**Minutes of Strategic Board 12th of June 2020**

**Attendees**

|  |  |
| --- | --- |
| Chris Brodie | Chair |
| Sarah Dance | Deputy Chair |
| Adam Bryan | CEO |
| Aideen Sadler | Opportunity South Essex |
| Ana Christie | Team East Sussex |
| Angela O’Donoghue | Further Education representative |
| Carol Ford | Kent and Medway Economic Partnership |
| Claire Lewis  | Success Essex |
| Clive Soper | Team East Sussex |
| Cllr David Finch | Essex County Council |
| Cllr David Monk | Kent District/Borough/City Councils representative |
| Cllr Graham Butland | Essex District/Borough/City Councils representative |
| Cllr Keith Glazier | East Sussex County Council |
| Cllr Mark Coxshall | Thurrock Council |
| Cllr Rodney Chambers | Medway Council |
| Cllr Roger Gough | Kent County Council |
| Cllr Ron Woodley | Southend Borough Council |
| Geoff Miles | Kent and Medway Economic Partnership |
| Graham Peters | Team East Sussex |
| Jo James | Kent and Medway Economic Partnership |
| Liz Gibney | Kent and Medway Economic Partnership |
| Matthew Arnold | Kent and Medway Economic Partnership |
| Miles Adcock | Success Essex |
| Penny Shimmin | Social Enterprise Representative |
| Perry Glading | Opportunity South Essex |
| Prof Karen Cox | Higher Education Representative |

Apologies: Cllr Rob Gledhill

**Other attendees:**

|  |  |  |  |
| --- | --- | --- | --- |
| Alex Riley | SELEP Secretariat | Jo Simmons | SELEP Secretariat |
| Amy Bernardo | ECC | Joanne Cable | Medway Council |
| Amy Ferraro | SELEP Secretariat | Iwona Bainbridge | SELEP Secretariat |
| Andrew Metcalf | Maxim PR | Kerry Clarke | KCC |
| Anna Eastgate | Thurrock Council | Kim Forward | Hastings Borough Council |
| Ben Hook | RDC | Lee Burchill | KCC |
| Carmen Nicoara | King’s College London | Lorna Norris | ECC |
| Carole Barron | University of Kent | Louise Aitken | SELEP Secretariat |
| Charlotte Moody | ECC | Mark Jones | SELEP Secretariat |
| Chris Burr | Southend-on-Sea Borough Council | Marwa Al-Qadi | ESCC |
| Claudia McKibbin | Essex County Council | Michael Payne | KCC |
| Dave Evans | ESCC | Paul Chapman | ECC |
| Ellie Clow | SELEP Secretariat | Peter Shakespear | ECC |
| Floortje Hoette | Produced in Kent | Richard Dawson | East Sussex County Council |
| Gary MacDonnell | ECC | Sarah Nurden | KMEP |
| Helen Dyer | SELEP Secretariat | Sharon Spicer | SELEP Secretariat |
| Helen Russell | SELEP Secretariat | Stephanie Mitchener | ECC |
| Hilary Knight | Natural Partnerships CIC | Stephen Taylor | Thurrock Council |
| Howard Davies | SELEP Secretariat | Steve Evison | ECC |
| Iain McNab | CLGU | Susan Berdo | KCC |
| Ian Lewis | Opportunity South Essex | Sylvana Jones | KCC |
| Nicole Wood | ECC Executive Director of Finance and Technology | Jim Wilkinson | SELEP Secretariat |
| Rhiannon Mort | SELEP Secretariat | Jess Steele | White Rock Neighbourhood Ventures |
| Suzanne Bennett | SELEP Secretariat | Jane Hartnell | Hastings Borough Council |
| Tristan Smith | ECC | Vimbai Foroma | ECC |
| Vivien Prigg | ECC | Zoe Gordon | ECC |

***This meeting was held as video conference and a recording can be found by*** [***clicking here***](https://www.youtube.com/watch?v=uyXqia8QG_0&t=8421s)***; the timestamp of the start of the discussion for each item is indicated in brackets***

# Welcome and introduction

## Chris Brodie welcomed the Board to the virtual meeting.

# Minutes of last meeting, declarations of interest, matters arising (4’58” timestamp on video)

## The Board **agreed** the minutes of the last meeting.

## Chris Brodie declared an interest relating to the discussion of the funding of the Secretariat.

## Sarah Dance declared the following interests:

### an interest relating to the discussion of the funding of the Secretariat;

### a pecuniary interest in England’s Creative Coast and will not take part in any relevant discussions that may arise; and

### her husband is working with Canterbury Christ Church University.

## Jo James declared an interest relating to the Growth Hub as Kent Invicta Chambers is the contractor for the Kent and Medway Growth Hub.

