
Minutes of the meeting of the SELEP Accountability Board, held Online via Zoom on Friday, 03 July 2020.

Present:

Sarah Dance	Chair
Cllr David Finch	Essex County Council
Cllr Roger Gough	Kent County Council
Cllr Rodney Chambers	Medway Council
Cllr Keith Glazier	East Sussex County Council
Cllr Ron Woodley	Southend Borough Council
Cllr Shane Hebb	Thurrock Council
Rosemary Nunn	Higher Education representative

Also Present:

Louise Aitken	SELEP
Marwa Al-Qadi	East Sussex County Council
Iwona Bainbridge	SELEP
Suzanne Bennett	SELEP
Amy Bernardo	Essex County Council
Steven Bishop	Steer
Chris Broome	Sea Change Sussex
Matthew Brown	Colchester Borough Council
Adam Bryan	SELEP
Lee Burchill	Kent County Council
Joanne Cable	Medway Council
Edmund Cassidy	Steer
Kerry Clarke	Kent County Council
Ellie Clow	SELEP
Howard Davies	SELEP
Richard Dawson	East Sussex County Council
Helen Dyer	SELEP
Anna Eastgate	Thurrock Council
Jessica Jagpal	Medway Council
Ian Lewis	Opportunity South Essex
Gary MacDonnell	Essex County Council
Piers Meyler	Essex Live
Stephanie Mitchener	Essex County Council (as delegated S151 Officer for the Accountable Body)

Charlotte Moody	Essex County Council (Legal representative for the Accountable Body)
Rhiannon Mort	SELEP
Lorna Norris	Essex County Council
Sarah Nurden	KMEP
Michael Payne	Kent County Council
Vivien Prigg	SELEP
Alex Riley	SELEP
Tim Rignall	Southend Borough Council
Christopher Seamark	Kent County Council
Peter Shakespear	Essex County Council
Lisa Siggins	Essex County Council
Lucy Spencer-Lawrence	SELEP
Sharon Spicer	SELEP
Stephen Taylor	Thurrock Council
Laura Wallis	Essex County Council
Robert Willis	Essex County Council
Charles Wimborne	Somerlee Homes Ltd
Kevin Wright	Basildon Council

1 Welcome and apologies for absence

The following apologies were received.

- Cllr Rob Gledhill- substituted by Cllr Shane Hebb
- Simon Cook

2 Minutes 14.02.20

The minutes of the meeting held on Friday 14th February were agreed as an accurate record.

3 Declarations of interest

In respect of agenda item Growing Places Fund Update ,Councillor Rodney Chambers declared a non-pecuniary interest as he is a trustee of Historic Dockyard Chatham. He confirmed that he would abstain from voting on that item.

Sarah Dance declared a non-pecuniary interest in relation to the Kent and Medway Medical School project, considered under agenda item 12, as her spouse is being commissioned by Canterbury Christ Church University to undertake work by the university. These activities are not directly related to the project and as a non-pecuniary decision, no action was taken.

Sarah Dance also declared a non-pecuniary interest in relation to the finance update report, considered under agenda item 22, as she receives an allowance from the SELEP Secretariat budget for her role as Deputy Chair. ECC legal services confirmed this is not a disclosable pecuniary interest and therefore no action was required.

4 Questions from the public

There were none.

5 Local Growth Fund Capital Programme Report

The Chair confirmed the good news that SELEP has been allocated up to £85m Getting Building Fund, following the very submission of projects to Central Government. SELEP has received by far the highest allocation, as just under 10% of the national allocation. The Chair offered her thanks on behalf of the Board to all those involved.

Adam Bryan proceeded to provide the Board with an update on the position with regard to the final third of LGF which SELEP is due to receive in 2020/21. There has been positive news and unofficially SELEP has heard that recommendations are being made to HM Treasury for the final third of LGF to be transferred to SELEP. In advance of the final third being confirmed, it is proposed that the Board proceed with the decision making during the meeting as per the recommendations included within the reports.

The Accountability Board (the Board) received a report from Rhiannon Mort the purpose of which was for the Board to consider the latest position of the Local Growth Fund (LGF) Capital Programme, as part of SELEP's Growth Deal with Government.

Councillor Finch gave an explanation regarding the delays encountered in connection with Beaulieu Park Railway Station.

