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**Minutes of the meeting of the SELEP Accountability Board, held at MidKent College, Maidstone Campus, Oakwood Park, Tonbridge Road, Maidstone, Kent, ME16 8AQ, on Friday, 15 July 2022**

**Present:**

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 Mark Coxshall	Thurrock Council
Rosemary Nunn	Higher Education representative
Simon Cook	Further Education/Skills representative

**Also Present:**

Amy Bernardo	Essex County Council
Christopher Broome	Sea Change Sussex
Adam Bryan	SELEP
Paul Chapman	Essex County Council
Alex Colbran	East Sussex County Council
Howard Davies	SELEP
Richard Dawson	East Sussex County Council
Helen Dyer	SELEP
Stephanie Ennis	Essex County Council (Legal representative for the Accountable Body)
Sunny Ee	Medway Council
Amy Ferraro	SELEP
Tariq Khwaja	TK Associates
Ian Lewis	Opportunity South Essex
Michael Neumann	Essex County Council (as delegated S151 Officer for the Accountable Body)
Kevin Munnelly	Thurrock Council
Lorna Norris	Essex County Council
Vivien Prigg	Essex County Council
Tim Rignall	Southend-on-Sea City Council
Keith Rumsey	Thurrock Council
Lisa Siggins	Essex County Council
Sharon Spicer	SELEP

## 1 Welcome and Apologies for Absence

- Sarah Dance – Simon Cook acted as Chair
- Cllr Kevin Bentley substituted by Cllr Lesley Wagland
- Cllr Stephen George

## 2 Minutes 27.05.22

Sarah Dance had requested an amendment to the minutes for the Finance Update. The minutes currently state 'The Chair offered her thanks to all those involved'. This should read 'The Chair offered her thanks to SELEP and the Accountable Body for all their work and acknowledged the challenges that had been faced during a very uncertain period.'

The minutes of the meeting held on Friday 27th May 2022 were thereafter agreed as an accurate record.

## 3 Declarations of Interest

There were none

## 4 Questions from the public

The following question was received from Mr Bernard Brown

The question does not comply with SELEP's Public Question policy and was therefore not answered during the meeting. However, in the interests of transparency, Adam Bryan, SELEP Chief Executive Officer, read out the question during the meeting. A formal written response to the question will be provided within 10 working days of the meeting and this response will also be published on the SELEP website.

*I refer to the Agenda Pack of the Accountability Board meeting held on 27 May 2022.*

*Page 117, paragraph 6.2 LGF Deliverability and Risks. This reads:*

*"Changes to the Structure of Appendix D have been made to ensure that it is possible to differentiate between those projects which have completed their LGF spend but which are continuing to deliver against their agreed Business Case and those projects which have completed both LGF spend and delivery in accordance with their agreed Business Case. This change in approach has meant that a small number of projects which were previously reported as complete, due to their LGF spend allocation having been spent in full, now being*

*shown as ongoing. Delivery of the remaining works required as per the agreed project Business Case will continue to be monitored."*

*For clarity, please confirm that the cases referred to were reported by the Body responsible to SELEP for the delivery of the projects to SELEP as being completed when, in fact, they were not complete? Has this reporting change been promoted by enquiries from Residents of East Sussex?*

*Can SELEP confirm this change actually applied to only 2 projects out of some 114 projects reported in Appendix D?*

*Can SELEP confirm that in both cases the body responsible was East Sussex County Council and the Supplier Contractor/Delivery Partner was Sea Change Sussex?*

*Appendix D LGF Deliverability and Risk on page 49 of the agenda pack for the meeting on 15 July 2022 still shows both these projects as being incomplete will SELEP advise:-*

*On the North Bexhill Access Road additional funding had been provided to undertake environmental mitigation measures. These were conditions set out in the Planning Consent for the Road granted by Rother District Council. As at the 27 May meeting these works had not been undertaken. As the total allocation of LGF allocated has been reported as spent, what is the cost value of the remaining works to be funded by Sea Change Sussex to complete the project? What date has been given for the completion of the North Bexhill Access Road Project? Why is this date not in the report to the Board for 15 July?*

*On the East Sussex Strategic Growth Project, this was made up of several inter-related component parts. Which of these parts have been delivered? Which parts have not been delivered? Which parts have yet to be commenced? By March 2021 509 new jobs were scheduled to have been completed, what is the actual total to date? As the total allocation of LGF has been reported as spent, what is the cost value of the remaining works to be funded by Sea Change Sussex to complete the project. What date has now been given for the completion of the project? Why is this date not in the report to the Board for 15 July?*

