
Minutes of a meeting of the SELEP Accountability Board, held at Community Hall, Thurrock CVS, The Beehive Resource Centre, West Street, Grays, RM17 6XP on Friday, 19 November 2021

Present:

Members of the Board:

Sarah Dance	Chair
Cllr Lesley Wagland	Essex County Council
Cllr Roger Gough	Kent County Council
Cllr Keith Glazier	East Sussex County Council
Cllr Ron Woodley	Southend-on-Sea Borough Council
Cllr Rob Gledhill	Thurrock Council
Rosemary Nunn	Higher Education representative
Simon Cook	Further Education/Skills representative

Also present:

Marwa Al-Qadi	East Sussex County Council
Richard Bartlett	Bartletts SEAT Ltd
William Benson	Tunbridge Wells Borough Council
Suzanne Bennett	SELEP
Amy Bernardo	Essex County Council
Colin Black	Thurrock Council
Chris Broome	Sea Change Sussex
Bernard Brown	Member of the public
Adam Bryan	SELEP
Lee Burchill	Kent County Council
David Candlin	Tunbridge Wells Borough Council
Paul Chapman	Essex County Council
Alex Colbran	East Sussex County Council
Howard Davies	SELEP
Tom Dawlings	Tunbridge Wells Borough Council
Richard Dawson	East Sussex County Council
Helen Dyer	SELEP
Sunny Ee	Medway Council
Stephanie Ennis	Essex County Council (Legal representative for the Accountable Body)
Amy Ferraro	SELEP
Tariq Khwaja	TK Associates

Stephanie Mitchener	Essex County Council (as delegated S151 Officer for the Accountable Body)
Andrea Needham	Sea Change Watch
Michael Neumann	Essex County Council
Lorna Norris	Essex County Council
Sarah Nurden	Kent County Council
Vivien Prigg	Essex County Council
Tim Rignall	Southend-on-Sea Borough Council
Chris Seamark	Kent County Council
Lisa Siggins	Essex County Council
Stephen Taylor	Thurrock Council
Laura Wallis	Essex County Council
Jonathan White	Kent County Council

1 Welcome and Apologies for Absence

- Cllr Kevin Bentley substituted by Cllr Lesley Wagland
- Cllr Mark Coxshall substituted by Cllr Rob Gledhill
- Cllr Rodney Chambers

The chair asked members to endeavour to send a deputy should they be unable to attend a future meeting, this will ensure that the Board remains quorate.

2 Minutes of the last meeting.

The minutes of the meeting held on Friday 10 September 2021 were agreed as an accurate record.

3 Declarations of Interest

No declarations of interest were made.

4 Questions from the public

Question 1 - Mr Bernard Brown

Mr Brown was present and read out his question - **When talking about accountability, an East Sussex County Council Officer said in a press interview in July 2021, "The Queensway Gateway is not our project" This was repeated by a Lead Councillor at a Full East Sussex County Council Meeting on 12 October 2021 In an Fol answer from SELEP the Accountability Board stated it did not contract directly with Sea Change Sussex. In such circumstances who does have accountability as the Contracting Authority. Who is accountable for delivering the project to SELEP?**

If the answer is given that ownership of the contract does rest with East Sussex County Council, albeit acting on behalf of SELEP, I would like to ask what scrutiny has been undertaken by SELEP to make sure recent Grant Agreements signed by Sea Change Sussex and East Sussex Council for North Bexhill and Hastings Fastrack Projects do not weaken the intended safeguards in the SLA between SELEP and ESCC. Has SELEP or, on its behalf Essex County Council as the Accountable Body, scrutinised any agreements for escalating risk to public money? With the recent performance history of this contractor, it should be noted just asking a generic question does not constitute scrutiny.

Response:

SELEP and Essex County Council, as the Accountable Body, contract with East Sussex County Council through a Service Level Agreement, which sets out the Grant Responsibilities of both the Accountable Body and East Sussex County Council. East Sussex County Council is responsible for delivery of the Project and is required under the terms of the Service Level Agreement to enter into an agreement with any third-party delivery partners, i.e., Sea Change Sussex, which sets out the relevant rights and obligations imposed on East Sussex County Council under the terms of the Service Level Agreement.

