
Minutes of the meeting of the SELEP Accountability Board, held in Detling Room, Kent Event Centre, Kent County Showground, Maidstone ME14 3JF on Friday, 10 September 2021

Present:

Cllr Louise McKinley	Essex County Council
Cllr Roger Gough	Kent County Council
Cllr Rodney Chambers (Items 1-14)	Medway Council
Cllr Keith Glazier	East Sussex County Council
Cllr Ron Woodley	Southend Borough Council
Cllr Mark Coxshall	Thurrock Council
Rosemary Nunn (Items 1-9)	Higher Education representative
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
Aaliyah Buxy	Medway Council
Joanne Cable	Medway Council
David Candlin	Tunbridge Wells Borough Council
Paul Chapman	Essex County Council
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)

Michael Neumann	Essex County Council
Lorna Norris	Essex County Council
Sarah Nurden	Kent County Council
Vivien Prigg	Essex County Council
Christopher Seamark	Kent County Council
Lisa Siggins	Essex County Council
Stephen Taylor	Thurrock Council
Laura Wallis	Essex County Council
Jonathan White	Kent County Council
Andy Willett	Southend Borough Council
Jim Wilkinson	SELEP

1 Welcome and Apologies for Absence

The following apologies were received:

- Sarah Dance - Councillor Gough acted as Chair in place of Sarah Dance
- Cllr Kevin Bentley substituted by Cllr Louise McKinley
- Simon Cook

2 Minutes of the last meeting

Under minute 2 (Declarations of Interest) it currently states that Sarah Dance draws a small salary from Canterbury City Council for some cultural work. This is not accurate – Sarah has a contract for provision of services to Canterbury City Council but is not an employee of the council and does not draw a salary.

The minutes of the meeting held on Friday 2 July 2021 were thereafter agreed as an accurate record.

3 Declarations of Interest

None

4 Questions from the public

There were none.

5 Local Growth Fund programme update

The Accountability Board (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, contrary to the information set out within the report, the Bexhill Enterprise Park North project no longer meets the conditions previously agreed by the Board for LGF spend beyond September 2021. This was due to the decision regarding whether to enter into a variation of the usual LGF third party grant agreement being delayed until 30 September, meaning that contractual commitments with the construction contractor would not be in place by the end of September as required.

Councillor Glazier spoke in support of the Bexhill Enterprise Park North project and indicated that the delay was solely due to a technicality regarding individual decision making on the signing of the third-party grant agreement. In addition, Councillor Glazier indicated that the project was shovel ready and could be delivered within the time period set out within the report, subject to the completion of the grant agreement.

Councillor Glazier requested that the Board agree that the project should be treated as an exception to the conditions previously agreed for LGF spend beyond September 2021.

In response to a question from Councillor Chambers, Councillor Glazier indicated that as far as he was aware there was no chance of a judicial review of the planning appeal decision being requested.

In response to a question from Councillor Coxshall, Suzanne Bennett confirmed that there are no grounds for Government to clawback the funding awarded to the project if the Board were to agree spend beyond September 2021 as an exception, as long as the funding was spent on capital expenditure.

The Board continued to discuss the project, with Charlotte Moody providing legal guidance on the responsibilities of the Board when taking decisions outside previously agreed criteria.

Consequently, the Board agreed an alternative recommendation which is set out in recommendation 7 below, with the grounds for the project being treated as an exception being that the project is shovel ready, the delay is not significant and the project remains deliverable within the time period set out in the report.

On a separate point, Councillor Chambers asked that it be noted that there is an error in Table 4 within the Local Growth Fund Capital Programme Update report. The table indicates that Innovation Park Medway – northern site (Rochester Airport – Phase 2) has already received Board approval for LGF spend beyond September 2022, this should read September 2021. In addition, the table also indicates that Innovation Park Medway – northern site extension (Rochester Airport – Phase 3) is seeking approval for LGF spend beyond September 2022 at this Board meeting, again this should read September 2021.

Resolved:

1.To Note the total spend on project delivery in 2020/21 of £49.314m LGF excluding Department for Transport (DfT) retained schemes and £72.564m

including DfT retained schemes, as set out in Table 1 of the report.

2. **To Agree** the updated total planned LGF spend on project delivery in 2021/22 of £55.616m excluding DfT retained schemes and increasing to £72.392m including DfT retained schemes, as set out in Table 2 and Appendix A of the report.

3. **To Note** the deliverability and risk assessment, as set out in Appendix D of the report.

