

**SELEP Strategic Board Meeting – 7<sup>th</sup> December 2018**

<b>Attending</b>	<b>Company</b>	<b>Representing</b>
Chris Brodie	Chair	
Adam Bryan	Managing Director	
Graham Peters	Vice Chairman for East Sussex	East Sussex – Business
Clive Soper	Federation of Small Businesses	East Sussex – Business
Ana Christie	Sussex Chamber of Commerce	East Sussex - Business
Cllr Keith Glazier	East Sussex County Council	East Sussex – Local Authority
Cllr David Elkin (for Cllr David Tutt)	Eastbourne Borough Council	East Sussex – Local Authority
Cllr Peter Chowney	Hastings Borough Council	East Sussex – Local Authority
George Kieffer	Vice Chairman for Essex	Essex – Business
Andrew Campling (for David Burch)	Essex Business Board	Essex – Business
David Rayner	Birkett Long	Essex – Business
Colette Bailey	Inner London Group	South Essex – Business
Perry Glading	Thurrock Business Board	South Essex – Business
Cllr Rob Gledhill	Thurrock Council	South Essex – Local Authority
Cllr John Lamb	Southend on Sea Borough Council	South Essex – Local Authority
Cllr Graham Butland	Braintree District Council	Essex – Local Authority
Cllr Chris Whitbread	Epping Forest District Council	Essex – Local Authority
Cllr David Finch	Essex County Council	Essex – Local Authority
Jo James	Kent Invicta Chamber	Kent – Business
Douglas Horner	Acting Vice Chairman for Kent & Medway	Kent – Business
Paul Thomas	DLS Limited	Kent – Business
Cllr Peter Fleming	Sevenoaks District Council	Kent – Local Authority
Cllr Paul Carter	Kent County Council	Kent – Local Authority
Cllr Rodney Chambers	Medway Council	Kent – Local Authority
Anthony Forster	University of Essex	Higher Education

<b>Apologies received</b>	David Burch, Penny Shimmin, Cllr David Tutt, Geoff Miles
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**1. Welcome and Introductions**

- 1.1. Chris Brodie welcomed Board members and observers to the meeting, this included Tim Jones and Dominic O’Donnell from the Lower Thames Crossing team.
- 1.2. Chris Brodie congratulated Anthony Forster and the University of Essex on being nominated for The Times Higher Education University of the Year.

**2. Minutes and Actions from 25 October, Matters Arising and Declarations of Interest**

- 2.1. The minutes of the 25 October 2018 meeting were agreed by the Board.

## **2b. Matters Arising – Declarations of Interest**

- 2.2. There were no declarations of interest. Chris Brodie reminded the Board that it was important that everyone kept their register of interests up to date.

## **2c. Matters Arising – other**

- 2.3. **Thames Estuary Production Corridor Strategy.** Adam Bryan provided an update. He advised that the feasibility study, co-commissioned by SELEP and the Greater London Authority, being undertaken was nearing completion. Adam Bryan noted that it was important that the Board continued to play a leading role in this important area of work.
- 2.4. **Crossrail to Ebbsfleet.** Adam Bryan noted that progress had been made on moving the business case forward. He added that it was important that this campaign was fully supported by SELEP. Furthermore, he advised that he had a briefing note regarding C2E which would be shared with the minutes of this meeting. (These are included with these minutes, page 10).
- 2.5. **Growth Hubs.** Adam Bryan noted that following the March meeting of the Board it had originally been planned that a service review of the Growth Hub would take place and options presented to the Board at this meeting. However, due to the work pressures created and the uncertainty fostered by the LEP Review this work had been delayed. It is now planned to take place over the next few months. However, since the last report to the Board, a full time Growth Hub Lead has been appointed and is working with partners to ensure that the Growth Hubs are supported in continuing to offer high quality support to businesses. Also, positive feedback has been received from BEIS about Growth Hubs, with a RAG rating of green. Acknowledging these points, it was felt appropriate that a report comes to the next Board meeting in March 2019.