*In the Agenda Pack for 15 July under LGF Queensway Road there is a claimed reporting procedures/accountability relationship between East Sussex County Council and Sea Change Sussex. This follows on from my public question at the last Accountability Board. If the reported process is valid as claimed why were both these projects reported as completed when they clearly were not? Is it not the case East Sussex County Council have failed in their duty in this regard?*

*If this information is not readily available for the 15 July meeting does this indicate the monitoring of these projects has been deficient and how will it now be improved?*

*Can the Board explain why no update has been given on either of these incomplete projects for the last 6 months?*

## **5 Queensway Gateway Road LGF Project Update**

The Accountability Board (the Board) received a report from Richard Dawson, Head of Service - Economic Development, Skills and Infrastructure, East Sussex County Council (ESCC) and Helen Dyer, SELEP Capital Programme Manager, the purpose of which was to provide the Board with assurances regarding the actions being taken by East Sussex County Council to ensure that the updates provided by Sea Change Sussex (as delivery partner) in relation to the Queensway Gateway Road Local Growth Fund (LGF) project (the Project) are robust and complete.

Richard Dawson also provided a verbal update on project delivery to the Board as follows:

### On the S278 agreement

- ESCC have been working constructively with Sea Change Sussex (SCS) and National Highways to get a S278 legal agreement in place and progress is being made on the aspects that are required e.g. Road Safety Audit, Traffic Regulation Orders and technical details.
- ESCC have attended regular meetings with both SCS and National Highways to ensure that plans showing the extent of proposals, including the proposed Traffic Regulation Orders, Road Safety Audit 2 and the design and signage packages, are being progressed to enable the road to be constructed and opened.
- ESCC raised minor comments earlier this week which are to be incorporated into this legal agreement to ensure accuracy on the full set of detailed plans, drawings and specifications submitted (this covers road signage and the specification for poles that the signals sit on). Equally, National Highways raised comments on the 8 July to which SCS consultants are preparing responses on both and SCS will now need to respond.
- On the Traffic Regulation Order) for speeding and parking restrictions along the full length of the Queensway Gateway Road – ESCC has received the plan from SCS this week for the extent of the restrictions. Once this has been checked and approved by ESCC then the Traffic Regulation Order will be advertised to enable enforcement of the restrictions once the road is open.
- So, in summary - ESCC have attended regular meetings with both SCS and National Highways to ensure that detailed plans, drawings and specifications showing the extent of proposals are completed satisfactorily to enable all parties to finalise the S278 legal agreement before construction can commence on site. In addition, work has progressed on the Traffic Regulation Orders to ensure these are progressed prior to the opening of the road.

### Next Steps

- Although the report has not been able to cover the indicative timescales and steps towards the progression of the signalised connection, ESCC will be looking to update this at the subsequent Accountability Board meeting in September, having had further discussions with SCS on the progression of the above matters.
- In addition to this, ESCC have contacted National Highways to ascertain their likely timescales for both completion of the S278 agreement and agreeing the scheduling of the construction on the signalised junction, as their requirements are absolutely critical as to when this happens.

Following the project update, Helen Dyer reiterated the obligations placed on local partners with regard to provision of complete and timely reporting on project delivery. It was stressed that it is critical that a detailed update on the project be provided to the Board at the September meeting, allowing the Board to make an informed decision as to whether the £10m LGF funding should remain allocated to the project.

Cllr Glazier addressed the Board and reiterated the importance of the project. Cllr Glazier stressed his frustration at the ongoing delays to the project but provided assurances that East Sussex County Council continue to work with their partners to achieve project completion. He advised that 75% of the new road had been completed and that access to the employment sites identified within the Business Case had been achieved, with only the final section of the road remaining outstanding.

Cllr Wagland expressed her sympathy at the situation but stressed the need for full transparency in such circumstances. Richard Dawson responded and provided some further detail about the information that had been shared with the Board within the main agenda pack.

### **Resolved:**

1. **To Note** the assurances provided by East Sussex County Council within the report.
2. **To Note** the verbal update on delivery of the Project provided during the meeting.

## **6 Local Growth Fund Programme Update**

The Board received a report from Helen Dyer, 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.

The Board were advised that East Sussex County Council had been unable to provide updates on projects being delivered by Sea Change Sussex in advance of the meeting due to the absence of key project personnel at Sea Change Sussex. They were also advised that Medway Council had not submitted the

required quarterly reporting and therefore the 2021/22 year end position could not be confirmed for the LGF. The importance of submitting the required reporting in accordance with the agreed timescales was stressed and the implications of this reporting not being received were outlined.

Rosemary Nunn raised a concern regarding the delays being encountered on many projects and questioned the governance in respect of the procurement process. It was confirmed that procurement sits with the delivery partners, with Cllr Coxshall agreeing that this was an ongoing problem and indicated the importance of learning from previous procurement exercises when bringing forward new projects.

