
Minutes of the meeting of the SELEP Accountability Board, held online on Friday, 20 November 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 Rob Gledhill	Thurrock Council
Rosemary Nunn	Higher Education representative
Simon Cook	Further Education/Skills representative

Marwa Al-Qadi	East Sussex County Council
Miles Adcock	Teledyne
Roshna Ahmad	Member of the public
Suzanne Bennett	SELEP
Amy Bernardo	Essex County Council
Stephen Bishop	Steer
Trudie Bragg	Castle Point Borough Council
Chris Brodie	SELEP
Adam Bryan	SELEP
Lee Burchill	Kent County Council
Matthew Brown	Colchester Borough Council
Alex Byford	Riding Sunbeams Ltd
Joanne Cable	Medway Council
Edmund Cassidy	Steer
Paul Chapman	Essex County Council
Dominic Collins	Braintree District Council
Ellie Clow	SELEP
Howard Davies	SELEP
Richard Dawson	East Sussex County Council
Helen Dyer	SELEP
Sylvester Eyong	Braintree District Council
Richard Fern	University of Essex
Vimbai Foroma	SELEP
Amy Ferraro	SELEP

Sophie Fearnley-Whittingstall	Riding Sunbeams Ltd
Vimbai Foroma	SELEP
Crispin Freeman	Cuckmere Community Solar Ltd
James Gardner	Harlow District Council
Rhiannon Hughes	North Kent College
Lawrence Jenkins	North Kent College
Aidan Kelly	Braintree District Council
Chris Lee	Gladman
Ian Lewis	Opportunity South Essex
Richard Longman	Thames Gateway Kent Partnership
Chris Lydon	North Kent College
Matthew Lynwood	Faybrook Ltd
Rob Macdonald	Essex County Council
Clare Marten White	Riding Sunbeams Ltd
Gary MacDonnell	Essex County Council
Claudia McKibbin	Essex County Council
Stephanie Mitchener	Essex County Council (as delegated S151 Officer for the Accountable Body)
Charlotte Moody	Essex County Council (Legal representative for the Accountable Body)
Bryn Morris	University of Essex
Rhiannon Mort	SELEP
Lorna Norris	Essex County Council
Sarah Nurden	KMEP
Lindsey O'Malley-Flack	North Kent College
Sarah Read	Essex County Council
Tim Rignall	Southend Borough Council
Alex Riley	SELEP
Julian Sanchez	Essex County Council
Christopher Seamark	Kent County Council
Peter Shakespear	Essex County Council
Lisa Siggins	Essex County Council
Stephen Taylor	Thurrock Council
Christopher Tilly	SQW
Simon Thomas	Canterbury City Council
Adam Thompson	Essex County Council
Charles Wimborne	Somerlee Homes

Robert Willis Essex County Council
Katherine Wyatt SELEP

1 **Welcome and apologies for absence**

There were no apologies.

The Chair informed the Board that Chris Brodie, the Chair of the Strategic Board was present at today's meeting as a visible presence but would not have any voting rights.

2 **Minutes 16.10.20**

The minutes of the meeting held on Friday 16th October were agreed as an accurate record.

3 **Declarations of interest**

Councillor Chambers declared a non-pecuniary interest in respect of agenda 10 Growing Places Update which concerned the Historic Dockyard Chatham, as he is a trustee thereof. Whilst no decision was sought in relation to the Historic Dockyard Chatham project during the meeting, Councillor Chambers did not vote on this item.

4 **Questions from the public**

There were none.

5 **Capital Programme Update**

The Accountability Board (the Board) received a report from Rhiannon Mort, Capital Programme Manager, 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.

The Board were advised that it is currently forecast that £78.240m LGF will remain unspent at the end of 2020/21. This figure includes £58.342m LGF from Ministry of Housing Communities and Local Government (MHCLG) and £19.899m LGF from the DfT.

There followed a discussion concerning the risks (both financial and reputational) associated with such an underspend and it was acknowledged that a detailed discussion would need to be had at the February Board meeting.