## **3. Faster, Stronger, Together: SELEP’s Strategic Economic Plan**

- 3.1. The item was introduced by Chris Brodie. He thanked everyone for taking part in the consultation, noting the positive engagement from Federated Boards, and the work completed by Ross Gill.
- 3.2. The Board received a presentation from Adam Bryan, the purpose of which was to introduce the final draft of the Strategic Economic Plan. [click here](#)
- 3.3. Adam Bryan stated that the final draft version reflected the comments made during the consultation process, including inclusion of more proactive language, a clear indication of economic assets and recognising the importance of these being appropriately referenced within the document.
- 3.4. Adam Bryan outlined how the Local Industrial Strategy (LIS) would focus on productivity. He explained that the Government expected all LEPs to produce an evidence base in the early part of 2019 and to finalise the LIS by March 2020. He further noted that LIS was the biggest economic plan so far and closely linked to UK Shared Prosperity Fund (UKSPF) which was due to go live in 2021.

- 3.5. The Board discussed the SEP and the following points were raised:
- 3.6. The Board welcomed the more concise and accurate SEP which focused on a high performing economy.
- 3.7. The Board enquired how actions outlined in the SEP would be delivered, and whether any sub-groups would be established and if so would they have clear terms of reference. Adam Bryan confirmed that any sub-groups created would have clear terms of reference in place and the action plans would be annexed to the main document and presented to the Board in March 2019. **ACTION – Adam Bryan**
- 3.8. Discussion ensued around the importance of the interdependencies between business, local government, further education, higher education and Federated areas. It was also felt that the action plan should be signed off by the Board.
- 3.9. The Board members enquired about resourcing and whether it was advisable to start the work on LIS earlier rather than later. Adam Bryan advised that the secretariat budget could resource some of the work, but he hoped the additional funding would be provided by the Government once the LEP Review had been finalised.
- 3.10. Further comments made about the SEP related to sections one and two which required strengthening in terms of language to ensure that the document was business led in terms of challenges and opportunities.
- 3.11. It was noted that paragraph 4.2 in the agenda pack referred to a senior officer group (SOG) meeting as a starting point for determining what information and resources were required for LIS. The Board members felt that a strong working group including top businesses would be more appropriate.
- 3.12. The Board congratulated Jemma Little and her team on securing £7.5m for SELEP from a European Regional Development Fund (ERDF) bid for the i-construct project, [click here](#) Paul Thomas requested that it would be helpful for Braintree District Council to support speed of considering planning application, which links to one element of the project.
- 3.13. The Board members congratulated SELEP on producing the SEP.
- 3.14. The Board members noted that despite earlier requests for Board papers to be issued earlier they were late again. It was thought that a solution had to be found to ensure that Board members were provided with enough time to consider all reports and prepare appropriately for the meeting. It was **agreed** that this should be taken forward by the secretariat. **ACTION - Secretariat**
- 3.15. The Board **agreed** the final draft of the Economic Strategy Statement subject to the comments made at the meeting.
- 3.16. The Board approved the **adoption** of the Economic Strategy Statement.
- 3.17. The Board **noted** the resourcing requirements linked to the production of the Local Industrial Strategy and again congratulated the team on the SEP.

#### **4. Tri-LEP Energy Strategy**

- 4.1. The Board received a presentation from Jo Simmons, the purpose of which was to seek Board approval of the final version of the South2East Local Energy Strategy and Action Plan. [click here](#)
- 4.2. Jo Simmons outlined the methodology used, including the deliberate bottom up approach adopted in parallel with evidence gathering. Jo Simmons noted that the Strategy was about driving forward local energy initiatives at scale that would help transform the energy ecosystem, enable significant carbon emissions savings, grow the low carbon economy, increase the use of new technologies, and help to address the Industrial Strategy Clean Growth Grand Challenge.
- 4.3. Jo Simmons advised that the work undertaken had identified over 300 projects through stakeholder engagement of which 18 were being taken forward. She added that an action plan had also been developed, something that no other LEP had been able to achieve so far. Furthermore, she confirmed that the Strategy was not delivering on wider clean growth agenda such as new nuclear energy, skills gaps, low carbon goods and supply chain but it formed one component of the clean growth agenda.
- 4.4. As part of the presentation Jo Simmons outlined the proposed governance structure. She explained that the Local Enterprise Partnership Strategic Board would be comprised of Enterprise M3 Strategic Board, South East LEP Strategic Board & Federated Area Boards and Coast to Capital Strategic Board. Tri-LEP Strategic Energy Delivery Group would drive the delivery and at LEP – level Local working groups would unpick the action plan.
- 4.5. The Board discussed the item and the following points were raised:
- 4.6. The Board welcomed the strategy and action plans and the tangible action points.
- 4.7. The Board members raised concerns around the Strategy overly concentrating on new builds. They thought there was a need to recognise the difficulty in introducing some of the measures proposed in existing housing stock especially the older builds.
- 4.8. It was noted that regarding marine and maritime developments it would be helpful to have a similar approach to developer building and S106 funding. This was an area the Board could lobby on and aim to influence government policy. Similarly, there should be a link to ports in the SELEP area where a lot of progress had been made on a low carbon approach already.
- 4.9. The Board members noted that Appendix 1 of the Strategy did not include some well established sources of energy such as air source heat pumps and ground source heat pumps. It was noted that the work should not look into new technologies as well as adopt the well-established ones.
- 4.10. The Board members expressed a concern around the complex nature of the governance process and the number of bodies/groups involved. It was also thought that limiting membership to SELEP and local authority representatives might not be democratic enough. The comments were noted and would be taken into consideration before the final governance structure would be agreed.