Simon Cook suggested that as in the past it would be sensible to look at a future agenda item on “lessons learnt”, with Adam Bryan agreeing that this would be useful.

Cllr Chambers reflected that a number of project delays were as a result of limited engagement from Government agencies, including National Highways and the Environment agency. He indicated that these delays would likely continue until these agencies understood the nature of the Government funding streams and the time limitations that were placed on project delivery.

**Resolved:**

1. **To Agree** the reported LGF spend on project delivery in 2021/22 of £41.931m excluding DfT retained schemes and increasing to £44.821m 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 Agree** the updated completion date for the following projects which have experienced a delay of more than 6 months:

3.1. Eastbourne Town Centre – project completion delayed from March 2022 to May 2024

3.2. Eastbourne and South Wealden Walking and Cycling Package – project completion delayed from December 2022 to December 2024

3.3. Colchester Grow On Space – project completion delayed from July 2022 to June 2024.

## 7 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, A28 Sturry Link Road, Maidstone Integrated Transport Package and Grays South.

Cllr Coxshall advised that the A13 widening was very close to completion. With regards to Grays South, he stressed that this was a very important project which needs to move forward at pace.

Cllr Gough spoke in support of A28 Sturry link Road and Maidstone Integrated Transport Package projects and the recommendations set out within the report.

**Resolved:**

A13 Widening

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

A28 Sturry Link Road

1. **To Note** the update on the project
2. **To Agree** that, despite the project continuing to be ranked as High Risk, update reports will now be presented at alternate Board meetings, with the next update report required for the Board meeting in November 2022. Noting that this is due to the longevity of the workstreams currently being undertaken, as set out in Section 10 of the report, and that should there be any significant developments or new risks identified that the project will revert to providing update reports at each Board meeting.

Maidstone Integrated Transport Package

1. **To Note** the update on the project
2. **To Note** that, due to the risk rating for the project reducing to High/Medium following the confirmation of listed building consent, updates will no longer be provided at each Board meeting. Noting that the project will continue to be closely monitored and further update reports will be provided to the Board if new risks are identified.

Grays South

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

## 8 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, 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).

Keith Rumsey gave an update concerning the contract for the Phase 1 works (new station building), advising that following a recent meeting there had been a breakthrough with the contractors, allowing their concerns regarding the nature of the contract and their level of risk exposure to be allayed, leading to a commitment from both parties that the contract would be signed and in place by early August. As a result of the delays in finalising the contract, required enabling works and surveys will now not commence onsite until Autumn 2022 but it is expected that once the contract is in place, the Phase 1 works will progress at pace.

Keith Rumsey indicated that the draft Business Case had been prepared and had been reviewed by Steer but that a number of points had been raised which required further clarification, including the provision of required monitoring and evaluation documentation and the completion of sensitivity testing to demonstrate the robustness of the BCR calculated for the project.

Howard Davies proceeded to give an overview of the SELEP comments set out within the report.

Cllr Coxshall spoke in support of the project stressing its importance and providing a commitment to delivering both the new train station building and the associated transport interchange. Cllr Coxshall asked the Board to agree Option 1 as set out in the report but indicated that he would support the removal of the LGF funding from the project if the Business Case could not be completed in advance of the September 2022 Board meeting.

**Resolved:**

1. **To Note** the update on delivery of the project
2. **To Note** that the updated Business Case required to demonstrate that the Project continues to be deliverable and that it continues to offer High value for money was not submitted in time for consideration at this meeting as previously agreed by the Board.
3. **To Agree** that although an updated Business Case has not been provided, as set out in the report presented to the Board at the May 2022 meeting, the LGF funding should remain allocated to the project on condition that an updated Business Case is submitted for consideration at the Board meeting on 23 September 2022.

## 9 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.



## 10 Getting Building Fund Programme Update

The Board received a report from Helen Dyer, the purpose of which was for the Board to consider the overall position of the Getting Building Fund (GBF) capital programme. The report included an update on those projects which have received approval for retention of GBF funding beyond March 2022 and provided an update on GBF spend to date.

The Board were advised that, as was the case with agenda item 6 above, Medway Council had not submitted the required quarterly reporting in advance of the Board meeting.

It was also noted that Southend-on-Sea City Council had given verbal assurances regarding the ongoing delivery of the wider Better Queensway project in advance of the meeting but that the required written assurances had not been provided at the time of Board pack publication. Helen Dyer indicated that she had received a letter of assurance from the Southend-on-Sea City Council S151 Officer with respect to the project on the evening of 14 July. As a result, it was suggested that the Board may wish to agree Option 1, as set out in the report, allowing time for SELEP and the Accountable Body to review the letter of assurance received and to seek any further information required in advance of the September 2022 Board meeting.