Resolved:

1. **To Agree** the updated total planned LGF spend in 2020/21 of £69.236m excluding Department for Transport (DfT) retained schemes and increasing to £89.301m including DfT retained schemes, as set out in Table 1 and Appendix A of the report.

2. **To Note** the deliverability and risk assessment, as set out in Appendix B of

the report.

3. **To Note** the mitigation/action required in relation to high risk projects as set out in Appendix C of the report.

6 **A28 Sturry Link Road Update Report**

The Board received a report (Appendix A 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 planning applications considered by Canterbury City Council's Planning Committee on 17th November 2020 had unfortunately not been successful. This was in relation to the developments which are due to financially contribute to the project.

Councillor Gough updated the Board and asked that the £4.79 funding not be reallocated at this stage, and for other options to be considered. He also advised that a planning appeal may be submitted for the developments.

Simon Thomas, Head of Planning at Canterbury City Council gave the Board further details regarding the refusal of the planning application. He explained that there were some details issues that could be resolved leading to either a reapplication or an appeal. He also stressed the importance of the project to the Local Plan.

There followed a discussion by the Board of the situation, including timescales, risks and the likelihood of planning consent being granted. The Board felt that an extension to the deadline should be granted and that an update would need to be given to the Strategic Board.

Resolved:

1. **To Agree** to extend the deadline to 12 February 2021 for planning consent to be secured for the Broad Oak Farm and Sturry developments
2. **To Agree** a deadline for planning to be in place by 12 March 2021 for the Project
3. **To note** an update will be presented to the Strategic Board on 11 December 2020
4. **To Note** the requirement for the full funding package to be in place by 12 March 2021 for the delivery of the Project

7 **Queensway Gateway Road Project Update**

The Board received a report (Appendix B was considered under Exempt items) from Richard Dawson, Head of Service - Economic Development, Skills and Infrastructure, East Sussex County Council and Helen Dyer, SELEP Capital Programme Officer, the purpose of this report is for the Board to receive a further update on the delivery of the Queensway Gateway Road (the Project)

Councillor Glazier provided an update on the position regarding the Compulsory Purchase Order and advised that as the project was three quarters complete,

that it really did need to be completed. He stressed that he was equally frustrated and disappointed at the delay.

There followed a discussion, which included the strategic importance of the project.

Resolved:

- 1 To Note the latest position on the delivery of the Project; and
- 2 To Agree that the Board will be provided with a further update on the Project at its meeting on 12th February 2021.

8 M11 J8 Update

The Board received a report from Howard Davies, SELEP Capital Programme Officer, the purpose of which was for the Board to receive an update on the delivery of the M11 Junction 8 project (the Project), Essex.

Councillor Finch advised that he was confident that funding will be in place by the February deadline.

Resolved:

- 1 **To Agree** that written confirmation must be provided by Essex County Council to SELEP Accountable Body, by 12 February 2021, to confirm the funding package is in place for the Project, to enable the release of the remaining £0.495m LGF to Essex County Council for the delivery of the Project beyond 31 March 2021.
- 2 **To Agree** that if written confirmation is not provided by Essex County Council as stated in 1.(above) then the remaining £0.495 LGF will be reallocated to the LGF pipeline.
- 3 **To Agree** that if written confirmation is not provided by Essex County Council as stated in 1.(above) there is compelling justification for SELEP Accountable Body not to recover the £2.239m LGF spent on the Project to date, subject to the LGF spend to date on the Project continuing to meet the LGF grant conditions for capital expenditure.

9 University of Essex Parkside 3

The Board received a report from Howard Davies, the purpose of which was for the Board to receive an update on the delivery of the University of Essex Parkside 3 project (the Project), Essex.

The Board were advised of the funding difficulties encountered due to Covid 19, but that Section 106 funding was now in place.

There followed a discussion regarding the funding issues, and it was agreed that the SELEP secretariat will formally write to the Council of the University setting out the requirements regarding LGF funding.