4. **To Note** that the M2 Junction 5 improvements project has now received approval from the Secretary of State for Transport which satisfies the conditions attached to the transfer of the LGF funding.

5. **To Agree** the spend of LGF beyond 30 September 2021 and the revised completion date for the Strood Town Centre Journey Time and Accessibility Enhancements project as set out in Section 7 of the report, subject to Strategic Board endorsement in October 2021.

6. **To Agree** the spend of LGF beyond 30 September 2021 and the revised completion date for the Innovation Park Medway – northern site extension (Rochester Airport Phase 3) project as set out in Section 7 of the report, subject to Strategic Board endorsement in October 2021.

7. **To Agree** the spend of LGF beyond 30 September 2021 as an exception and the revised completion date for the Bexhill Enterprise Park North project as set out in Section 7 of this report, subject to Strategic Board endorsement in October 2021, receipt of confirmation that contractual commitments with the construction contractor are in place by 31 October 2021 and compliance with any conditions attached to the completion of the third-party grant agreement.

8. **To Agree** that the third-party grant agreement between East Sussex County Council and Sea Change Sussex in relation to the Bexhill Enterprise Park North project must be in place by 19 November 2021. If the grant agreement is not completed by this date, the Project will be removed from the LGF programme and the £1.94m LGF funding will be released for reallocation to alternative projects on the LGF prioritised project pipeline during the Board meeting on 19 November 2021.

6 **Maidstone Integrated Transport Package project update**

The Board received a report from Helen Dyer, SELEP Capital Programme Manager, which was presented by Howard Davies, SELEP Capital Programme Officer, the purpose of which was to update the Board on the delivery of the Maidstone Integrated Transport Package project (the Project).

Councillor Gough provided the Board with an update on the project, advising that it does appear to be on track, however, the mechanism for securing the required consent for the relocation of the ragstone wall has changed following updated advice from Maidstone Borough Council. It has now been agreed that listed building consent rather than planning consent is required. A pre-application meeting has already taken place, and whilst slight amendments to the design are required prior to submission, it is expected that the consent will be in place by December 2021. In light of this update, Councillor Gough requested that the recommendations be amended to allow an update on the required consent to be provided in February 2022.

Helen Dyer indicated that a further update should still be provided at the November Board meeting to ensure that all phases of the project remained on track for delivery.

Following a discussion, revised recommendations in relation to the project were agreed by the Board as set out below.

Resolved:

1. **To Note** the update on project delivery and progress towards achieving the outstanding consents;
2. **To Agree** that the £8.9m LGF funding should remain allocated to the Project;
3. **To Agree** that a project update should be provided to the Board in February 2022 on progress towards securing the required consent to relocate the ragstone wall;
4. **To Agree** that a further update on the Project, which outlines progress towards achieving the outstanding consents and on delivery of the Project, should be presented to the November Board meeting.

7 Queensway Gateway Road LGF project 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 to provide an update on the high-risk Queensway Gateway Road project.

Richard Dawson updated the Board on the current position, with Councillor Glazier stating that he was now confident that a solution was in place to allow the road to open, whilst land acquisition work continues.

Helen Dyer advised that an update on both the anticipated employment benefits and the timeline for the realisation of these benefits should be provided at the November Board meeting.

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 an update will be provided to Strategic Board in October 2021 to make them aware of the issues related to the progress of the Project; and
3. **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 19 November 2021.

8 London Gateway/Stanford-le Hope LGF project update

The Board received a report from Howard Davies, SELEP Capital Programme Officer, the purpose which was for the Board to receive an update on the delivery of the London Gateway/Stanford le Hope LGF project (the Project) which has been identified as high risk.

Resolved:

1. **To Note** the update on the Project.
2. **To Note** that planning permission has been granted for Phase 1 of the Project.
3. **To Agree** the delay to delivery of the Project to December 2023.
4. **To Agree** that a further update report be brought to the Board in November 2021 to update on progress of the design developments for Phase 2.
5. **To Agree** that an additional update report be brought to the Board in February 2022, which gives a further update to:
 - 5.1. confirm that the tender process for Phase 1 of the project has been completed successfully, to provide an updated delivery programme and confirmation that a full funding package is in place to deliver the Phase 1 works.
 - 5.2. 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.
 - 5.3. confirm that the Project scope and expected benefits remain in line with that set out in the original Business Case.

