
Minutes of the meeting of the SELEP Accountability Board, held at Astor Pavilion, Kent Event Centre, Kent Showground, Maidstone ME14 3JF on Friday, 02 July 2021

Present:

Sarah Dance	Chair
Cllr Lesley Wagland	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 Mark Coxshall	Thurrock Council
Rosemary Nunn	Higher Education representative
Louise Aitken	SELEP
Marwa Al-Qadi	East Sussex County Council
Suzanne Bennett	SELEP
Amy Bernardo	Essex County Council
Steven Bishop	Steer
Colin Black	Thurrock Council
Chris Broome	Sea Change Sussex
Bernard Brown	Member of the public
Adam Bryan	SELEP
Joanne Cable	Medway Council
Paul Chapman	Essex County Council
Ellie Clow	SELEP
Alex Colbran	East Sussex County Council
Howard Davies	SELEP
Richard Dawson	East Sussex County Council
Helen Dyer	SELEP
Amy Ferraro	SELEP
Steve Mannix	Mercury Theatre
Stephanie Mitchener	Essex County Council (as delegated S151 Officer for the Accountable Body)
Charlotte Moody	Essex County Council (Legal representative for the Accountable Body)
Lorna Norris	Essex County Council
Vivien Prigg	Essex County Council

Tim Rignall	Southend Borough Council
Christopher Seamark	Kent County Council
Lisa Siggins	Essex County Council
Stephen Taylor	Thurrock Council
Laura Wallis	Essex County Council
Jim Wilkinson	SELEP
Katherine Wyatt	SELEP
Louise Zandstra	Charleston

1 Welcome and Apologies for Absence

The Chair welcomed Board members including one new member – Cllr Mark Coxshall (Cabinet Member at Thurrock Council who will now be attending instead of Cllr Rob Gledhill). Cllr Bentley (new Leader at Essex County Council) is also new to the Board, but he was unable to attend this meeting.

The following apologies were received:

- Cllr Kevin Bentley substituted by Cllr Lesley Wagland
- Simon Cook

2 Minutes of the last meeting

The minutes of the meeting held on Friday 12th March were agreed as an accurate record.

3 Declarations of Interest

Sarah Dance advised that she draws a small salary from Canterbury City Council for some cultural work that she does with them, where they may submit a bid to the levelling up fund. It is not directly related to anything being discussed today, however, Sturry Link Road (agenda item 8) is within Canterbury City Council's administrative area. She confirmed that it was a non-pecuniary interest.

She further advised that she worked for the Mercury Theatre 25 years ago, (agenda item 12) but she does not have any current ties, and which is a non-pecuniary interest.

4 Questions from the public

There were none.

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 provisional outturn position for the SELEP Revenue budget for 2020/21 and the update to the 2021/22 budget including specific grants.

The Chair referred to the reduced revenue deficit position and paid tribute to the team for all their efforts.

Councillor Chambers stressed that Central Government “needed to get its act together” as there are so many unknowns and uncertainties. There was now a degree of urgency regarding the undertaking and completion of the LEP review.

Councillor Wagland suggested that the question be put to Central Government to ascertain whether the LEP review is being queue jumped or whether it is just taking longer than was anticipated.

Councillor Woodley requested that a brief update on the LEP review be provided at future Board meetings.

Resolved:

1. **To Approve** the provisional outturn for the South East LEP revenue budget for 2020/21 in Table 1 of the report.
2. **To Approve** the contribution of £354,000 from General Reserves in Table 1 of the report.
3. **To Approve** the establishment of a ring-fenced reserve for the COVID-19 Skills Support Fund and to contribute the £2.096m balance of this fund to this reserve in 2020/21; and then approve the subsequent draw down of this funding to be applied in 2021/22 to deliver the initiative.
4. **To Approve** the establishment of a ring-fenced reserve for the COVID-19 Business Support Fund and to contribute the £2.396m balance of this fund to this reserve in 2020/21; and then approve the subsequent draw down of this funding to be applied in 2021/22 to deliver the initiative.
5. **To Approve** the proposed 2021/22 latest SELEP revenue budget set out in Table 6 of the report, including the specific grants summarised in Table 7 of the report (and detailed in Appendix 1 of the report).
6. **To Note** the on-going uncertainties regarding the future funding position for SELEP particularly in light of the LEP review and indications from Government that no new Capital monies will be made available through LEPs.