## Karen Cox declared an interest relating to the Kent and Medway Medical School. She will leave the meeting for this part of the discussion.

## There was a general discussion regarding providing a response to the MHCLG call to projects received shortly before the meeting.

# COVID-19 Economic Intelligence Update (26’00”)

## The Board **noted** the contents of the Economic Intelligence pack.

## Regular intelligence updates will continue to be provided, focusing on those areas of most relevance to the Board.

# Summary: COVID-19 Impact and Options for SELEP (37’45”)

## The Board **noted** the summary information in advance of considering items 4a, 4b and 4c.

# A- Capital Programme Impact Analysis (41’15”)

## The Board **agreed** that the Accountability Board can agree to award the funding to new projects, if the Local Authority can identify an alternative LGF project to accept a charge over the project, equivalent to the value of the new project, until the final third of funding is confirmed by Central Government. For example, for £4m LGF to be awarded to the Kent Medical School for spend in the next few months, KCC would put a £4m charge against an alternative LGF project, until the final third of funding is confirmed by Central Government.

## Where it is not possible to put a charge over an alternative LGF project or the local authority chooses not to pursue this option, the project can come forward to the Accountability Board for funding approval but the funding will be conditional upon the final third of LGF being received from Central Government.

## The Board **noted** that under agenda item 4c, the Board is asked to use £3.525m Growing Places Fund (GPF) to bridge the gap between the LGF currently committed by the Accountability Board and the funding which has been received from MHCLG to date. Should HM Government pay the final third of the capital grant in this financial year, the £3.525m will be returned to the GPF pot. If the Board do not agree to repurpose £3.525m GPF, as set out under agenda item 4c, the Board will need to identify additional projects to bear the £3.525m LGF risk; this funding will only be available to the partner authority if the remaining third of LGF is transferred.

## The Board is **agreed** to enter into updated Service Level Agreements for the transfer of LGF, as set out in section 6 and in the form as substantially similar to the terms set out in Appendix E, and delegate authority to the CEO and COO to finalise the terms of the agreement.

## The Board is **endorsed** the use of ‘Option 4’ capital swaps with local authority capital programmes to demonstrate the spend of LGF within 2020/21, as set out in section 9 below.

## The Board **agreed** to prioritise the NIAB project over the Colchester grow-on project.

## The following comment was noted in relation to this report from Rother District Council relating to the Bexhill Enterprise Park North:

## “While the first part of the mitigation refers to the appeal it does not provide the full picture. RDC offered (a year ago) to pay for a masterplan of this site in order that the plan submitted could be adjusted to meet the NE Bexhill supplementary Planning document (SPD). This was rejected by Seachange Sussex (SCS). However, it is a mitigation factor that should be recorded that could be undertaken in order to meet the drawdown timescales. The mitigation should be that SCS submit a masterplan and revised planning application that confirms with the NE Bexhill SPD. RDC offered to pay for this work and to work with SCS so that this was delivered”.

# B- GPF Project Prioritisation (1h30’46”)

## The Board agreed the following prioritised GPF pipeline of projects:

|  |  |  |  |
| --- | --- | --- | --- |
| Project | Federated Area | GPF ask (£) | Cumulative total (£) |
| Green Hydrogen | KMEP | 3,470,000 | 3,470,000 |
| Observer Building (Phase 1) | TES | 1,750,000 | 5,220,000 |
| Barnhorn Green (Phase 1) | TES | 1,750,000 | 6,970,000 |
| Wine Innovation Centre | KMEP | 600,000 | 7,570,000 |
| Cockle Wharf | OSE | 3,500,000 | 11,070,000 |
| Herne Relief Road | KMEP | 3,500,000 | 14,570,000 |
| No Use Empty South Essex | OSE | 1,000,000 | 15,570,000 |
| No Use Empty Commercial | KMEP | 2,000,000 | 17,570,000 |
| Observer Building (Phase 2) | TES | 1,616,500 | 19,186,500 |
| Barnhorn Green (Phase 2) | TES | 1,750,000 | 20,936,500 |
| No Use Empty Residential | KMEP | 2,500,000 | 23,436,500 |

## The Board **noted** that the award of funding to the GPF projects will be considered under agenda item 4c.

## The Board **agreed** that should the Board decide to prioritise any GPF projects for investment under agenda item 4c, that a further credit check is completed prior to any funding being awarded to third party scheme promoters by the Accountability Board.

