
Summary of decisions taken at a meeting of the SELEP Accountability Board, held online on Friday, 16 October 2020

Published on Friday 16th October 2020. Provided a decision has not been called in by close of business on Wednesday 21st October 2020 it can then be implemented.

Please note that this is a summary of decisions taken at the meeting only. A full account of proceedings will appear in the minutes of the meeting which will be published on the Council's website by Tuesday 3rd November 2020.

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Present:

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|----------------------|---|
| Sarah Dance | Chair |
| Cllr David Finch | Essex County Council |
| Cllr Roger Gough | Kent County Council |
| Cllr Rodney Chambers | Medway Council |
| Cllr Rupert Simmons | East Sussex County Council |
| Cllr Ron Woodley | Southend-on Sea Borough Council |
| Cllr Mark Coxshall | Thurrock Council |
| Rosemary Nunn | Higher Education representative |
| Simon Cook | Further Education/Skills representative |

1 Welcome and apologies for absence

The following apologies were received.

- Cllr Rob Gledhill substituted by Cllr Mark Coxshall
- Cllr Keith Glazier substituted by Cllr Rupert Simmons

2 Minutes 18.09.20

The minutes of the meeting held on Friday 18th September were agreed as an accurate record.

3 Declarations of interest

Councillor Rupert Simmons declared a non-pecuniary interest in relation to the Fast Track Business Solutions for the Hastings Manufacturing Sector project which was considered under agenda item 5. He did not speak under this agenda item or vote.

4 Questions from the public

Submitted by Andrea Needham, a local resident:

In December 2012, SELEP issued a press release in which it said that the North Queensway Innovation Park in Hastings had 'the potential of creating 865 jobs'.

In Sept 2015, Seachange Sussex claimed on their website that the site would provide 'space for up to 300 employees in total'.

So far, no jobs have been created. However, SELEP is now planning to award Seachange Sussex a further £3.5m for the site, which according to documents to be presented to the accountability board meeting on 16 October is now expected to create 75 jobs.

Given that Seachange was given a £1.5m loan (£0.5m of which remains outstanding) for the project some eight years ago, with a view to creating 865 jobs, but has created none at all, how can SELEP justify giving the company a further £3.5m of public money for the same project?

Response:

A £1.5m GPF loan was awarded to East Sussex County Council for the North Queensway project. The funding was awarded to bring forward site access and enabling infrastructure. The indirect jobs that could be created once the site was fully developed were estimated to be 865. The works funded by the GPF loan have been completed but there have been delays to the development of the site due to unforeseen problems with drainage and consequent planning issues. This Board has been informed that Sea Change are taking steps to address these issues and the full development of the site is still expected to happen and that development is still expected to deliver the 865 indirect jobs. The £3.5m GBF investment brings forward part of the development of the site. Whilst it is still anticipated that private investment will deliver the development of the site, the GBF investment is expected to bring forward a proportion of the 865 jobs more quickly. The GBF investment was identified due to a pressing need for modern manufacturing space in the area and to assist with COVID19 recovery. The award of the funding from SELEP is being made to East Sussex County Council.

Secondly, what comeback will there be if Seachange, having taking £4m of public money for the project (£3.5m from the Getting Building Fund plus £0.5m which may never be repaid from the previous loan) fails to create even the latest prediction of 75 jobs? Will Seachange be required to repay the money?

Response:

All funding issued by Essex County Council on behalf of SELEP is done so under a legal agreement with the recipient. Getting Building Fund legal agreements have not yet been finalised and therefore we cannot comment on the provisions therein at this time.

For all capital investment schemes, there is a requirement to develop a Benefits Realisation Plan which is embedded within the business case submission. The Benefits Realisation Plan monitors the impacts of the project for up to a 5 year period post-completion. This will include monitoring of the number of jobs created. All of this information is reported back quarterly to the South East Local Enterprise Partnership Accountability Board and Strategic Board.

5 Award of Getting Building Fund funding

The Board received a report (Appendix D was considered under Exempt items) from Helen Dyer, SELEP Capital Programme Officer, the purpose of which was to allow the Accountability Board (the Board) to consider the award of £13.803m 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 projects agreed with Government in July 2020.

Steven Bishop, Steer gave the Board details regarding the business case assessments for each of the seven projects.

Resolved:

1. **To Approve** the award of:

1.1 £680,000 GBF to support the delivery of the Acceleration of full-fibre broadband deployment in very rural or very hard to reach premises project as set out in Appendix C of the report, which has been assessed as offering High value for money with High certainty of achieving this.

1.2 £1,990,000 GBF to support the delivery of the Britton Farm Redevelopment: Learning, Skills and Employment Hub project as set out in Appendix C of the report, which has been assessed as offering High value for money with High certainty of achieving this.