9 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, the purpose of which was to provide an update to the Board on the delivery of the A13 widening project (the Project).

Colin Black updated the Board on the latest position and Councillor Coxshall offered his thanks to the Board for their support in respect of the 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 November 2021 Board meeting.

10 A28 Sturry Link Road LGF project update

The Board received a report from Helen Dyer, SELEP Capital Programme Manager, the purpose of which was to update the Board on the A28 Sturry Link Road project (the Project).

Helen Dyer confirmed that planning consent for the project had been granted on 2nd September.

Councillor Gough spoke in respect of the project, requesting that LGF spend be taken off hold and that the remaining funding be transferred to Kent County Council (KCC). He advised that if the LGF funding wasn't released then KCC would not be able to acquire the required land to progress the project.

The Board proceeded to discuss the issue and Option 1 as set out in the report was identified as the preferred option, although this was amended slightly as a

result of the update provided by Councillor Gough. The change is reflected in recommendation 2 below.

Resolved:

1. **To Agree** that the total £5.9m LGF allocation should be retained against the Project;
2. **To Agree** that the remaining £4.656m LGF allocated to the Project should be transferred to Kent County Council on condition that the land acquisition is completed by 31 March 2023.
3. **To Note** that a further update will be brought to the November Board meeting which will set out progress towards mitigating the remaining delivery risk and progress towards delivery of the Project.

11 A26 Tunbridge Wells Junction and Cycle Improvements Package - LGF funding award

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 for the Board to consider the award of LGF funding to the A26 Tunbridge Wells Junction and Cycle Improvements Package (the Project).

Helen Dyer advised the Board that due to the high level of risk to delivery and realisation of project benefits and the fact that the project cannot meet all the conditions agreed by the Board for LGF spend beyond September 2021, it is recommended that the proposed change of scope is refused and that Option 1 in the report be agreed.

It was noted by Suzanne Bennett that SELEP had received a letter from the Leader of Tunbridge Wells Borough Council which indicated an understanding of the current position and an acknowledgement of the difficulty in identifying compelling reasons for treating the project as an exception to the conditions for LGF spend beyond September 2021 as previously agreed by the Board.

Councillor Gough clarified that whilst Kent Highways have not yet approved the project, this is due to the project being at an early stage of development meaning that there is not currently a design for Kent Highways to approve.

The Board proceeded to discuss the project and the funding, raising some questions regarding reallocation of the funding and retention of the funding already spent supporting project delivery, these issues were addressed by Helen Dyer and Suzanne Bennett.

Resolved:

1. **To Agree** that the change of project scope should not be implemented as there are significant outstanding risks to both delivery and realisation of benefits (as set out in Section 6 of the report) and due to the Project not meeting all the conditions for spend beyond 30 September 2021 (as set out in Section 7 of the report);
2. **To Agree** that the £623,389 unspent LGF funding allocated to the Project

should be returned to the SELEP Accountable Body by Kent County Council within 4 weeks of this Board meeting;

3. **To Agree** that the £623,389 unspent LGF funding should be reallocated to an alternative project(s) through the LGF project pipeline;

4. **To Agree** that there is compelling justification for the SELEP Accountable Body to not recover the £1.177m LGF spent on the Project to date, provided that the spend continues to meet the requirements of the funding agreement which is in place.

12 LGF additional funding awards

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 Local Growth Fund (LGF) to projects on the pipeline should additional LGF funding become available as a result of the Board deciding to remove allocations from projects under earlier decisions on the agenda.

Howard Davies identified those projects on the pipeline which would receive the £623,389 LGF removed from the A26 Tunbridge Wells Junction and Cycle Improvements Package project.

Resolved:

1. **To Note** that the award of additional LGF funding to the projects outlined in this report will only be considered if sufficient funding is available as a result of decisions taken during the course of the Board meeting on 10 September 2021;

2. **To Agree** that the Projects set out in Appendix E meet the conditions for LGF spend beyond 30 September 2021, subject to Strategic Board endorsement in October 2021.