## The Board **agreed** that should the Board decide to prioritise any GPF projects for investment under agenda item 4c, that the project Business Cases must be presented to Accountability Board for funding approval within 6 months of this meeting.

## The Board **agreed** that the prioritised GPF pipeline of projects will be used to identify the next priority projects to be included within the GPF programme, under the following circumstances:

### in the event that projects prioritised by the Board for investment under agenda item 4c don’t receive funding approval from Accountability Board within 6 months; and

### to facilitate the reinvestment of any GPF repayments made against existing projects in 2020/21 and 2021/22.

# C- COVID-19 GPF Options (2h17’58”)

## The Board **agreed** Option C; GPF Round 3 should be part funded with the projects on the prioritised list being funded to a value agreed by Board and the remainder diverted to the other activities below:

### allocate £1 million funding to establish a revenue reserve to support the SELEP Secretariat operating budget during financial years 2021/22 and 2022/23;

### allocate £1 million funding to establish an extended Sector Support Fund programme to operate in 2020/21 and 2021/22 and to add an additional criterion to the programme criteria that requires projects to demonstrate their contribution to COVID-19 recovery;

### allocate £2 million funding to establish a COVID-19 Skills Fund to support COVID-19 recovery, this potentially could be a grant fund or a loan fund or a combination thereof;

### allocate £2.4 million funding to establish a COVID-19 SME Business Support Fund to support COVID-19 recovery; and

### allocate £3.6 million funding to establish an LGF COVID-19 LGF Contingency Fund that would underwrite the risks to the LGF programme that have arisen due to the changes to the payment of the capital grant by HM Government. Any funding allocated to this contingency would revert to the GPF pot if and when the final third of LGF monies are paid.

## This will be subject to Accountability Board approval to set up the budgets (not the establishment of the funds or the use of the funding in this way).

## The Board **noted** that repurposing GPF to other funding options will reduce the value of the recycled loan fund available to support future rounds of GPF.

# Impact of COVID-19 on Higher Education Sector (2h50’47”)

## The Board **agreed** to be a voice speaking for the value that the University presence brings to any given region and urgently take the impact of Covid-19 on the U9 and wider higher education sector to government.

## The Board **noted** the impact of Covid-19 on the U9 and their impaired capacity to respond to the economic and social recovery of the region.

## The Board **noted** the breadth of support the U9 group can bring to the recovery of the region.

**QUORUM WAS LOST AFTER ITEM 5 (3h00’00”).**

**THE FOLLOWING DECISIONS WILL BE CONDUCTED VIA ELECTRONIC PROCEDURE**

# Growth Hub Update and ERDF Legacy Funding

## The Board is asked to **agree** the ERDF Legacy Funding proposal to provide support for businesses looking to pivot/ adapt during economic recovery.

## The Board is asked to **note** SELEP’s current Growth Hub model

# Sector Support Fund Applications

## The Board is asked to:

### **note** the amount of Sector Support Funding available for projects is £206,500 which would be insufficient to fund the three projects that have been put forward to the Board;

### **endorse** the following projects which have been assessed as meeting the SSF eligibility criteria for funding:

#### Delivering skills of the future through teaching: teaching for growth (extension proposal) (£76,000); and

#### Buy Local South East (£69,510), subject to verbal confirmation at the Board meeting that the Project has received endorsement from the Federated Boards;

### **note** that a further application for funding has been received for the SE Export Development (SEED) (£129,860) project which is not recommended for approval at this time, as not all the eligibility criteria has been met;

### **agree** that England’s Creative Coast be allowed to extend its delivery by one year; and

### **note** the update on the delivery of the SSF programme.