Resolved:

1. **To Agree** that the Project be paused and no LGF grant transferred until confirmation can be provided to the Board at its next meeting on 12 February 2021 that the outstanding planning and funding issues have been resolved.
2. **To Agree** that should the Council of the University of Essex NOT agree to continue to support the Project at their meeting on 30 November 2020, the LGF grant allocation will be removed from the Project and allocated to the next project available in the LGF pipeline once agreed by Strategic Board in December 2020.
3. **To Agree** that if all issues aren't resolved by 12 February 2021 the funding should be considered for reallocation to the next project in the LGF pipeline
4. **To Note** that following the confirmations set out above, further approval will be required from SELEP Strategic Board in March 2021 to allow spend beyond the Growth Deal period.
5. **To Note** that the SELEP secretariat will formally write to the Council of the University setting out the requirements regarding LGF funding.

10 Growing Places Fund Update

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

It was pointed out that there was a minor typographical error in the current repayment schedule which should be £0.5m repayment in 20/21 (rather than £0.55m) table 5 of the report.

It was also pointed out that the Herne Relief Road project that not been included in the report. The funding decision for the project is now due to be considered at the February Board meeting instead.

Resolved:

1. **To Note** the updated position on the GPF programme;
2. **To Approve** the revised repayment schedule for the Workspace Kent project;
3. **To Approve** the revised repayment schedule for the Live Margate project and agree that, despite repayments not being made in line with the original repayment schedule, no interest will be charged on the loan;
4. **To Approve** the revised repayment schedule for the No Use Empty Commercial project and agree that, despite repayments not being made in line with the original repayment schedule, no interest will be charged on the loan;
5. **To Approve** the revised repayment schedule for the North Queensway

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 Sovereign Harbour project and agree that, despite repayments not being made in line with the original repayment schedule, no interest will be charged on the loan.

11 **Update on SELEP Revenue Budget 2020-21 and Proposed Revenue**

The Board received a report from Lorna Norris, Senior Finance Business Partner the purpose of which was for the Board to consider latest financial forecast position for the SELEP Revenue budget for 2020/21. In addition, a proposed budget for 2021/22 was recommended for approval, based on current best knowledge of funding streams in 2021/22.

Councillor Finch raised concerned regarding future budget deficits as detailed in the report and the impact on the SELEP secretariat.

Lorna Norris advised that funding options are extremely limited and that they are looking to secure other sources of funding from the Government. It was also confirmed that all other LEPs are in a similar situation regarding future funding.

Chris Brodie pointed out that a spending review by the Government was due in the next week and that this may provide some more clarity.

There followed a detailed discussion with the Board expressing its concern regarding the budget restraints and its future impact on the Secretariat. It was agreed that a further discussion would be organised to consider the local authority contributions and whether any changes were required to the method of calculating the contributions.

Suzanne Bennet confirmed that a revised budget could be considered by the Board in 2021/22 if any additional funding was received.

Resolved:

1. **To Note** the current forecast revenue outturn position for 2020/21 of an underspend of £142,000;
2. **To Approve** the revenue budget for 2021/22 set out in Table 5 of the report, including the net contribution to reserves of £96,000 as set out in Table 8 of the report;
3. **To Confirm** that Local Authority partners will contribute the match funding required to secure the core funding expected from MHCLG in 2021/22 as set out in Table 7 of the report;
4. **To Approve** the recommended increase in the minimum level of reserves to £260,000 from 2021/22, held to meet the costs of closure should SELEP cease to function.

5. **To note** that a review of the budget will be made in 2021/22 when further information is available.

12 **SELEP Operations Update**

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 includes details on risk management and updates on items of governance. The financial update is in a separate report.

Resolved:

1. **To Note** the new 2020 Assurance Framework as agreed by the Strategic Board and the updated Assurance Framework monitoring; and
2. **To Note** the Risk Register at Appendix C of the report.