### **Resolved:**

1. **To Note** the current reported spend across the GBF programme for the 2021/22 financial year of £50.666m, as set out in Table 2 of the report.

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

3. **To Agree** that the **Better Queensway project** can have an extension until the September 2022 Board meeting to provide the required assurances, as detailed in Section 5.14 of the report, regarding continued delivery of the wider project.

## 11 UTC Maritime and Sustainable Technology Hub GBF Project Update

The Board received a report from Helen Dyer, the purpose of which was for the Board to receive an update on the delivery of the UTC Maritime and Sustainable Technology Hub Getting Building Fund (GBF) project (the Project) which has been identified as being high risk.

The report also provided an update on the Project Change Request and the revised Benefit Cost Ratio (BCR) calculations submitted in relation to the Project and sets out the outcome of the Independent Technical Evaluator (ITE) review. The Board were also asked to consider whether the Project continues to meet the requirements of the SELEP Assurance Framework and to decide whether GBF spend on the project can recommence, following the Board's decision to place GBF spend on hold at the last meeting.

The Board were advised that the complex land ownership issues which had been delaying delivery had now been resolved which should allow the project to move forward.

Cllr Glazier advised that significant progress had been made by Lewes District Council and that the allocation of additional funding, as outlined in the report, demonstrated their commitment to the project.

### **Resolved:**

1. **To Note** the update on project delivery, including completion of the acquisition of the building.

2 **To Note** that, following submission of a Project Change Request and updated BCR calculations, the Project has been assessed as offering High value for money with High certainty of achieving this.

3. **To Approve** the increase in total project cost for the Project from £1.778m (as set out in the Business Case) to £2.350m, as required under the terms of the Assurance Framework

4. **To Agree** that GBF spend on the Project should recommence following receipt of confirmation that the Project continues to offer High value for money.

5. **To Note** that a further update on project delivery will be provided at the September 2022 Board meeting.

## 12 Growing Places Fund Programme Update

The Board received a report from Helen Dyer, 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 it is still expected that a revised repayment schedule for the Eastbourne Fisherman's Quayside and Infrastructure

Development project will be brought forward for Board consideration in September 2022.

Cllr Glazier spoke in respect of Eastbourne Fisherman's Quayside and Infrastructure Development project, advising that East Sussex County Council were working closely with the project team and that they had introduced them to Locate East Sussex who can provide support in developing a cash flow and with sourcing of funding. East Sussex County Council have also offered flexibility with regard to the repayment of a loan issued by the East Sussex Invest Programme to alleviate pressures whilst the revised repayment schedule is established.

**Resolved:**

1. **To Note** the updated position on the GPF programme.
2. **To Approve** the accelerated drawdown of funding for the No Use Empty Commercial Phase II project.
3. **To Note** the steps being taken by the Eastbourne Fisherman's Quayside and Infrastructure Development project to develop a proposed repayment schedule for consideration by the Board in September 2022.

### 13 Finance Update

The Board received a report from Lorna Norris, Senior Finance Business Partner, the purpose of which was for the Board to consider the update to the 2022/23 budget including specific grants.

Adam Bryan indicated his determination to be able to plan to the end of March 2024, as this will give greater job certainty to the SELEP team and will allow the focus to be fully on delivering the work of the LEP.

Adam Bryan passed his thanks onto the Accountable Body for their continued support particularly highlighting the day-to-day work and dedication of Lorna Norris and Amy Bernardo.

**Resolved:**

1. **To Approve** the proposed 2022/23 updated SELEP revenue budget set out in Table 1 of the report, including the specific funds summarised in Table 3 of the report (and detailed in Appendix A of the report);
2. **To Approve** the re-purposing of the uncommitted funding from the Covid-19 Skills Reserve of £35,000 set out in section 3.12.3 of the report, to be transferred to the Operational Reserve to support future service delivery;
3. **To Approve** the reduction in the Redundancy Reserve of £52,000 and for this funding to be transferred to the Operational Reserve to support future service delivery;

4. **To Note** the on-going uncertainty from Government regarding the future funding position for SELEP beyond 2022/23.

**14 Date of Next Meeting**

The Board noted that the next meeting will take place on Friday 23rd September 2022, venue to be confirmed

**15 Urgent Business**

Councillor Gough enquired as to whether the electronic procedure concerning the process for reallocation of the available GBF funding had been circulated. Helen Dyer confirmed that it was expected to be circulated early in week commencing 18 July.

Councillor Wagland raised an issue regarding risk registers for the capital programme, understanding the common risk themes across the programme and how/at what level these risks should be managed, with inflation identified as a significant risk to project delivery. Adam Bryan responded and agreed to take the matter away for further consideration.

There being no further business, the meeting closed at 11.32 am