An agreement between East Sussex County Council and Sea Change Sussex in relation to the Bexhill Enterprise Park North project was completed in late October 2021. East Sussex County Council have provided written assurances that the agreement with Sea Change Sussex specifically reflects the terms of the Service Level Agreement between East Sussex County Council, SELEP and Essex County Council.

It is understood that an agreement between East Sussex County Council and Sea Change Sussex in relation to the Fast Track Business Solutions for the Hastings Manufacturing Sector project is not in place.

Question 2 - Paul (no surname given)

Paul was not present at the meeting and his question was read out by Adam Bryan - **What can the Board do to stop Sea Change Sussex delaying the start to the temporary connection to the Queensway Gateway Link Road?**

Response:

The Service Level Agreement between East Sussex County Council, SELEP and Essex County Council (as the Accountable Body for SELEP) outlines a requirement for expenditure of the Local Growth Fund funding to be in accordance with all applicable legal requirements. As a result, the Board cannot require Sea Change Sussex to progress with the delivery of the signalled connection in advance of confirmation that all required approvals have been received and legal documentation completed. The status of the required approvals and legal documentation is outlined within the update on the Queensway Gateway Road project provided under Agenda Item 16 at this meeting.

5 SELEP Finance Update

The Accountability Board (the Board) received a report from Lorna Norris, Senior Finance Business Partner, the purpose of which was for the Board to consider the latest financial forecast position for the SELEP Revenue budget for 2021/22. In addition, a proposed budget for 2022/23 was recommended for approval, based on current knowledge of funding available in 2022/23.

The Board were advised that the Government have confirmed that SELEP can now apply for the remaining £250k of the 2021/22 core funding, however there has not been any update regarding any future funding. It was confirmed that the application for the remainder of the core funding will be made during the week commencing 22 November, and if successful funding will be received by mid-December.

In response to a question raised by Councillor Gough, Lorna Norris clarified the position regarding the risk reserve.

Adam Bryan advised the Board that due to reduction in funding, there will unfortunately be a 45% reduction in staffing which would have a knock-on effect to support provided by the secretariat. He further advised that there is now a "flight risk" in respect of losing staff as no future assurances are available.

The Board proceeded to discuss this issue and acknowledged that this was an incredibly difficult time for all staff involved and offered their thanks for all their hard work.

Simon Cook raised the issue of legal implications/risks due to staffing reductions, with Stephanie Ennis confirming that she was looking into this issue. Lorna Norris confirmed that the responsibility sits with Essex County Council (as Accountable Body) to ensure that all contractual requirements entered into by SELEP Ltd. are met.

The Chair offered her thanks to all staff involved and to Essex County Council as the Accountable Body for their support.

Resolved:

1. **To Note** the current forecast net cost of services for 2021/22 is an under spend of £15,000;

2. **To Approve** the appropriation to the Operational Reserve of the following funding:

2.1 Sector Support Funding of £126,736

2.2 Covid-19 Skills Funding of £417,864

2.3 Covid-19 Business Support Funding £22,864

2.4 Growing Places Revenue Funding of £986,614

3 **To Approve** the establishment of the following reserves, funded by the respective appropriations from the Operational Reserve:

3.1 Redundancy Reserve - £275,000

3.2 Future Commitments Reserve - £423,000

3.3 Risk Reserve - £975,000

4. **To Approve** the revenue budget for 2022/23 set out in Table 6 of the report, including the appropriations from reserves, as set out in Table 8 of the report.

6 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 carried out by the Secretariat to support both this Board and the Strategic Board. The report also included a decision to extend the contract for the Independent Technical Advisor which was awarded on a 1 year plus 1 year basis starting in April 2021. The report included an update on the Risk Register and information on compliance with our Assurance Framework.