6 Local Growth Fund Programme Update

The Board received a report from Helen Dyer, 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.

Helen Dyer indicated that the M2 Junction 5 Improvements project has now received approval from the Secretary of State for Transport and that a full update would be provided to the Board in September.

Resolved:

1. **To Note** the provisional total spend in 2020/21 of £37.483m LGF excluding Department for Transport (DfT) retained schemes and £60.733m including DfT retained schemes, as set out in Table 1 of the report.
2. **To Note** the LGF position reported to Government in May 2021, following implementation of the capital transfer previously agreed by the Board, as set out in Table 3 of the report.
3. **To Agree** the updated total planned LGF spend in 2021/22 of £69.863m excluding DfT retained schemes and increasing to £86.577m including DfT retained schemes, as set out in Table 2 and Appendix A of the report.
4. **To Note** the deliverability and risk assessment, as set out in Appendix D of the report.
5. **To Agree** the spend of LGF beyond 30 September 2021 and the revised completion date for the new construction centre at Chelmsford College project as set out in Section 5 of the report, subject to Strategic Board endorsement via electronic procedure following this Board meeting.

7 LGF (Local Growth Fund) - update on fulfilment of funding conditions

The Board received a report from Helen Dyer, Capital Programme Manager, the purpose of this report was to provide the Board with an update on those projects which have now met the funding conditions attached to the transfer of the remaining LGF allocation at the end of 2020/21.

Helen Dyer clarified that the Beaulieu Park project is expected to complete in December 2025, not late 2026 as stated in the report.

Resolved:

1. **To Note** that the Housing Infrastructure Fund (HIF) Grant Determination Agreement in relation to Beaulieu Park Station has now been signed fulfilling the LGF funding conditions attached to the Project.
2. **To Note** that planning permission has now been granted for the Bexhill Enterprise Park North project which satisfies the LGF funding conditions attached to the Project.
3. **To Note** that both projects will now proceed to delivery as set out within the report.

8 LGF (Local Growth Fund) High Risk Project Update

The Board received a report from Howard Davies, SELEP Capital Programme Officer, and Helen Dyer. The purpose of which was to provide an update on the delivery of the high risk A28 Sturry Link Road and Queensway Gateway Road LGF projects

The report also updated the Board on the London Gateway/Stanford le Hope LGF project which is now considered to be high risk.

The Board also received a verbal update from Richard Dawson, East Sussex County Council, regarding Queensway Gateway Road.

Councillor Gough referred to A28 Sturry Link Road and advised the Board that there was a slight amendment to the report, in that the planning application would now be considered at a meeting to be held on 2nd September and not 14th July. He advised that once the decision was made it would be immediately communicated to SELEP.

Councillor Coxshall referred to London Gateway/Stanford Le Hope and advised that the planning committee date had been deferred to 15th July.

Councillor Glazier referred to Queensway Gateway Road, stating that he hoped that the update provided by Richard Dawson would provide a level of comfort and that he felt confident that a detailed update would be provided at the September Board meeting.

The Board proceeded to discuss the situation regarding A28 Sturry link road and stressed that an update would be required as soon as possible following the planning committee meeting. It was agreed that the date in Recommendation 2.2 of the report be amended to reflect the new meeting date.

Resolved:

A28 Sturry Link Road:

1. **To Note** the update on the Project.
2. **To Agree** that the total £5.9m LGF allocation should be retained against the Project until 10 September 2021 when the outcome of the planning process will be known. Noting that if this is not agreed, that the unspent LGF balance of £135,000 currently held by Kent County Council must be returned to Essex County Council, as the Accountable Body, within 4 weeks of this meeting for reallocation to the next project(s) on the LGF pipeline, alongside the remaining £4.656m LGF allocation still held by the Accountable Body.
3. **To Note** that a further update will be brought to the September Board meeting which will set out the outcome of the planning process and the next steps for the Project.

Queensway Gateway Road

1. **To Note** the update on the Project, the further delay to delivery of the temporary connection and the steps which need to be taken to secure completion of the Project.
2. **To Note** that a further update will be provided to the Board in September 2021, which sets out a clear delivery plan and associated milestones.

London Gateway/Stanford Le Hope

1. **To Note** the update on the Project and the risks identified.
2. **To Agree** that a further update be brought to the Board in September 2021, which sets out a clear delivery plan, with associated milestones and confirms that a full funding package is in place.