- 4.11. Further conversation concentrated around green energy, hydrogen fuel and onshore wind. The Board members provided examples of interventions that did not require a lot investment but could bring significant benefits such as smart signage.
- 4.12. Jo Simmons acknowledged that all comments were noted and would be taken into consideration.
- 4.13. The Board **approved** the final version of the South2East Local Energy Strategy and Action Plan, as set out in Appendices 2, 3 and 4 for publication, official launch and delivery.

## **5. Sector Support Fund**

- 5.1. The Board received a report from Adam Bryan, the purpose of which was to seek endorsement for the Sector Support Fund (SSF) projects which had been submitted to SELEP for revenue funding support.
- 5.2. The Board discussed the proposals.
- 5.3. The Board **agreed** that there should be an update on previous projects funded from the Sector Support Fund to a future Board meeting.
- 5.4. For future projects the Board **agreed** that proposals needed to include how they would address the skills agenda.
- 5.5. The Board **endorsed** the following two projects for the remaining 2018/19 SSF allocation of £206,600, as detailed:

Coastal Communities Supplement to the SELEP Strategic Economic Plan (£40,000); and

South East LEP Skills Advisory Group – Delivering skills of the future through teaching: teaching for growth (£166,600) – subject to the anticipated match funding being realised.

## **6. Statement of Accounts 2017/18**

- 6.1. The Board received a report from Lorna Norris, Accountable Body, the purpose of which was to present the audited SELEP Statement of Accounts for financial year ending 31<sup>st</sup> March 2018 for consideration.
- 6.2. Lorna Norris noted that the accounts had been subject to external audit and no issues were raised by the auditors.
- 6.3. The Board **noted** the accounts.

## 7. Local Growth Fund and Growing Fund Capital Programme Update

- 7.1. The Board received a presentation from Rhiannon Mort, the purpose of which was to provide an update on the delivery of the Local Growth Fund (LGF) and Growing Places Fund (GPF) capital programmes and to set out the summary position and next steps in relation to LGF 3b project pipeline development.
- 7.2. Rhiannon Mort noted that the Investment Panel which had been planned for the afternoon of 7 December 2018 had been postponed.
- 7.3. Rhiannon Mort outlined the key next steps as per presentation. [click here](#)
- 7.4. It was noted that the final draft Investment Panel report would be published by 28 February 2019, with an Investment Panel meeting proposed for 8 March 2019.
- 7.5. The Board was asked to consider the following two options with regard to funding decisions:
- Option 1 – Reaffirm the requirement for all projects currently identified within the LGF programme to come forward for a funding decision by the Accountability Board meeting on the 15<sup>th</sup> February 2018, as set out in section 3 below; or
- Option 2 – Enable the Accountability Board to give flexibility to extend the deadline for Business Case submission for projects currently included in the LGF programme.
- 7.6. Following a detailed conversation around RAG assessment and delays in receiving of other funding sources the Board members agreed to go ahead with Option 2.
- 7.7. The Board members were supportive of the possibility to extend the deadline for business cases. It was thought that a clear deadline should be established. The proposed deadline was 12 April 2019.
- 7.8. Rhiannon Mort noted the comments.
- 7.9. The Board was **asked** to agree that LGF projects which were currently RAG rated as Red due to risk to LGF spend within the Growth Deal period had to come back to the Accountability Board within the next six months to confirm that a delivery solution had been identified to progress the project or to agree one of the following three options:
- Option 1 – Cancellation of the Project from the LGF programme due to being undeliverable within the Growth Deal period and the LGF is reallocated through the LGF3b process.
- Option 2 – The Project is put on hold but the LGF remains allocated to the Project.
- Option 3 – The Project is put on hold and the LGF is reallocated through the LGF3b process, but the Project is prioritised for future funding opportunities, such as the Shared Prosperity Fund.
- It was **confirmed** that the Federated Board would recommend one of the options, as appropriate and consider each case on its own merit, for approval by the Accountability Board.