The Board were advised that SELEP were currently “in consultation” with secretariat staff, which will result in a number of redundancies from 1 April 2022. This would unfortunately lead to a high risk of “flight risk” of losing key members of staff.

Simon Cook enquired as to whether there could be an amalgamation of the Strategic and Accountability Board, but it was confirmed that this was not possible due to their differing legal frameworks.

The Chair highlighted issues with Federated Board papers and minutes not being provided for publication on the SELEP website in line with requirements of the Assurance Framework.

Resolved:

1. **To Agree** to extend the contract with Steer for the provision of the Independent Technical Evaluator services for 1 year from 1 April 2022 to 31 March 2023.
2. **To Note** the proposed changes to the Assurance Framework as highlighted at Appendix A of the report.
3. **To Note** the update on Assurance Framework compliance monitoring at Appendix C of the report and Governance KPIs at Appendix D of the report; and
4. **To Note** the changes to the Risk Register at Appendix E of the report.

7 Growing Places Fund Update

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

The Board were advised that the letter of assurance from South Essex College had now been received and was currently being considered by the Essex County Council S151 officer.

Resolved:

1. **To Note** the updated position on the GPF programme.
2. **To Approve** the £650,000 reduction in GPF allocation to the Colchester Northern Gateway project and the associated amended repayment schedule.
3. **To Agree** that a revised repayment schedule for the Centre for Advanced Engineering project can be brought forward to this meeting, contrary to the GPF loan agreement which requires the Board to receive 6 months' notice of any change to the Project.
4. **To Approve** the revised repayment schedule for the Centre for Advanced Engineering project as shown at Section 7.10 of the report, subject to the received letter of assurance from the Director of Finance (or equivalent) at South Essex College being approved by the Essex County Council S151 officer 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 Agree** that £18,767 owed against the Workspace Kent project should be written off following provision of evidence that Kent County Council have taken all reasonable steps to recover the debt. Noting that the remaining balance of the Workspace Kent GPF allocation is still expected to be repaid in accordance with the updated repayment schedule shown at Section 8.10 of the report.

8 GPF funding decision

The Board received a report from Helen Dyer, SELEP Capital Programme Manager, the purpose of which was to provide the Board with an update on the projects remaining on the Growing Places Fund (GPF) project pipeline and to consider the award of the remaining GPF funding available for allocation in 2021/22.

Resolved:

1. **To Agree** to award funding to the second project on the GPF project pipeline (No Use Empty Residential), in the absence of a Business Case for the project at the top of the pipeline (Leigh Port Quay Wall) to facilitate swift investment of the GPF funding. Noting that the Leigh Port Quay Wall project will remain on the GPF project pipeline and that, subject to receipt of forecast GPF repayments, there will be sufficient funding available to support the project in early 2022/23 if funding is still required; and
2. **To Approve** the award of £2.5m GPF by way of a loan to support the delivery of the No Use Empty Residential project, as set out in Appendix B of the report which has been assessed as presenting High value for money with High certainty of achieving this.

9 Getting Building Fund Update

The Board received a report from Helen Dyer, SELEP Capital Programme Manager, the purpose of which was for the Board to consider the overall position of the Getting Building Fund (GBF) capital programme.

The Board were advised that the Fast Track Business Solutions for the Hastings Manufacturing Sector project has not met the conditions that were attached to the funding award in September 2021 and that as a result the project should be removed from the GBF programme in line with the decision taken by the Board in September 2021.

Councillor Glazier spoke in respect of the Fast Track Business Solutions for the Hastings Manufacturing Sector project, acknowledging that this was an unfortunate situation. He advised that planning permission for the project remained outstanding, with a decision expected in early 2022, but stressed that there remains a strong commitment to supporting economic growth in East Sussex. Councillor Glazier requested that the project remain on the funding pipeline, allowing the project to be considered if further funding became available.

Adam Bryan advised that prioritisation of projects sits with the Strategic Board and therefore the possibility of retaining the project on the pipeline would need to be subject to a conversation at a future meeting of the Strategic Board should there be funding available for allocation.

