
Minutes of the meeting of the SELEP Accountability Board, held at the Launchpad - Southend Airport Business Park, Rochford SS4 1YH on Friday, 22 September 2023**Present:**

Simon Cook	Chair
Cllr Kevin Bentley	Essex County Council
Cllr Roger Gough	Kent County Council
Cllr Keith Glazier	East Sussex County Council
Cllr Lauren Edwards	Medway Council
Cllr John Lamb	Southend-on-Sea City Council
Cllr Andrew Jefferies	Thurrock Council
Abbie Kempe	Higher Education Representative

Also Present:

Line Bannister	Essex County Council (Legal Services)
Bernard Brown	Member of the public
Lee Burchill	Kent County Council
Paul Chapman	Essex County Council
Alex Colbran	East Sussex County Council
Mirco Cordeiro	East Sussex County Council
Howard Davies	SELEP
Simon Dedman	BBC
Helen Dyer	SELEP
Sunny Ee	Medway Council
Zoe Gordon	SELEP
Jessica Jagpal	Medway Council
Keri Lawrence	SELEP
Ian Lewis	Castle Point Borough Council (Opportunity South Essex)
Iain McNab	DLUHC
Gary MacDonnell	Essex County Council
Piers Meyler	Member of the public
Kevin Munnelly	Thurrock Council
Michael Neumann	Essex County Council (as delegated S151 Officer for the Accountable Body)

Rebecca Newby	East Sussex County Council
Lorna Norris	Essex County Council
Ben Phillips	East Sussex County Council
Vivien Prigg	Essex County Council
Leslie Rickerby	SELEP
Tim Rignall	Southend-on-Sea City Council
Helen Russell	SELEP
Steve Samson	Kent County Council
Lisa Siggins	Essex County Council

1 Welcome and Apologies for Absence

- Cllr Tony Cox substituted by Cllr John Lamb

2 Minutes of the previous meeting

The minutes of the meeting held on Friday 16 June 2023 were agreed as an accurate record.

3 Declarations of Interest

There were none.

4 Questions from the public

There were none.

5 SELEP Operations Update

The Accountability Board (the Board) received a report from Keri Lawrence, SELEP Governance Officer, which was presented by Helen Russell Chief Executive Officer SELEP, 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 included an update on the SELEP transition arrangements, risk management, compliance with the Assurance Framework and performance against governance KPIs.

The Board were advised that the Risk Register will remain under regular review as the transition planning process progresses.

Helen advised that following the meeting of the U9 group of universities on 18 July 2023, Abbie Kempe and Thomas Wolfenden were nominated to act in a shared role as non-voting co-opted members (Higher Education representatives) of the Board and that the Board were now recommended to agree to the appointment of the nominated U9 representatives to share the Higher Education co-opted position on the Board.

Resolved:

1. **To Note** the update on decisions taken by the Strategic Board for the transition of the LEP and the integration of its activities into Local Authorities at Section 4 of the report;
2. **To Note** the summary of, and reflection on, the Government guidance for the Transfer of LEP core functions to local authorities at Section 5 of the report;
3. **To Note** the updated Risk Register in light of decisions taken by the Strategic Board and Government guidance at Section 6 and Appendix A of the report;
4. **To Note** the update on Assurance Framework compliance monitoring at Section 7 of the report;
5. **To Agree** to appoint Abbie Kempe and Thomas Wolfenden in a shared role as non-voting co-opted members of the Accountability Board on the nomination of the higher education sector as outlined at Section 8 of the report;
6. **To Note** the update on Governance KPIs at Appendix B of the report.

6 SELEP 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 2023/24 revenue budget and the impact for the funding position to support costs in future years.

Cllr Lamb highlighted the need to ensure that the Growing Places Fund (GPF) funding currently allocated to projects is repaid in accordance with the loan agreements which are in place. Lorna indicated that, to date, the repayment rate has been good and that the remaining GPF loans are actively monitored by SELEP and the Board. Lorna also indicated that, of the loans due to make repayments during 2023/24, only one is currently showing as Amber (medium) risk and that should any changes to the repayment schedule be required this will be subject to consideration by the Board.

Resolved:

1. **To Approve** the proposed 2023/24 updated SELEP revenue budget set out in Table 1 of the report, including the updated drawdown from the Operational Reserve of £650,000 to fund the planned net expenditure.
2. **To Note** the update on the funding risks and reserves set out in sections 3.9 and 3.10 of the report respectively.