1.3 £1,820,000 GBF to support the delivery of the Extension of the full-fibre broadband rollout in Essex to reach rural and hard to reach premises project as set out in Appendix C of the report, which has been assessed as offering High value for money with High certainty of achieving this.

1.4 £3,500,000 GBF to support the delivery of the Fast Track Business Solutions for the Hastings Manufacturing Sector project as set out in Appendix C of the report, which has been assessed as offering High value for money with High certainty of achieving this.

1.5 £1,600,000 GBF to support the delivery of the Restoring the Glory of the Winter Garden project as set out in Appendix C of the report, which has been assessed as offering High value for money with High/Medium certainty of achieving this.

1.6 £1,713,000 GBF to support the delivery of The Observer Building, Hastings (Phase 1b) project as set out in Appendix C of the report, which has been assessed as offering High value for money with High certainty of achieving this.

1.7 £2,500,000 GBF to support the delivery of the Extension of the existing ASELA LFFN project as set out in Appendix C of the report, which has been assessed as offering High value for money with Low certainty of achieving this.

2. **To Note** that the award of GBF funding to the above projects is subject to sufficient GBF being received by SELEP from Central Government.

6 **Beaulieu Station Project Update**

The Board received a report (Appendix A was considered under Exempt items) from Howard Davies, Capital Programme Officer, the purpose of which was for the Board to receive an update on the delivery of the Beaulieu Station project (the Project), Chelmsford, Essex.

Resolved:

1. **To Note** the latest position on the delivery of the Project
2. **To Agree** a further update report should be presented to Board in February 2021

7 **Reallocation of LGF Funding**

The Board received a report from Howard Davies, SELEP Capital Programme Officer, the purpose of which was for the Board to consider the reallocation of Local Growth Fund (LGF) from the following two projects to the LGF project pipeline;

- Tilbury Riverside
- Southend Forum 2

Resolved:

1. **To Agree** the reallocation of the total award of LGF to the Tilbury Riverside project of £2,360,000 be returned to the LGF project pipeline
2. **To Agree** that the £52,595 LGF already transferred to Thurrock Council to date in relation to the Tilbury Riverside projects must be returned to the SELEP Accountable Body.
3. **To Agree** the reallocation of the total award of LGF to the Southend Forum 2 project of £6,000,000 be returned to the LGF project pipeline.
- 4 **To Agree** that the £2,106,652 LGF already transferred to Southend on Sea Borough Council to date in relation to the Forum 2 projects must be returned to the SELEP Accountable Body.
- 5 **To Agree** that the LGF funds in recommendations 2 and 4 above are to be returned to the SELEP Accountable Body, in advance of the end of this calendar year in order that potential pipeline projects can be advanced.

8 **SELEP COVID-19 Business Support Fund**

The Board received a report from Jo Simmons, SELEP Business Development Manager, the purpose of was to allow the Board to agree to award £2.4m to the COVID-19 Business Support Programme (the Programme) and to delegate decision making authority to the SELEP Chief Executive Officer in respect of delivery of the Programme

Resolved:

1. **To Agree** the award of £2.4m to the Programme, based on the case for investment set out in section 4 of the report
2. **To Agree** the proposed procurement approach for the delivery of £2.365m through a new single tender framework comprising three individual Lots
3. **To Agree** to £35,000 of the £2.4m funding pot to be used for project management resource
- 4 **To Agree** to delegate authority to the SELEP Chief Executive Officer, to sign off the award of contracts for each project within the Programme
- 5 **To Agree** to delegate authority to the SELEP Chief Executive Officer to amend the value of funding identified for each project within the Programme by up to £100,000 if so required, subject to:
 - 5.1 The total value of investment remaining within the total £2.365m budget allocated to the Programme;
 - 5.2 The minimum project benefits, set out in Table 1 of the report, still being achieved; and
 - 5.3 Ensuring the maximum value of any project 'package' included in the Programme does not exceed £1m
- 6 **To Note** that the procurement of the projects included within the Programme will be completed in accordance with Essex County Council procurement advice and regulations.

9 Date of next meeting

The Board noted that the next meeting will take place on Friday 20th November 2020 online.

There being no urgent business the meeting closed at 11.18 am

10 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.

11 Award of Getting Building Fund funding CONFIDENTIAL APPENDIX D

The Board noted Award of Getting Building Fund funding CONFIDENTIAL APPENDIX D.

12 Beaulieu Station CONFIDENTIAL APPENDIX A

The Board noted Beaulieu Station CONFIDENTIAL APPENDIX A.

Chair