Resolved:

1. **To Note** the provisional total spend in 2019/20 of £65.004m LGF excluding DfT retained schemes and £98.607m including DfT retained schemes, as set out in Table 2 of the report.
2. **To Agree** the updated total planned LGF spend in 2020/21 of £91.785m excluding DfT retained schemes and increasing to £118.430m including DfT retained schemes, subject to the final third of LGF being received from Central Government.
3. **To Note** the deliverability and risk assessment, as set out in Appendix 2 of the report.
4. **To Approve** the slippage of £12m LGF spend on Beaulieu Park Railway Station to 2025/26, as set out in Table 5 of the report.
5. **To Note** the intention to present the outcome of MHCLG's review of LGF

projects and detailed information on those projects forecasting LGF spend beyond 31 March 2021 to the Board and SELEP Ltd in October 2020.

6 **Basildon Innovation Warehouse LGF Decision**

The Board received a report from Howard Davies, SELEP Capital Programme and a presentation from Steer the purpose of which was for the Board to consider the award of £870,000 Local Growth Fund (LGF) to the delivery of the Basildon Innovation Warehouse (the Project).

Resolved:

1. **To Note:** that a further decision will be sought from the Strategic Board to determine how funding should be directed if only part of the final third of LGF, allocated to SELEP in 2020/21 be confirmed by Central Government

2 **To Approve:** The award of £870,000 to support the delivery of the Project identified in the Business Case and which has been assessed as presenting high value for money with high certainty, subject to:

2.1. written confirmation that full planning permission has been granted for the Project.

2.2 The final third of the 2020/21 LGF allocation being transferred by the Ministry of Housing Communities and Local Government (MHCLG) in full or the Strategic Board prioritising the Project for funding, should only part of the final third of LGF be confirmed by Government

3 **To Note:** That no LGF will be transferred to Essex County Council (ECC) for the delivery of the Project until the conditions set out in 2.1 and 2.2 have been satisfied

7 **Exceat Bridge Funding Decision**

The Board received a report from Helen Dyer SELEP Capital Programme Officer, which was presented by Rhiannon Mort, and a presentation from Steer, the purpose of which was for the Board to consider the award of £2,110,579 Local Growth Fund (LGF) to the Exceat Bridge Replacement project (the Project) in Seaford, East Sussex.

Councillor Glazier spoke in support of the project and urged the Board to give its support.

Resolved:

1. **To Note** the risk of abortive costs being incurred, if planning consent is not secured and the Project is unable to proceed. Any abortive LGF spend must be repaid by East Sussex County Council (ESCC) to the SELEP Accountable Body.

2. **To Note** that a further decision will be sought from the Strategic Board to

determine how the funding should be directed if only part of the final third of LGF, allocated to SELEP in 2020/21, be confirmed by Government.

3. **To Approve** the award of £2,110,579 LGF for the delivery of the Project which has been assessed as presenting high value for money with medium certainty of achieving this, subject to:

3.1. receipt of written confirmation from the East Sussex County Council S151 officer that all funding has been secured to enable delivery of the Project;

3.2. the Strategic Board reaffirming support for the LGF spend beyond the Growth Deal; and

3.3. The final third of the 2020/21 LGF allocation being transferred by the Ministry of Housing Communities and Local Government (MHCLG) or the Strategic Board prioritising the Project for funding, should only part of the final third of LGF be confirmed by Government.

4. **To Note** that no LGF will be transferred to ESCC for the delivery of the Project until the conditions set out in 3. above have been satisfied.

8 **Eastbourne Fisherman LGF Funding Decision**

The Board received a report from Helen Dyer, and a presentation from Steer, the purpose of which was for the Board to consider the award of £1.08m LGF to Eastbourne Fishermen's Quayside and Infrastructure Development project (the Project). This project has been identified by the Investment Panel as a priority through the LGF3b pipeline development process.

Councillor Glazier highlighted some of the relevant issues and spoke in support of the project.

Resolved:

1. **To Note** that a further decision will be sought from the Strategic Board to determine how the funding should be directed if only part of the final third of LGF, allocated to SELEP in 2020/21, be confirmed by Central Government.

2. **To Agree** the award of £1.08m LGF to support the delivery of the Project identified in the Business Case and which has been assessed as presenting high value for money with medium to high certainty of achieving this, subject to the final third of the 2020/21 LGF allocation being transferred by the Ministry of Housing Communities and Local Government (MHCLG) in full or the Strategic Board prioritising the Project for funding should only part of the final third of LGF be confirmed by Government (as set out in 1. above).