3. **To Agree** the award of additional LGF to the following projects in the order they appear on the LGF COVID-19 response fund prioritised project pipeline, subject to the LGF funding being returned to the SELEP Accountable Body for reallocation:

1. Kent and Medway EDGE Hub - £322,872

2. Mercury Rising, Essex - £228,000

3. Southend Airport Business Park – Part A- £72,517

13 Getting Building 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 Getting Building Fund (GBF) capital programme.

Councillor Gough discussed the Amelia Scott project, which is currently second on the GBF project pipeline seeking GBF investment of £1.4m. Councillor Gough read out a letter from the Leader of Tunbridge Wells Borough Council, which gave a detailed explanation of the project, including progress to date and the benefits which will be realised as a result of delivery. The letter indicated that a further £1.4m of funding is still required to ensure that all project benefits can be realised. The letter contained a request for the Board to carefully consider the

impact of any decisions to allow projects to retain their GBF funding beyond March 2022, taking into consideration the projects on the pipeline.

The letter also requested permission to bring the Business Case for the Amelia Scott project to the November Board meeting, allowing funding to be awarded to the project if any GBF funding becomes available as a result of existing projects being removed from the programme. Suzanne Bennett responded to this request, outlining that the Secretariat unfortunately were not in a position to fund an ITE review for a Project which was coming forward prior to funding being available and outlining the required timetable if this was to be achieved, noting that the Board are unable to agree changes to the prioritisation of projects and therefore any award of funding would be subject to there being sufficient funding available to also support the Princess Alexandra Hospital project which is top of the GBF project pipeline. It was agreed that the SELEP secretariat would liaise with Tunbridge Wells Borough Council and Kent County Council to further explore the feasibility of bringing a Business Case for the Amelia Scott project forward to the November Board meeting.

Resolved:

1. **To Note** the total spend on project delivery in 2020/21 of £13.614m GBF, as set out in Table 1 of the report.
2. **To Note** the current forecast spend for the GBF programme for 2021/22 financial year of £69.879m, as set out in Table 2 of the report.
3. **To Note** that planning consent has now been granted for the Jaywick Sands Market and Commercial Space project, which fulfils the conditions which were attached to the award of GBF funding to the Project in November 2020.
4. **To Agree** to allow the Laindon Place Project until the November Board meeting (19 November 2021) to secure the required planning approvals for the proposed electric vehicle charging points.
5. **To Note** the update on the GBF projects which have been identified as High Risk.
- 6 **To Agree** that planning permission must be secured and the Third-Party Grant Agreement between East Sussex County Council and Sea Change Sussex in relation to the Fast-Track Business Solutions for the Hastings Manufacturing Sector project must be completed by 19 November 2021. If planning consent has not been secured and the grant agreement is not completed by this date, the project will be removed from the GBF programme and the £3.5m GBF funding will be released for reallocation to alternative projects on the GBF prioritised project pipeline.

14 GBF - Retention of funding 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 establish SELEP's position on retaining Getting Building Fund funding against the UTC Maritime and Sustainable Technology Hub project beyond 31 March 2022.

The Board chose to agree Option 1 as detailed in Section 6 of the report:

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 October 2021 meeting.

The Board also established SELEP's position on retaining Getting Building Fund funding against the Riding Sunbeams project beyond 31 March 2022. The Board chose to agree Option 1 as detailed in Section 6 of the report:

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 October 2021 meeting.

15 **Growing Places Fund programme update**

At this point in the meeting quorum was lost and no further decisions could be taken, therefore this item was deferred for discussion at a later date.

16 **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.

Suzanne Bennett noted that there have been some delays in receiving agenda packs and minutes for Federated Board meetings and asked that where possible Board members use their influence to ask officers to provide the information to SELEP within the agreed timeframe.

The Board discussed the difficult situation concerning the ongoing uncertainty regarding future funding, expressing their support and thanks to all staff involved.

Adam Bryan updated the Board on the current position and offered his thanks to the Board for their continued support.

Resolved:

1. **To Note** the update on Assurance Framework compliance monitoring at Appendix A and Governance KPIs at Appendix B of the report; and
2. **To Note** the changes to the Risk Register at Appendix C of the report.

17 **Finance update - Update on the SELEP 2021/22 Revenue Forecast**

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 SELEP Revenue Forecast for 2021/22 and the continued risks to the future funding position for the LEP.

In response to a question raised by Councillor Coxshall, Suzanne Bennett provided clarification regarding the core funding stating that 50% had been provided at the current time, with the remaining 50% pending subject to the outcome of the LEP review.

Resolved:

1. **To Note** the updated forecast revenue outturn position for 2021/22 of a net overspend of £88,000.
2. **To Note** the risks with respect to the future funding position for SELEP.

18 Date of Next Meeting

The Board noted that the next meeting will take place on Friday 19th November 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 received A13 Widening project update - CONFIDENTIAL Appendix A

Chair