## 8. Governance

- 8.1. The Board received a presentation from Adam Bryan, the purpose of which was to provide an update on the progress of the LEP Review and other significant developments in SELEP governance arrangements.
- 8.2. Adam Bryan noted that the new assurance framework was expected to be published shortly. The new assurance framework would form the basis of the local assurance framework which would need to be drafted accordingly. It was noted that an additional Board meeting might have to be scheduled as a result of it.
- 8.3. It was noted that no formal response regarding the LEP Review had been received from the Government as yet. It was confirmed that overlaps had been addressed and resolved as appropriate. Graham Peters advised that a resolution had been reached regarding Lewes. Lewes would remain part of SELEP.
- 8.4. The Board members questioned the flow of information between the LEP network and the Federated areas. It was thought that timely sharing of information was essential.
- 8.5. Following a further question raised by a Board member, Chris Brodie clarified that only informal feedback had been received regarding the composition of the Board which at this time was not meeting the Government's requirements.
- 8.6. The Board **noted** the update on the LEP Review.
- 8.7. The Board **noted** the timeline for refreshing the SELEP Assurance Framework following the publication of the final version of the refreshed National Assurance Framework.

## 9. Lower Thames Crossing Statutory Consultation

- 9.1. Chris Brodie introduced the item by stating that all points discussed during the presentation would help to formulate SELEP's response to the consultation.
- 9.2. The Board received the presentation from Tim Jones, Project Director, Lower Thames Crossing. [click here](#)
- 9.3. During the Board's discussion the following points were raised:
- 9.4. Paul Carter noted that Kent County Council would be supportive around the connectivity issues on the Thurrock Essex side.
- 9.5. Tim Jones noted that this was a ground breaking consultation with a large amount of information put into the public domain. He stated that he would be grateful for feedback on the consultation process from all involved.

- 9.6. The discussion was opened by Rob Gledhill. He agreed that there was a need for more crossings over the Thames especially further down the river that would provide relieve on the A13 and M25. Rob Gledhill stated that the unanimous view of all Thurrock Council Members was that they are thoroughly opposed to the proposed route and can see no benefits for Thurrock at all.
- 9.7. Furthermore, Thurrock's concerns included; connectivity on / off being complicated and problems with creating new bottle necks. Rob Gledhill advised that the amount of traffic jammed up on the bottleneck of A13 in both directions would be considerable. He added that regarding traffic modelling he sought confirmation during the presentation from one of his officers and wanted to confirm that traffic modelling had been shared however the model itself it had not, even though previously he had been advised that it would.
- 9.8. Regarding environmental impact Rob Gledhill noted that this also a cause for concern; Thurrock has six metre high viaducts, ancient monuments potentially at risk, green belt impacted and there is nothing in the proposal which appears to make anything look better, if anything Rob Gledhill noted, it will look worse.
- 9.9. Rob Gledhill expressed his understanding for Kent County Council's and Essex County Council's support for LTC as he said it helped to bypass bottlenecks but did not favour Thurrock which was sandwiched in the middle. He noted that it was important to recognise how Thurrock plays a significant role in the country's economy, for example 80% of the fuel for London comes into Thurrock. He continued that how Thurrock is able to operate affects everyone, for example without the Tilbury link road going to the port working well, it is very difficult for the port to operate.
- 9.10. Rob Gledhill noted that building resilience was vital, and whilst it might not be part of Highways England's overall responsibility, they did have a role to play making sure the crossing tied into wider developments.
- 9.11. Rob Gledhill continued by stating that a special meeting due on Tuesday 11 December 2018 of Thurrock Council would confirm the draft response to the LTC consultation. A copy of the draft response could be accessed and viewed on Thurrock's website, [click here](#) Rob Gledhill concluded that the proposal did not meet Highways England's own criteria for being a strategic fit for the area. He added that the proposal would also seriously damage housing growth in Thurrock.
- 9.12. Following Rob Gledhill's opening, the remaining Board members expressed their opinions in relation to the LTC consultation. The following were noted:

John Lamb -the tunnel was in the wrong place; it was not a multi model tunnel which meant it would require further remodelling in the future; there was lack of appropriate slip roads and connectivity; it was a bypass of the bridge and the tunnels; and imposing a crossing charge felt inappropriate.