3. **To Note** that no LGF will be transferred to East Sussex County Council for the delivery of the Project until the conditions set out in 2. above have been satisfied.

9 **Southend Town Centre Interventions Project LGF (Tranche 2) funding decision**

The Board received a report from Howard Davies, and a presentation from Steer the purpose of which was for the Board to consider the award of £632,292 LGF to the delivery of the Southend Town Centre Interventions project Tranche 2 (the Project). This Project has been identified by the Investment Panel as a priority through the LGF3b pipeline development process.

Councillor Woodley spoke in support of the project and stated that he had great confidence in it.

Resolved:

1. **To Note** that a further decision will be sought from the Strategic Board to determine how the funding should be directed if only part of the final third of LGF, allocated to SELEP in 2020/21, be confirmed by Government

2. **To Approve** the award of £632,292 Tranche 2 LGF to support the delivery of the Project identified in the Business Case and which has been assessed as presenting high value for money with high certainty of achieving this, subject to;

2.1 The final third of the 2020/21 LGF allocation being transferred by the Ministry of Housing Communities and Local Government (MHCLG) or the Strategic Board prioritising the Project for funding, should only part of the final third of LGF be confirmed by Government.

3. **To Note** that no LGF will be transferred to Southend Borough Council for the delivery of the Project until the conditions set out in 2.1 above have been satisfied.

10 Kent Strategic Congestion Management Programme

The Board received a report from Howard Davies, which was presented by Rhiannon Mort and a presentation from Steer the purpose of which was to bring forward a change to the scope of the Kent Strategic Congestion Management Programme (the Programme) for consideration by the Board.

Councillor Gough spoke in support of the project, explaining its importance.

Resolved:

1. **To Agree** that the Watringbury Crossroads scheme will not be taken forward as part of the Programme, which will result in a total of £300,000 LGF being available for alternative investment;

2. **To Agree** the proposal for £200,000 of the £300,000 LGF made available through the cancellation of the Watringbury Crossroad scheme to be retained against the Programme for alternative investment in the A2/A251 junction improvements scheme;

3. **To Note** that the remaining £100,000 LGF made available through the cancellation of the Watringbury Crossroads scheme will be returned to SELEP

for reallocation through the LGF3b project pipeline;

4. **To Agree** the award of £500,000 LGF to the A2/A251 junction improvements scheme, which has been assessed by the Independent Technical Evaluator as presenting high value for money with high certainty.

5. **To Agree** to place a £300,000 notional charge over the Thanet Parkway project to enable the transfer of funding to the Project prior to confirmation from MHCLG of the final third of the 2020/21 LGF allocation.

6. **To Note** that:

- if the final third of LGF funding is received in full, that the charge will be removed from the Thanet Parkway project and the project will receive the agreed £14m LGF allocation in full;
- a further decision will be sought from the Strategic Board to determine how the funding should be directed if only part of the final third of LGF, allocated to SELEP in 2020/21, be confirmed by Central Government; and
- if no further LGF funding is received from MHCLG, that the LGF allocation for the Thanet Parkway project will reduce by £300,000 and that Kent County Council will need to take steps to seek alternative funding sources to enable delivery of the project.

11 **Chelmsford College New Construction Centre**

The Board received a report from Howard Davies, and a presentation from Steer the purpose of which was for the Board to consider the award of £1,295,200 LGF to the delivery of the Chelmsford College, New Construction Centre (the Project). This Project has been identified by the Investment Panel as a priority through the LGF3b pipeline development process.

Resolved:

1. **To Note** that a further decision will be sought from the Strategic Board to determine how the funding should be directed if only part of the final third of LGF, allocated to SELEP in 2020/21, be confirmed by Central Government.

2. **To Approve** the award of £1,295,200 LGF to support the delivery of the Project identified in the Business Case and which has been assessed as presenting high value for money with medium certainty of achieving this, subject to:

2.1. written confirmation being received by SELEP from Essex County Council (ECC) as lead authority to confirm that the remaining £100,000 funding has been secured;

2.2. written confirmation that full planning permission has been granted for the Project: and

2.3. the final third of the 2020/21 LGF allocation being transferred by the Ministry of Housing Communities and Local Government (MHCLG) or the

Strategic Board prioritising the Project for funding, should only part of the final third of LGF be confirmed by Government

3. **To Note** that no LGF will be transferred to Essex County Council for the delivery of the Project until the conditions set out in 2.1. 2.2 and 2.3 above have been satisfied.

