date of 31st July and to commence a process for the appointment of a new chairman (in which case a temporary chairman should also be appointed from the existing board members for the interim period);
2. To extend the term of office of the current chairman for a further 3 months, or until such time as the SELEP is wound up or reconfigured.
3. To extend the terms of office of the current chairman for a further 6 months, or until such time as the SELEP is wound up or reconfigured.
4. To extend the terms of office of the current chairman for a further 8 months (i.e. until the end of the financial year), or until such time as the SELEP is wound up or reconfigured.

The following recommendations were **AGREED**:

- To note the timetable for appointment of the Chairman of the Board
- To agree to recommend to the main Board that a Panel be established to consider whether to extend the term of office of the Chairman of the Board and to delegate to that Panel power to determine the length of any extension so agreed
- To agree to recommend to the board that the following representatives of the upper tier authorities and business sector be appointed to the Panel, namely:
 - George Kieffer – chairman of panel
 - Geoff Miles
 - Graham Peters
 - Essex CC (Cllr Kevin Bentley)
 - Kent CC (Cllr Paul Carter)
 - East Sussex CC (Cllr Keith Glazier)