David Finch – what would be the impact and affordability of the project if the requirements stated by Thurrock were considered, accepted and financed; what would be the impact in terms of growing the economy of both Kent and Essex if there were significant delays in securing funding and what impact there would be on housing growth that would follow from such delays.





Jo James – from an economic growth perspective, we should work closely with Highways England to ensure that the tunnel would come to fruition and the opportunities from having the tunnel were maximised.

Keith Glazier – from a strategic prospective and Transport for South East there was a benefit in having the tunnel built.

Paul Thomas – a disappointing solution; with lack of joined up thinking by Highways England with regard to the M2 and M20 corridors.

David Rayner – the proposal is supported by the Essex Business Board for growth reasons; though it was necessary to look at the various slip roads and the congestion it was going to create in specific areas; and more needed to be done to support the local area.

George Kieffer – hoped that what Highways England was proposing was going to meet the objectives set in the recently published Port Connectivity Study by the Department for Transport.

9.13. Chris Brodie noted that all comments and observations would be considered as part of the response from SELEP which would be circulated to the Board members. Taking into consideration the tight deadline he advised that any additional comments should be sent directly to the secretariat for inclusion in the response. **ACTION – All/Secretariat**

9.14. Tim Jones thanked Board members for their feedback. He also offered to come back to the Board again, at its request, to report on the progress made.

9.15. Chris Brodie reiterated the importance of the LTC consultation and SELEP's response.

9.16. The Board **agreed** to mandate the Chair to write a response to the consultation on SELEP's behalf.

## **10. Any Other Business and Close**

10.1. There was no Any Other Business to discuss.

**The meeting closed at 12:50.**

## **SELEP Strategic Board 7<sup>th</sup> December 2018**

### **Crossrail to Ebbsfleet (C2E) – Briefing Note**

#### **Background**

1. The C2E project is about radically improving rail capacity and connectivity between Abbey Wood and Ebbsfleet to support and unlock economic opportunities and growth.
2. The C2E initiative has been developed by a partnership involving the GLA, Transport for London, LB Bexley, Dartford and Gravesham borough councils, Kent County Council, Ebbsfleet Development Corporation and Thames Gateway Kent Partnership.
3. The Strategic Outline Business Case (SOBC) for C2E was submitted in draft to HMG on 28 September and a revised (final) version with supporting material followed on 19 November.
4. The SOBC tests four possible options for upgrading rail services between Abbey Wood (end stop for Crossrail 1/Elizabeth Line) and Ebbsfleet. Three of these options involve variants of extending Crossrail (dedicated segregated track, partial shared running on North Kent lines, or fully shared running) plus a 'low cost alternative' that would maximise the services that could be delivered within the existing infrastructure (with minor improvements).
5. The different options support different levels of additional housing and employment growth, but also present different challenges in terms of cost, funding and deliverability. Overall the initiative could support around 55,000 new homes and 50,000 jobs. At this stage – partly because of the delay in commencement of Crossrail 1 – it is too early to fix on a preferred option. That would emerge through the next stages of business case development, including more detailed work on engineering, design, land and legal frameworks and costs, as well as further exploration of additional development potential and funding and financing mechanisms (including land value capture).
6. The C2E Partnership's ask of Government is to support the work necessary to develop this scheme to full business case – a process that could take 2 years+ and cost around £20-25m. This chimes with one of the recommendations in the Thames Estuary 2050 Growth Commission's report, on which Government has committed to publish its response in December.
7. The technical work on C2E has been complemented by a campaign to attract political and business support for the concept. This has included briefings for MPs, letters to Ministers, co-signed variously by Council Leaders and Businesses/Business Organisations, and set-piece events such as presentations at the Thames Estuary Growth Day (31 October) and a recent Business Network (29 November) hosted by Arcadis. London City Airport, which is developing its own proposals for a Crossrail station as part of its expansion plans, is one of several high-profile organisations declaring their backing for C2E.
8. It would be helpful for SELEP to show its support for C2E and commitment to close engagement in the further stages of business case development. As well as potentially being a signatory to C2E campaign material, SELEP might write in its own behalf and also use other channels of influence in Whitehall and Westminster to help secure ongoing constructive Government engagement and maintain momentum on the project.