7 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.

Cllr Glazier acknowledged the update and recommendation on the Barnhorn Green Commercial and Health Development project and reinforced the importance of confirming the position with regard to inclusion of the project in the GPF programme through provision of the required information at the January 2024 Board meeting.

Cllr Edwards queried how the repayments made against the existing GPF loans would be managed post SELEP. Helen indicated that this formed part of the consideration of the options for deployment of the GPF funding post SELEP which are being developed for consideration by the Strategic Board in October 2023.

Cllr Bentley asked where the risk associated with the GPF funding would sit moving forward. Helen indicated that this depended upon the option selected by the Strategic Board for future deployment of the funding but that it would likely sit with the Upper Tier Local Authorities.

Abbie Kempe queried whether responsibility for any required monitoring and evaluation would sit with Upper Tier Local Authorities post SELEP. Helen indicated that work was ongoing to determine this. It had been hoped that clearer advice would have been received from Government which would have helped to address this issue. Helen Russell indicated that future responsibilities would be determined by decisions taken by Strategic Board and further advice sought from Government.

Resolved:

1. **To Note** the updated position on the GPF programme.
2. **To Agree** that a project update, change request and proposed revised repayment schedule for the Barnhorn Green Commercial and Health Development project should be presented at the Board meeting on 12 January 2024. Noting that if this requirement is not met or the revised proposals are not approved by the Board, the project will be automatically removed from the GPF programme.

8 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, provided an update on high risk projects and provided an update on GBF spend to date.

The Board were advised that only one high risk project had been identified – Better Queensway. It was noted that Sanctuary Housing Association had taken the decision to withdraw from the project and therefore it was proposed that Southend-on-Sea City Council were allowed time to investigate alternative delivery models before a final decision on the status of the GBF funding is taken by the Board.

Cllr Bentley queried whether the Variance shown in Table 1 in the report was actual variance following completion of project delivery, meaning that the funding was available for reallocation to alternative projects. Helen indicated that the Variance was purely showing slippage against planned spend in 2023/24 and that the full funding allocation was still required to support project delivery.

Cllr Lamb indicated that Southend-on-Sea City Council were working hard to progress the Better Queensway project and were disappointed by the decision of Sanctuary to withdraw from the project. Alternative delivery models are being considered with a view to still being able to deliver the project.

Cllr Bentley spoke in support of the Better Queensway project and suggested that it may be helpful for the Board to receive a presentation on the project at a future meeting.

Resolved:

1. **To Note** the current forecast spend across the GBF programme for the 2023/24 financial year of £7.979m (excluding GBF funding which is not currently allocated to projects), as set out in Table 2 of the report.
2. **To Agree** that GBF spend on project delivery in 2022/23 totalled £15.508m, as set out in Table 1 and Appendix A of the report.
3. **To Note** the update on the Better Queensway project at Section 6 of the report.
4. **To Agree** that:
 - 4.1. a full update on the Better Queensway project which provides information on the chosen delivery route and associated delivery timetable, the status of the GBF funding, and which contains the required assurances regarding the ongoing delivery of the wider project should be provided at the January 2024 Board meeting; and
 - 4.2. the GBF funding allocation can be retained against the Better Queensway project for a further maximum period of 7 months (to 31 January 2024).
5. **To Agree** that the GBF funding allocation can be retained against the following projects for a further maximum period of 3 months (to 30 September 2023):

5.1. No Use Empty South Essex

5.2. ASELA LFFN – Phase 3

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

9 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 asked to consider the A289 Four Elms Roundabout to Medway Tunnel project following the removal of the HIF funding. They were advised that Medway Council are actively seeking alternative funding to enable them to bring forward the works detailed in the LGF Business Case and therefore it was proposed that additional time is allowed for them to pursue this funding.

Cllr Gough indicated his support for deferring a final decision on the A289 Four Elms Roundabout to Medway Tunnel project to the January 2024 Board meeting but indicated that this needed to be a hard deadline. Cllr Gough also indicated that a similar approach should be applied to all projects to ensure that all key decisions are taken sooner rather than later.

Cllr Gough queried the purpose of the updates on the High risk projects which are due to be presented at the November 2023 Board meeting. Helen indicated that the intention is to reach a point where there is a clear position on all High risk projects, and where possible these decisions will be brought to the Board in November. However, where this is not possible, it is intended that the majority of decisions will be sought in January 2024.