Resolved:

1. **To Note** the current forecast spend for the GBF programme for 2021/22 financial year of £61.237m, as set out in Table 1 of the report.

2. **To Note** that the Laindon Place project has received approval from Essex Highways for the proposed public realm works and that therefore the first of the two funding conditions applied to the Project has been met.

3. **To Agree** that the requirement for planning approval to be obtained for the electric vehicle charging points to be delivered as part of the Laindon Place project can be removed, on the basis that planning approval is not required as permitted development rights can be used to deliver these elements of the project.

4. **To Note** the updates on the projects which have received approval for retention of GBF funding beyond 31 March 2022.

5. **To Note** the update on the GBF projects which have been identified as High Risk.

6. **To Note** that the Fast-Track Business Solutions for the Hastings Manufacturing Sector project has not met the conditions attached to the funding award in September 2021 (as set out in Section 7.12 of the report) and that the

project will therefore be removed from the GBF programme in accordance with the decision taken by the Board in September 2021. The £804,365 GBF currently held by East Sussex County Council should be returned to Essex County Council, as Accountable Body for SELEP, within 4 weeks of this Board meeting for reallocation to alternative projects on the GBF prioritised project pipeline, alongside the funding currently held by the Accountable Body.

10 **GBF Extensions beyond 31 March 2022**

The Board received a report from Helen Dyer, SELEP Capital Programme Manager, the purpose of which was for the Board to consider whether the projects outlined in the report meet the conditions agreed in July 2021 for retention of their respective Getting Building Fund (GBF) allocations beyond 31 March 2022.

Councillor Wagland spoke in support of the Jaywick Market and Commercial Space project, which is in an area of high deprivation. Councillor Wagland also expanded on the challenges faced by the Acceleration of full-fibre broadband deployment in very rural or very hard to reach areas and the Extension of the full-fibre broadband rollout in Essex to reach rural and hard to reach areas projects.

Councillor Woodley spoke in support of the Better Queensway and No Use Empty South Essex projects. Councillor Gledhill also stressed the importance of the No Use Empty South Essex project.

Resolved:

In relation to the following projects: **Jaywick Market and Commercial Space, Better Queensway and No Use Empty South Essex.**

1. **To Agree** that the Project meets the conditions and criteria previously agreed by the Board for the retention of GBF funding beyond 31 March 2022 for a maximum period of 6 months, subject to Strategic Board endorsement at the December 2021 meeting.

In relation to the following projects: **Acceleration of full-fibre broadband deployment in very rural or very hard to reach areas and Extension of the full-fibre broadband rollout in Essex to reach rural and hard to reach areas.**

1 **To Agree** that the Project meets the conditions previously agreed by the Board for the retention of GBF funding beyond 31 March 2022 and that as an exception funding should be retained against the Project for a maximum period of 12 months, subject to Strategic Board endorsement at the December 2021 meeting.

11 **GBF Funding Decision - The Amelia Scott**

The Board received a report from Howard Davies, SELEP Capital Programme Officer, the purpose of which was for the Board to consider the award of £1.4m Getting Building Fund (GBF) to The Amelia Scott project (the Project) as set out in Appendix B of the report, should additional funding become available as a

result of either Board deciding to remove allocations from GBF projects under earlier decisions on the agenda or confirmation that conditions set by the Board have not been met and therefore allocations have been removed from GBF projects.

Howard Davies advised that as a result of the removal of the Fast Track Business Solutions for the Hastings Manufacturing Sector project from the GBF programme, sufficient funding was available to support both the Princess Alexandra Hospital project, which is at the top of the GBF prioritised project pipeline, and The Amelia Scott project, which is second on the pipeline and therefore the award of funding to The Amelia Scott project at this meeting would not represent a re-ordering of the pipeline. A funding decision for the Princess Alexandra Hospital project is expected to come forward in February 2022, alongside Business Cases for other GBF pipeline projects for which there is now sufficient funding.