12 **Kent and Medway Medical School Phase 2**

The Board received a report from Helen Dyer, and a presentation from Steer, the purpose of which was for the Board to consider the award of £4m Local Growth Fund (LGF) to the delivery of the Kent and Medway Medical School (the Project).

Councillor Gough spoke in support of the project, stressing its importance.

Councillor Woodley stated that he fully supported the project, stressing its importance to the surrounding areas.

This was echoed by Councillor Chambers who stressed its strategic importance to both the local and wider area.

Resolved:

1. **To Agree** the award of £4m LGF to support the delivery of the Project identified in the Business Case and which has been assessed as presenting high value for money with high certainty of achieving this, subject to sufficient LGF being made available to support the Project;

2. **To Agree** to place a £4m notional charge over the Thanet Parkway project to enable the transfer of funding to the Project prior to confirmation from MHCLG of the final third of the 2020/21 LGF allocation;

3. **To Note** that:

3.1. if the final third of funding is received in full, that the charge will be removed from the Thanet Parkway project and the project will receive the agreed £14m LGF allocation in full;

3.2. a further decision will be sought from the Strategic Board to determine how the funding should be directed if only part of the final third of LGF allocated to SELEP in 2020/21 be confirmed by Central Government;

3.3. if no further LGF funding is received from MHCLG, that the LGF allocation for the Thanet Parkway project will reduce by £4m and that Kent County Council will need to take steps to seek alternative funding sources to enable delivery of the project.

4. **To Note** that assurances have been received from Kent County Council regarding the ongoing viability of the Project in light of the University of Kent's financial position, and that the risk regarding the LGF spend on the Project sits with Kent County Council.

13 A13 widening LGF Funding Decision Report

The Board received a report (Appendix 1 was considered under Exempt items) from Anna Eastgate, Assistant Director Lower Thames Crossing & Transport Infrastructure Projects, Thurrock Council and Rhiannon Mort, and a presentation from Steer, the purpose of this report is to provide an update to the Board on the delivery of the A13 widening project (the Project).

Ms Eastgate advised the Board that the project is now in a much-improved position, with significant progress made and finances stabilised. She advised that delivery had been maintained throughout Covid-19 restraints and that it was intended that progress would be accelerated where possible.

Councillor Hebb spoke in support of the project, stressing that the project is critical to the road transport in the whole area.

Councillor Woodley offered his support, stating that he now had full confidence that the project would succeed.

Councillor Finch acknowledged the importance of the project but felt that greater clarity was needed regarding the level of confidence in connection with both cost and timing controls. He requested greater clarification regarding the timeline and mitigations in place.

Councillor Hebb advised that any financial shortfall would be met by Thurrock Council and that he was satisfied that there are sufficient controls in place. Ms Eastgate advised that delays as a result of Covid-19 had obviously had some impact and while Thurrock Council could not provide absolute certainty regarding timings and finances, they had as much confidence as was possible. Finally, she offered to share lessons learnt from the project with other parties.

Resolved:

1. **To Note** that significant progress has been made since the last meeting with regard to the three significant issues which had led to difficulties on the Project; and
2. **To Note** the updated total cost of the Project and the position with regard to the funding package, as set out in section 6 of the report and the confidential appendix. An assessment of the potential impact of the Covid-19 emergency has yet to be made with respect to the cost of the Project.
3. **To Agree** to place a £2.3m notional charge over the Tilbury Riverside project to enable the transfer of £2.3m LGF to the Project, prior to confirmation from Central Government of the final third of the 2020/21 LGF allocation to SELEP.
4. **To Agree** the award of an additional £8,942,400 LGF to the Project, which has been assessed as presenting high value for money with medium certainty of achieving this. Of the £8,942,400 funding award, £6,640,400 LGF will be awarded subject to the remaining third of SELEP's LGF allocation being transferred by Central Government or the Strategic Board prioritising the Project for funding, should only part of the final third of LGF be confirmed by

Government. The further £2.3m LGF will be made available for immediate drawdown.

5 To Note that:

5.1 if the final third of LGF funding is received in full, that the charge will be removed from Tilbury Riverside project and the Tilbury Riverside project will receive the agreed £2.36m LGF allocation in full;

5.2 a further decision will be sought from the Strategic Board to determine how the funding should be directed if only part of the final third of LGF, allocated to SELEP in 2020/21, be confirmed by Central Government;

5.3 if no further LGF funding is received from Central Government, that the LGF allocation for the Tilbury Riverside project will reduce by £2.3m. Thurrock Council will need to take steps to seek alternative funding sources to enable delivery of the Tilbury Riverside project and identify an additional £6,640,400 to bridge the funding gap for the A13 widening.