9 A26 Tunbridge Wells Junction and Cycle Improvements Package – project change request

The Board received a report from Helen Dyer, SELEP Capital Programme Manager, the purpose of this report is for the Board to receive an update on the Tunbridge Wells A26 Cycle and Junction Improvements Package (the Project) and to consider a request to change the scope of the Project.

Cllr Gough stated that he felt that it was justifiable for this project to be brought back to the September Board meeting.

Resolved:

1. **To Agree** to retain the £1.8m LGF allocation against the Tunbridge Wells A26 Cycle and Junction Improvements Package until 10 September 2021; and
2. **To Agree** that an updated Business Case which demonstrates that the revised scope for the Tunbridge Wells A26 Cycle and Junction Improvements Package offers High value for money should be presented to the Board on 10 September 2021, along with evidence as to how the Project meets the conditions for spend beyond 30 September 2021.

10 A13 Widening project update

The Board received a report from Colin Black, Interim Assistant Director – Regeneration and Place Delivery, Thurrock Council and Howard Davies, SELEP Capital Programme Officer.

Colin Black provided a verbal update to the Board, advising that he had been out to the site and that things were progressing well. He acknowledged that there was a need to “pin down” the utilities companies but was confident that delivery would be in accordance with the programme.

Cllr Woodley congratulated Thurrock Council on the work done on this project.

Resolved:

1. **To Note** the update on the delivery of the Project.
2. **To Note** that a further update on Project delivery will be provided at the September 2021 Board meeting.

11 LGF (Local Growth Fund) Lessons Learnt Report

The Board received a report from Howard Davies, SELEP Capital Programme Officer, the purpose of which was to summarise the draft Local Growth Fund Lessons Learnt Report (the Report) to enable the Accountability Board (the Board) to discuss the recommendations set out in the Report and to provide their feedback on the Local Growth Fund (LGF) Programme.

The Board discussed the report and in particular the draft recommendations in the Table in 4.1 thereof.

Comments made included:

- Recommendations 1 and 2 - concern was raised that there may be some confusion as to the responsibilities of the Strategic Board and the Accountability Board when considering this recommendation.
- Recommendation 4 - Rosemary Nunn felt that from a Higher Educational perspective, the social value element of this recommendation was important.
- Recommendation 8 – some members questioned whether there was in fact a need to “hold back monies”- a discussion was had in this regard with some members believing that it had merits and would “sharpen minds” to encourage progress of projects. It was also felt that many high-risk projects are often the most transformational, in comparison with smaller lower risk projects. Some members believed that it should be regarded as a “critical friend” and that the recommendation in question should only be used as a last resort. Helen Dyer advised that such a recommendation was used by other LEPs and she would liaise with them on its effectiveness.
- Recommendation 10 – Cllr Chambers referred to the wording regarding further lobbying of HMG on the impact of delays by other governmental organisations continuing and spoke in support thereof.
- Delays caused by issues with utility companies was raised by Cllr Woodley, he felt that there was now improved cooperation and support by fellow Board members which was most welcome.

In response to a question from Cllr Gough, Helen Dyer advised that the comments made today would be fed into a report that would be presented to Strategic Board in October, with an update provided to this Board in November.

Resolved:

1. The Board **discussed** the contents of The Report and the recommendations therein, providing feedback to the Secretariat on their experiences of the Programme and what improvements can be taken forward; and
2. **To Note** the next steps to discuss with Strategic Board and develop an action plan for the implementation of changes.

12 LGF (Local Growth Fund) 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.

13 Getting Building Fund Programme Update

The Board received a report from Katherine Wyatt, Capital Programme Officer, 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 there is a clear message from Central Government that spending of GBF by March 2022 should be a priority, with projects only being considered for a funding extension in exceptional circumstances.

It was also pointed out that due to delays caused by unforeseen and complex land ownership matters, the UTC Maritime and Sustainable Technology Hub project in Newhaven is now reporting that it is very unlikely that their GBF allocation (£1.3m) will be spent in full by 31 March 2022.

The Board discussed the situation with support voiced for option 2 in both cases.

In response to a question from Cllr Coxshall regarding the risk to SELEP's reputation, Suzanne Bennett advised that whilst we are most affected by the risk of GBF projects overrunning due to the high GBF allocation received, SELEP's reputation with Government with regard to delivery is in fact good and Government understand that this is a complex programme which is likely to experience slippage due to the restricted time allowed for delivery.