Howard Davies advised that letters of support had been received from the Leader of Tunbridge Wells Borough Council and Greg Clark MP.

Councillor Gough spoke in support of the project and also indicated that Table 3 within the report was incorrect. Table 3 indicates that all local authority funding to support project delivery was provided by Tunbridge Wells Borough Council. Councillor Gough noted that Kent County Council had also made a financial contribution towards the delivery of the project. The Business Case indicates that Kent County Council have contributed £1.549m to the project.

Resolved:

1. **To Note** that the award of GBF funding to The Amelia Scott project outlined in the report would only be considered if sufficient funding (£1.9m) is available to support both projects at the top of the pipeline, either as a result of decisions taken during the course of the Board meeting on 19 November 2021 or confirmation being provided in that meeting that funding conditions that have been previously set by the Board have not been met by GBF Projects.

2. **To Agree** the award of £1.4m GBF to The Amelia Scott project which has been assessed as presenting High value for money with High certainty of achieving this, subject to Government approval of project inclusion within the GBF programme

12 Local Growth Fund Programme Update

The Board received a report from Helen Dyer, SELEP Capital Programme Manager, the purpose of which was for the Board to consider the overall position of the Local Growth Fund (LGF) capital programme, as part of SELEP's Growth Deal with Government.

Councillor Woodley confirmed the current position of the Southend Central Area Action Plan and Southend Town Centre projects.

Resolved:

1. **To Agree** the updated total planned LGF spend on project delivery in 2021/22 of £52.633m excluding DfT retained schemes and increasing to £69.347m 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 D of the report.
3. **To Note** that the Bexhill Enterprise Park North project has met the conditions attached to the funding award in September 2021, as set out in Section 6.5.4 of the report, and that it will now progress to delivery, with completion of the LGF funded works expected in March 2022.
4. **To Agree** the updated completion dates for the following projects, which have experienced delays of more than 6 months:
 - 4.1. Hailsham/Polegate/Eastbourne Movement and Access Transport scheme – delayed from March 2022 to March 2023
 - 4.2. Maidstone Integrated Transport Package – delayed from September 2023 to September 2024
 - 4.3. A28 Sturry Link Road – delayed from March 2024 to June 2025
 - 4.4. Innovation Park Medway (Phase 2) – delayed from March 2022 to November 2022
 - 4.5. Southend Town Centre – delayed from March 2022 to January 2024.
5. **To Agree** the spend of LGF beyond 30 September 2021 and the revised completion date for the Southend Central Area Action Plan (SCAAP) project as set out in Section 7 of the report, subject to Strategic Board endorsement in December 2021.

13 A28 Sturry Link Road Update

The Board received a report from Howard Davies SELEP Capital Programme Officer which was presented by Helen Dyer, SELEP Capital Programme Manager, the purpose of which was to update the Board on the A28 Sturry Link Road project (the Project) which is currently ranked as high risk.

The Board were advised that the land acquisition may not be completed by 31 March 2023. Kent County Council have conducted an in depth review of the delivery programme and have ascertained that the land acquisition might not be completed until the end of August 2023.

Councillor Gough spoke in support and stated that if the land acquisition was able to complete without a Compulsory Purchase Order, an earlier completion date may be achievable. 31 August 2023 represents a long-stop date should a Compulsory Purchase Order be required. Councillor Gough also pointed out that Option 2 would have an adverse effect on other social infrastructure elements of the wider project due to the additional funding being diverted to support delivery of the new link road.

Resolved:

1. **To Agree** to extend the deadline for completion of the land acquisition to 31 August 2023 and to the transfer of the remaining £4.656m to Kent County Council on condition that the updated land acquisition deadline is met. Noting that it was agreed at the September Board meeting that the remaining LGF funding should be transferred to Kent County Council on condition that the land acquisition be completed by 31 March 2023.
2. **To Note** that, due to the extension request outlined in this report, none of the remaining £4.656m LGF has been transferred to Kent County Council since the September Board meeting.
3. **To Note** that a further update on the Project will be provided at the February 2022 Board meeting which will include:
 - 3.1. an update on progress towards the completion of the land acquisition process;
 - 3.2. an update on procurement for the design and build contract.