14 Innovation Park Medway Update Report

The Board received a report from Rhiannon Mort and Jessica Jagpal Senior LGF Programme Co-Ordinator, the purpose of which was to provide the Board with an update on the delivery of the Innovation Park Medway project (the Project) and to consider the funding decision in relation to Phase 3 of the Project.

Councillor Chambers advised that the delay experienced was in fact due to Highways England- one of the Government's own agencies. He felt that the Government should recognise this and apply pressure themselves. He asked for the Board's support for Option 2 as set out in the report and stated that it would provide assistance in applying pressure to Highways England.

The Chair stated that she believed that SELEP should also apply pressure to the Government in this regard.

Resolved:

1. **To Note** that the benefit cost ratio is just over the threshold for presenting high value for money at 2.1:1, relative to the 2:1 threshold. If there is any reduction to the scale of benefits, such as through reduced demand for commercial space following a move to increased homeworking, the benefit cost ratio would likely fall below the 2:1 threshold for high value for money.

2. **To Agree** the award of a further £1.519m LGF to the Project subject to:

2.1 Written confirmation being received from Medway Council S151 officer to confirm the full funding package is in place, including the funding to deliver the IPM mitigation works to M2 Junction 3;

2.2. Endorsement of LGF spend beyond the Growth Deal by the Strategic Board;

2.3. The final third of the 2020/21 LGF allocation being transferred by the Ministry for Housing Communities and Local Government (MHCLG) or the Strategic Board prioritising the Project for funding, should only part of the final

third of LGF be confirmed by Government;

3. **To Note** that a further decision will be sought from the Strategic Board to determine how the funding should be directed if only part of the final third of LGF, allocated to SELEP in 2020/21, be confirmed by Government; and

4. **To Note** that no LGF will be transferred to Medway Council for the delivery of the Project until the conditions set out in 2. above have been satisfied.

15 **East Malling Advanced Technology Horticultural Zone LGF Funding Decision**

The Board received a report from Helen Dyer and a presentation from Steer, the purpose of which was for the Board to consider the award of £1.75m Local Growth Fund (LGF) to the East Malling Advanced Technology Horticultural Zone project (the Project) in East Malling, Kent.

Councillor Gough advised the Board that he had received written confirmation from the Managing Director of NIAB confirming that £75,000 would be available to cover any shortfall and this would therefore provide the necessary assurances.

Resolved:

1. **To Approve** the award of £1,683,600 LGF to the delivery of the Project which has been assessed as presenting high value for money with medium/low certainty of achieving this, subject to:

receipt of written confirmation being received by SELEP Secretariat to confirm that match funding has been secured either through land sales at the required price or through confirmation that of a commercial loan as a viable alternative to enable delivery of the Project;

2. **To Agree** to place a £1,683,600 notional charge over the Thanet Parkway project to enable the transfer of funding to the Project prior to confirmation from MHCLG of the final third of the 2020/21 LGF allocation

3. **To Note** that no LGF will be transferred for the delivery of the Project until the condition set out in 1. above has been satisfied.

4. **To Note** that:

- if the final third of LGF funding is received in full, that the charge will be removed from the Thanet Parkway project and the project will receive the agreed £14m LGF allocation in full;
- a further decision will be sought from the Strategic Board to determine how the funding should be directed if only part of the final third of LGF, allocated to SELEP in 2020/21, be confirmed by Central Government; and
- if no further LGF funding is received from MHCLG, that the LGF allocation for the Thanet Parkway project will reduce by £1,683,600 and that

Kent County Council will need to take steps to seek alternative funding sources to enable delivery of the project.

16 Sturry Link Road Update Report

The Board received a report (Appendix 1 was considered under Exempt items) from Rhiannon Mort, the purpose of which was for the Board to receive an update on the delivery of the A28 Sturry Link Road project (the Project), Canterbury, Kent.

The Board were advised that delays regarding KCC's planning permission due to Covid-19 have removed the opportunity to satisfy the conditions agreed at the February Board meeting.

Councillor Gough asked the Board to support the deferral to September, confirming that the delay is to Covid-19.

