

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
ClIr David Finch	Essex County Council
ClIr David Monk	Kent District/Borough/City Councils representative
ClIr Graham Butland	Essex District/Borough/City Councils representative
ClIr Keith Glazier	East Sussex County Council
ClIr Mark Coxshall	Thurrock Council
ClIr Rodney Chambers	Medway Council
ClIr Roger Gough	Kent County Council
ClIr 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: ClIr 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](#); the timestamp of the start of the discussion for each item is indicated in brackets

Item 1: Welcome and introduction

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

Item 2: Minutes of last meeting, declarations of interest, matters arising (4'58" timestamp on video)

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

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

2.3. Sarah Dance declared the following interests:

- i) an interest relating to the discussion of the funding of the Secretariat;
- ii) a pecuniary interest in England's Creative Coast and will not take part in any relevant discussions that may arise; and
- iii) her husband is working with Canterbury Christ Church University.

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

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

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

Item 3: COVID-19 Economic Intelligence Update (26'00")

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

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

Item 4: Summary: COVID-19 Impact and Options for SELEP (37'45")

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

Item 4: A- Capital Programme Impact Analysis (41'15")

4.1. 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.

- 4.2. 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.
- 4.3. 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.
- 4.4. 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.
- 4.5. 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.
- 4.6. The Board **agreed** to prioritise the NIAB project over the Colchester grow-on project.
- 4.7. 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”.

Item 4: B- GPF Project Prioritisation (1h30’46”)

- 4.1. 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

- 4.2. The Board **noted** that the award of funding to the GPF projects will be considered under agenda item 4c.
- 4.3. 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.
- 4.4. 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.
- 4.5. 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:
- i) 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
 - ii) to facilitate the reinvestment of any GPF repayments made against existing projects in 2020/21 and 2021/22.

Item 4: C- COVID-19 GPF Options (2h17'58")

- 4.1. 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:
- i) allocate £1 million funding to establish a revenue reserve to support the SELEP Secretariat operating budget during financial years 2021/22 and 2022/23;
 - ii) 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;
 - iii) 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;
 - iv) allocate £2.4 million funding to establish a COVID-19 SME Business Support Fund to support COVID-19 recovery; and
 - v) allocate £3.525 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.
- 4.2. 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).
- 4.3. 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.

Item 5: Impact of COVID-19 on Higher Education Sector (2h50'47")

- 5.1. 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.
- 5.2. 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.

5.3. 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

Item 6: Growth Hub Update and ERDF Legacy Funding

- 6.1. The Board is asked to **agree** the ERDF Legacy Funding proposal to provide support for businesses looking to pivot/ adapt during economic recovery.
- 6.2. The Board is asked to **note** SELEP's current Growth Hub model

Item 7: Sector Support Fund Applications

- 7.1. The Board is asked to:
 - i) **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;
 - ii) **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;
 - iii) **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;
 - iv) **agree** that England's Creative Coast be allowed to extend its delivery by one year; and
 - v) **note** the update on the delivery of the SSF programme.