14 LGF Additional Funding Awards

This item was not required as no LGF funding was returned to SELEP for reallocation as a result of decisions taken by the Board during the course of this meeting.

15 London Gateway/Stanford le Hope LGF project update

The Board received a report from Keith Rumsey Interim Assistant Director – Regeneration and Place Delivery, Thurrock Council and Howard Davies SELEP Capital Programme Officer, which was presented by Colin Black Thurrock Council, the purpose of which was to provide an update to the Board on the delivery of the London Gateway/Stanford le Hope project (the Project).

The Board were advised that, in light of cost increases and the changing position since the original Business Case was produced, there is a requirement for a revised Business Case to be produced to demonstrate that the project continues to offer High value for money. It is expected that this will be considered by the Board in February or April 2022.

Councillor Gledhill spoke in support of the project and outlined some of the challenges faced. In addition, Councillor Gledhill set out the ambitions for the project, with a view to maximising benefits for local residents, as well as the employment sites identified in the Business Case.

The Chair stressed that it was important that the Board had further updates on this project and other projects which have been identified as High Risk.

Resolved:

1. **To Note** the update on the Project, including that delivery of the Project is now expected to complete beyond the extension agreed at the September 2021 Board meeting.

2. **To Agree** a further extension to the Project to July 2024, subject to provision of an updated Business Case which sets out Value for Money and Benefits offered by the Project, for consideration by the April 2022 Board meeting at the latest.

3. **To Note** that a further project update will be brought to the Board, as agreed at the September 2021 Board, in February 2022 to:

3.1. Confirm that the tender process for the Station Upgrade (Phase 1) has been successful. Provide an updated delivery programme and confirmation that a full funding package is in place to deliver the works.

3.2. Confirm the design progress for Phase 2, including planning application progress along with an outline delivery programme, forecast costs and confirmation that a full funding package is in place to deliver the Phase 2 works.

16 **Queensway Gateway Road update**

The Board received a report from Richard Dawson, Head of Service - Economic Development, Skills and Infrastructure, East Sussex County Council and Helen Dyer, SELEP Capital Programme Manager, the purpose of which was for the Board to receive a further update on the delivery of the Queensway Gateway Road project (the Project).

Richard Dawson advised that all necessary steps are being taken by East Sussex County Council, Sea Change Sussex and National Highways to allow the signalised connection to be delivered. Richard Dawson also indicated that it is currently expected that the signalised connection will be constructed and open for use by Summer 2022 at the earliest, subject to completion of required Traffic Regulation Orders.

Councillor Glazier advised that 85% of the road had been built and that the real benefits would be achieved in Summer 2022 when the full length of the new road could be opened for public use.

Resolved:

1. **To Note** the latest position on the delivery of the Project and the steps which need to be taken to secure completion; and

2. **To Agree** that the Board will be provided with a further update on the Project, which updates the project delivery plan and associated milestones, at its meeting on 11 February 2022.

17 **LGF high risk project 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 following Local Growth Fund (LGF) projects which are

currently ranked as high risk: A13 Widening and Maidstone Integrated Transport Package (ITP).

Resolved:

A13 Widening

1. **To Note** the update on the Project.
2. **To Note** that a further update will be brought to the February 2022 Board meeting.

Maidstone ITP

1. **To Note** the update on the Project
2. **To Note** that a further delivery update will be brought to the February 2022 Board meeting, which will include:
 - 2.1. progress towards securing the required consent to relocate the ragstone wall; and
 - 2.2. a funding breakdown which sets out the split between the phases of the project.

18 Date of Next Meeting

The Board noted that the next meeting will take place on Friday 11 February 2022, venue to be confirmed.

There being no further business, the meeting closed at 12.05 pm.

Chair