13 **Getting Building Fund Programme Update**

The Board received a report from Rhiannon Mort the purpose of which was to provide the Board with an overview of the Getting Building Fund (GBF) programme and agree the planning spend in 2020/21.

The Board were advised that funding for the current tranche had been received and that a further £42.5m GBF has been provisionally allocated to SELEP in 2021/22 but formal confirmation of this funding is not expected until April 2021. Rhiannon confirmed that meetings and conversations were in progress to obtain the necessary confirmation.

The Board proceeded to discuss the funding risk with Simon Cook enquiring as to whether there could be some funding reallocation. Rhiannon advised that she look into this and report back the Board at the February meeting.

Resolved:

To Agree the updated total planned GBF spend of £29.687m GBF in 2020/21.

14 **Award of Getting Building Fund funding – High Certainty**

The Board received a report (Appendix D was considered under Exempt items) from Katherine Wyatt, Capital Programme Officer, and a presentation from Steer, the purpose of which was for the Board to consider the award of £48,636,190 Getting Building Fund (GBF) to the twelve projects (the Projects) detailed at Appendix C of the report. The Projects are included in the £85m package of 34 GBF projects agreed with Government in July 2020.

A change to the recommendations under agenda item 14 – 16 was proposed during the meeting so that all funding decisions for GBF projects were made subject to Government agreeing any changes to the project outcomes identified. This change to the recommendations of the report was proposed due to Government having sought more detailed information about the outcomes of GBF projects.

Resolved:

1. **To Approve** the award of a total of £48,636,190 GBF to the following twelve projects which have been assessed as offering High Value for Money with High certainty of achieving this, subject to Government agreeing any changes to project outcomes identified for these projects:

1.1. Enterprise Centre for Horizon 120 Business Park, Essex - £7,000,000 GBF award

1.2. Harlow Library, Essex - £977,000 GBF award, subject to the full funding package being confirmed by 9th November 2020 or the GBF will be automatically reallocated to the next project on the GBF pipeline.

1.3. Harlow College, Essex - £1,500,000

1.4. Swan Modular Housing Factory, Essex - £4,530,000 GBF award, subject to written confirmation being provided by the scheme promoter to confirm that the four risks to the project proceeding have been mitigated. If written confirmation has not been provided by 12th February 2020, the GBF will be automatically reallocated to the next project on the GBF pipeline.

1.5. UTC Maritime & Sustainable Technology Hub, East Sussex - £1,300,000 GBF award

1.6. First and Second Floors, Building 500, Discovery Park, Sandwich, Kent - £2,500,000 GBF award

1.7. Javelin Way Development, Kent - £578,724 GBF award

1.8. New Performing & Production Digital Arts Facility @ North Kent College, Kent - £12,301,786 GBF award

1.9 Romney Marsh Employment Hub, Kent - £3,536,466 GBF award

1.10 Thanet Parkway Railway Station, Kent - £11,999,000 GBF award

1.11 The Meeting Place Swanley, Kent - £1,490,000 GBF award.

1.12 Transport and Logistics Institute, Thurrock - £600,000 GBF award

2. **To Note** that the award of GBF funding to the twelve projects is subject to sufficient GBF being received by SELEP from Central Government in 2021/22. This point is considered further in the GBF update report (agenda item 13).

15 Award of Getting Building Fund funding – High value for money

The Board received a report from Rhiannon Mort, and a presentation from Steer, the purpose of which was for the Board to consider the award of £4.789m Getting Building Fund (GBF) to the seven projects (the Projects) detailed at Appendix B of the report. The Projects are included in the £85m package of 34 GBF projects agreed with Government in July 2020.

A change to the recommendation was proposed during the meeting, as per agenda item 14.