Cllr Gough made reference to Section 7 of the report and asked for some clarification regarding the referenced reprioritisation of projects in the GBF pipeline, with Helen Dyer providing clarification in this regard.

Resolved:

1. **To Note** the current forecast spend for the GBF programme for 2021/22 financial year of £71.448m.
2. **To Retain** GBF funding against projects after 31 March 2022, subject to certain conditions being satisfied as detailed in 6.9.3 of the report.
3. **To allow** the UTC Maritime and Sustainable Technology Hub Project until the September 2021 Board meeting to demonstrate compliance with the criteria and conditions for retaining the GBF allocation beyond 31 March 2022.

14 **GBF (Getting Building Fund) Funding Decisions**

The Board received a report from Katherine Wyatt, Capital Programme Officer, and details of the assessment by Steer, the purpose of which was for the Board to consider the award of £1,018,865 Getting Building Fund (GBF) to the Innovation Park Medway – Sustainable City of Business and Accessing Charleston: Removing the barrier to growth Projects as set out in Appendix B of the report.

The Board were advised that the recommendations in the report would need to be amended to include the additional wording "subject to Government approval of project inclusion within the GBF programme".

Resolved:

1. **To Agree** the award of £778,323 GBF to the Innovation Park Medway – Sustainable City of Business Project which has been assessed as presenting High value for money with High/Medium certainty of achieving this, subject to Government approval of project inclusion within the GBF programme.
2. **To Agree** the award of an additional £240,542 GBF to the Accessing Charleston: Removing the barrier to growth Project which has been assessed as presenting High value for money with Low/Medium certainty of achieving this,

subject to Government approval of project inclusion within the GBF programme. This funding is an extension to the funding previously approved at the November 2020 Board meeting.

15 Growing Places Fund Programme 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.

Helen Dyer advised that an update on the Colchester Northern Gateway project had been provided since the publication of the agenda pack and as a result the recommendations to be considered by the Board had been updated.

Resolved:

1. **To Note** the updated position on the GPF programme.
2. **To Approve** the revised repayment schedule for the Eastbourne Fisherman's Quay and Infrastructure Development project and agree that, despite repayments not being made in line with the original repayment schedule, no interest will be charged on the loan.
3. **To Note** the change to the drawdown schedule for the Colchester Northern Gateway project; and
4. **To Note** the ongoing identified risk to the repayment schedule for the Centre for Advanced Engineering project.

16 GPF (Growing Places Fund) Funding Decision

The Board received a report from Helen Dyer, SELEP Capital Programme Manager and details of the assessment by Steer, the purpose of which was for the Board to consider the award of £1.6165m Growing Places Fund (GPF) funding to the Observer Building project (the Project) detailed in Appendix B of the report. This project was included in the GPF project pipeline agreed by Strategic Board on 12 June 2020.

Resolved:

To Approve the award of £1.6165m GPF by way of a loan to support the delivery of the Observer Building project, as set out in Appendix C, which has been assessed as offering High value for money with High certainty of achieving this.

17 Operations Update

The Board received a report from Suzanne Bennett, Chief Operating Officer, the purpose of which was to provide the Board with an update on the operational activities within the Secretariat to support both this Board and the Strategic Board. The report includes an update on the risk register and information on compliance with the Assurance Framework.

The Chair and Cllr Glazier offered their thanks to the team for all their efforts.

Resolved:

1. **To Note** the outcome of the Annual Performance Review and the Essex County Council Internal Audit review of SELEP and Accountable Body processes (report can be seen at Appendix A of the report);
2. **To Note** the update on Assurance Framework compliance monitoring at Appendix B and Governance KPIs at Appendix C of the report; and
3. **To Note** the changes to the Risk Register at Appendix D of the report.

18 Date of Next Meeting

The Chair advised that Katherine Wyatt would be leaving SELEP in August and offered her thanks on behalf of the Board for all her hard work.

The Board noted that the next meeting will take place on Friday 10th September 2021, venue to be confirmed.

19 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.

20 A13 Widening project Update - CONFIDENTIAL APPENDIX A

The Board noted **A13 Widening project Update**

CONFIDENTIAL APPENDIX A.

21 Hadlow College CONFIDENTIAL VERBAL UPDATE

The Board received Hadlow College CONFIDENTIAL VERBAL UPDATE.

Chair