In response to a question from Councillor Woodley, Councillor Gough confirmed that the issue would be resolved by September.

Resolved:

1. **To Agree** to reverse the decision to reallocate £4.791m from the Project to the LGF pipeline. This is in light of the exceptional circumstances which have prevented the Project from being able to satisfy the conditions, agreed in February 2020, for the Project to retain the unspent LGF; and
2. **To Agree** to extend the deadline until 18th September 2020 for planning consent to be secured for:
 - 2.1. The Broad Oak Farm and Sturry development; and
 - 2.2. The Project itself.

17 Queensway Gateway Road Update

The Board received a report from Marwa Al-Qadi, Project Co-ordinator – East Sussex Growth, East Sussex County Council and Helen Dyer, the purpose of which was for the Board to receive a further update on the delivery of the Queensway Gateway Road project (the Project).

Councillor Glazier spoke in support of the project stating that the temporary solutions now in place will assist greatly.

Resolved:

1. **To Note** the latest position on the delivery of the Project; and
2. **To Note** that the Board will be provided with a further update on the Project at its next meeting on 18th September 2020.

18 Bexhill Enterprise Park North Update

The Board received a report from Helen Dyer and Marwa Al-Qadi, Project Co-ordinator – East Sussex Growth, East Sussex County Council, the purpose of which was for the Board to receive an update on the delivery of the Bexhill Enterprise Park North project (the Project).

The Board were advised that the decision regarding the planning appeal has been delayed due to Covid-19.

Councillor Glazier spoke in support of the project, stressing that it is of crucial importance and expressed his disappointment regarding the delays in connection with the planning issues.

Resolved:

1. **To Note** the latest position on the delivery of the Project;
2. **To Agree** that LGF spend on the delivery of the Project, beyond the £440,000 already transferred to East Sussex County Council, should remain paused until planning consent has been granted.
3. **To Agree** that a further update on the Project which confirms the outcome of, or sets out a clear timetable for conclusion of, the planning appeal should be provided to the Board at their meeting on 18th September 2020.

19 USP College LGF Change Request

The Board received a report from Howard Davies and a presentation from Steer, the purpose of which was to bring forward to the Board a proposal to change the location of the original Project proposal.

Resolved:

1. **To Approve** the change of location for this Project which has been assessed by the ITE as presenting high value for money with medium/low certainty of achieving this, subject to:
Written confirmation that the College has completed the acquisition of the Canvey Island Skills Centre
2. **To Note** the reduced amount of match funding from the USP College.
From £900,000 to £350,000
3. **To Note** The proposed location does not need planning permission which will allow the Project to proceed sooner and thus all LGF spend will be completed by March 2021.

20 Growing Places Fund Update

Due to his earlier declaration of interest, Cllr Chambers abstained from voting on this item.

The Board received a report from Helen Dyer, the purpose of which was to update the Board on the latest position of the Growing Places Fund (GPF) Capital Programme.

Resolved:

1. **To Note** the updated position on the GPF programme.
2. **To Note** that at their meeting on 17th April 2020, the Strategic Board agreed to recommend to the Board that flexibility should be granted to delay GPF repayments for existing projects where justification is provided of the impact of COVID-19. Decisions on individual repayment schedule changes will be brought to the Board for consideration.
3. **To Note** that at their meeting on 17th April 2020, the Strategic Board agreed a 12 month grace period, starting from 1st April 2020, in relation to the charging of interest on GPF loans where repayments are not able to be made in line with agreed repayment schedules due to the impact of the COVID-19 virus.
4. **To Note** the identified risk to the repayment schedules for the following projects:
 - 4.1. Sovereign Harbour
 - 4.2. North Queensway
 - 4.3. Javelin Way
 - 4.4. Live Margate
 - 4.5. No Use Empty Commercial
 - 4.6. Workspace Kent
5. **To Approve** the revised repayment schedule for the Fitted Rigging House project and agree that, despite repayments not being made in line with the original repayment schedule, no interest will be charged on the loan.
6. **To Approve** the revised repayment schedule for the Charleston Centenary project and agree that, despite repayments not being made in line with the original repayment schedule, no interest will be charged on the loan.
7. **To Note** the revised drawdown schedule for the Colchester Northern Gateway project.
8. **To Note** the update on the latest round of GPF investments (GPF round 3) following the Strategic Board meeting which was held on 12th June 2020.