Resolved:

1. **To Approve** the award of a total of £4.789m GBF to the following seven projects which have been assessed as offering High Value for Money with medium/low certainty of achieving this, subject to Government agreeing any changes to project outcomes identified for these projects:

1.1. Charleston Access Road, East Sussex- £89,293 GBF award

1.2. Tindal Square, Chelmsford - £750,000 GBF award

1.3. South Essex, No Use Empty - £1.200m GBF award

1.4 Sussex Innovation Falmer, Covid Secure adaptations - £200,000 GBF award

1.5 Creative Hub, 4 Fishers Street, Lewes - £250,000 GBF award

1.6 Nexus, Harlow - £1.600m GBF award

1.7 Labworth Car Park, Canvey Island modernisation - £700,000 GBF award

2. **To Agree** that once the No Use Empty project has been completed, a decision must be brought back to the Board to agree how any GBF held by Southend Borough Council in relation to the project should be spent.

3. **To Note** that the award of GBF funding to the seven projects is subject to sufficient GBF being received by SELEP from Central Government in 2021/22. This point is considered further in the GBF update report (agenda item 13).

16 Award of Getting Building Fund funding – High Value for Money and Medium Certainty

The Board received a report (Appendix D was considered under Exempt items) from Howard Davies, the purpose of which was for the Board to consider the award of £13,672,500 Getting Building Fund (GBF) to the six projects (the Projects) detailed at Appendix B of the report. The Projects are included in the £85m package of 34 GBF projects agreed with Government in July 2020.

A change to the recommendation was proposed during the meeting, as per agenda item 14.

Resolved:

1. **To Note** the risk to the value for money and outputs/outcomes offered by the Riding Sunbeams project due to the issues set and set out in section 4.11 of the report.

2. **To Approve** the award of a total of £13,672,500 GBF to the following five projects which have been assessed as offering High Value for Money with

Medium certainty of achieving this, this because either the projects do not have planning permission or exhibit a benefit cost ratio that may be sensitive to any net downside risks, or other, subject to Government agreeing the changes to project outcomes identified for these projects:

2.1. Better Queensway Opportunity South Essex - £4,200,000 GBF award, subject to:

- Written confirmation from Southend Borough Council that planning permission has been granted, by 31 March 2021, the Board will be asked to agree that the GBF will be reallocated to the next project on the GBF pipeline at the first Board meeting in 2021/22

2.2 Jaywick Market and Commercial Space, Essex - £1,972,000 GBF award

2.3 Rocheway Independent Living, Essex - £713,000 GBF award

2.4 Modus (Essex) - £1.960m GBF award

2.5 Tendring Bikes and Cycle Infrastructure, Essex - £2.300m GBF award and

2.6 Riding Sunbeams Solar Railways, East Sussex - £2,527,500 GBF award

3. **To Agree** that if the planning consent for the Jaywick Market and Commercial Space project has not been successfully secured for the project by end of Q1 2021/22, the GBF must be returned to SELEP in full for reallocation to the next project on the GBF pipeline.

4 **To Note** that the award of GBF funding to the six projects is subject to sufficient GBF being received by SELEP from Central Government in 2021/22. This point is considered further in the GBF update report (agenda item 14).

17 **Date of next meeting**

The Board noted that the next meeting will take place on Friday 12th February 2021, which is likely to be held online.

The Chair offered her thanks to everyone for the huge amount of work involved in producing the reports for today's meeting.

There being no urgent business the meeting closed at 12.45 pm

18 **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.

19 **A28 Sturry Link Road CONFIDENTIAL APPENDIX A**

The Board noted A28 Sturry Link Road CONFIDENTIAL APPENDIX A.

- 20 Queensway Gateway Road Project Update- CONFIDENTIAL APPENDIX B**
The Board noted Queensway Gateway Road Project Update- CONFIDENTIAL APPENDIX B.
- 21 Award of Getting Building Fund funding – High Certainty- CONFIDENTIAL APPENDIX D**
The Board noted Award of Getting Building Fund funding – High Certainty- CONFIDENTIAL APPENDIX D.
- 22 Award of Getting Building Fund funding – High Value for Money CONFIDENTIAL APPENDIX D**
The Board noted Award of Getting Building Fund funding – High Value for Money CONFIDENTIAL APPENDIX D.

Chair