21 SELEP Operations Update

Introducing this item, the Chair offered thanks on behalf of the Board to all the staff involved and for their hard work during a very difficult time.

Suzanne Bennett offered her thanks to colleagues at the Accountable Body.

The Board received a report from Suzanne Bennett Chief Operating Officer, the purpose of which was for the Board to be updated on the operational activities within the Secretariat to support both this Board and the Strategic Board. The report included an update on risk management following the declaration of the Covid-19 Pandemic and updates on items of governance. The financial update was included in a separate report.

Councillor Gough asked for an update on the timing the creation of a formalised agreement between the SELEP Ltd and the Accountable Body. It was confirmed that this had been delay due to Covid-19 but that it should hopefully be finalised for the September Board meeting.

Resolved:

1. **To Note** the update on the implementation of the LEP Review, outcome of the 2019/20 Annual Performance Review and an update on compliance with the Assurance Framework.
2. **To Note** the update on the impact of Covid-19 on the operations of SELEP and the identification of substantial risks associated to the crisis.
3. **To Note** the Risk Register at Appendix 3 of the report.

22 SELEP Finance Update

The Board received a report from Lorna Norris, Senior Finance Business Partner the purpose of which was for the Board to consider the provisional outturn position for the SELEP Revenue budget for 2019/20 and the update to the 2020/21 budget including specific grants.

In response to concerns raised by Councillor Chambers regarding the SELEP secretariat budget, the Board proceeded to discuss the funding issue and the desire to reinstate the Local Area Support Grant. Clarification was provided over the previous purpose of the Local Area Support Grant and the one-off nature of this funding, in supporting specific purposes to implementation of the Assurance Framework and LEP review. The Board were made aware of the latest position in relation to SELEP's reserves.

Resolved:

1. **To Approve** the provisional outturn for the South East LEP revenue budget for 2019/20 in Table 1 in the report
2. **To Approve** the contribution of £579,000 to General Reserves in Table 1 in the report;
3. **To Approve** the recommended increase in the minimum level of reserves to £200,000, held to meet the costs of closure should SELEP cease to function;
4. **To Approve** the updated 2020/21 SELEP revenue budget set out in Table 6 in the report, including the specific grants summarised in Table 5 in the report (and detailed in Appendix 1 of the report);
5. **To Approve** the application of the GPF Capital Grant as set out in Table

8 in the report and summarised as follows:

- 5.1 Supporting the GPF Pipeline of Projects - £12.296m
- 5.2 Extension of the Sector Support Fund (SSF) - £1m
- 5.3 Establish a COVID-19 Skills Fund - £2m
- 5.4 Establish a COVID-19 SME Business Support Fund - £2.4m
- 5.5 Establish a COVID-19 LGF Contingency Fund - £3.596m
- 5.6 Contribution to reserves to support the SELEP Secretariat Budget in 2021/22 and 2022/23 - £1m

6. **To Approve** the reallocation of COVID-19 LGF Contingency Fund of £3.596m to support the GPF Pipeline of Projects, in the event that Government confirms the allocation of at least this amount of the remaining third of LGF to SELEP.

7. **To Note** that all GPF allocations will be subject to Board approval of their business case, in line with the SELEP Assurance Framework.

8 **To Note** that both the COVID-19 Skills Fund and the COVID-19 SME Business Support Fund require Strategic Board to approve the criteria for allocation, in line with the SELEP Assurance Framework.

9 **To Note** that any drawdowns from the SELEP Secretariat Budget Reserve will require approval from the Board.

10. **To Note** that by the end of 2022/23, the level of reserves is forecast to be below the recommended minimum level and that further options to increase income or reduce costs will need to be identified to mitigate this risk as part of future budget planning.

23 **Date of next meeting**

The Board noted that the next meeting will take place on Friday 18th September 2020 either online at High House Production Park.

There being no urgent business the meeting closed at 12.53 pm

24 **Exclusion of the Public**

That the press and public be excluded from the meeting during consideration of the remaining items of business on the grounds that they involve the likely disclosure of exempt information as specified in paragraph 3 of Schedule 12A of the Local Government Act 1972.

25 **A13 widening LGF Decision CONFIDENTIAL APPENDIX**

The Board noted the A13 widening LGF Decision CONFIDENTIAL APPENDIX.

26 **A28 Sturry Link Road CONFIDENTIAL APPENDIX 1**

The Board noted A28 Sturry Link Road CONFIDENTIAL APPENDIX 1.

Chairman