Cllr Glazier spoke in support of Cllr Gough's statement with regard to the importance of timely decision making. Cllr Glazier indicated that the January 2024 Board meeting needs to be the cut-off point and that it is important that all parties understand this and are aware of what needs to be done to achieve this.

Cllr Jefferies spoke in relation to the Grays South project and indicated that informal Cabinet had already met and a decision had been taken on the project. However, a formal decision needs to be taken by Cabinet and this will be done in advance of the next Board meeting.

Cllr Bentley reiterated the importance of understanding who is carrying the risk in relation to the LGF programme moving forwards.

Resolved:

1. **To Agree** that LGF spend in 2022/23 totalled £12.447m LGF excluding Department for Transport (DfT) retained schemes and £12.685m including DfT retained schemes, as set out in Table 1 and Appendix A of the report.
2. **To Agree** the updated total planned LGF spend on project delivery in 2023/24 of £9.057m excluding DfT retained schemes and increasing to £9.142m including DfT retained schemes, as set out in Table 2 and Appendix A of the report.
3. **To Agree** that, following the removal of the Housing Infrastructure Fund funding, the £1.821m LGF awarded to the A289 Four Elms roundabout to Medway Tunnel project can be retained against the project whilst Medway Council takes steps to identify and secure alternative funding sources to enable delivery of the project. Noting that a further update on the project will be provided at the January 2024 Board meeting.
4. **To Note** the deliverability and risk assessment, as set out in Appendix D of the report.

10 Hastings and Bexhill Movement and Access Package LGF project change

The Board received a report from Helen Dyer, the purpose of which was to receive an update on the Hastings and Bexhill Movement and Access Package Local Growth Fund (LGF) project (the Project) and to consider a request to change the scope of the Project. In addition, the Board were asked to consider the updated completion date for the Project set out within the report.

The Board were advised that East Sussex County Council were seeking approval for a change of scope for the project, primarily due to cost increases meaning that the full project scope can no longer be delivered.

Cllr Glazier indicated that a significant proportion of the project has already been delivered. It was also confirmed that a high level of stakeholder engagement had been undertaken and, as a result, there is confidence that the proposed interventions are the most appropriate to take forward.

Resolved:

1. **To Agree** that the proposed change of scope for the Hastings and Bexhill Movement and Access Package can be implemented. Noting that the Independent Technical Evaluator has assessed the Project as offering High value for money with Medium certainty of achieving this.
2. **To Agree** the updated completion date of March 2026 (delayed from Summer 2025) for the Hastings and Bexhill Movement and Access Package.
3. **To Agree** that a review will be undertaken to determine if there is a compelling case for East Sussex County Council to retain LGF of up to

£630,488 against the Project to inform a decision at the November 2023 Board meeting.

11 **Queensway Gateway Road LGF Project Update**

The Board received a report from Richard Dawson, Head of Service - Economic Development, Skills and Infrastructure and Helen Dyer which was presented by Rebecca Newby, Team Manager, Major Projects & Growth, East Sussex County Council, the purpose of which was for the Board to receive a further progress update on the delivery of the Queensway Gateway Road Local Growth Fund (LGF) project (the Project).

Rebecca indicated that East Sussex County Council recognises the concerns SELEP and the Board have in ensuring that the final section of the road is delivered to enable the realisation of the benefits as set out within the project Business Case.

Rebecca also advised that since the last Board meeting East Sussex County Council and Sea Change Sussex have held constructive discussions and both parties remain committed to seeing the construction of the final connection to the A21. Work will be undertaken over the coming period to determine the extent of the additional funding package, delivery programme, and the legal agreements that will be required to support project delivery. Whilst additional funding will be required to complete the project, it is anticipated that delivery can be achieved within the amount estimated in the original Business Case of £15m.

Rebecca indicated that East Sussex County Council have engaged external consultants to help facilitate discussions between themselves and Sea Change Sussex, and to identify the steps and processes required to complete the project. An associated action plan is expected to be produced by the consultants towards the end of October/early November for review by both parties. The intended outcome of a jointly agreed action plan will enable East Sussex County Council to provide the necessary clarifications on the resources required to deliver the project, including provision of an indicative delivery programme at the January 2024 Board meeting.

Cllr Glazier spoke in support of the project and acknowledged the positive step forward taken since the last Board meeting. Cllr Glazier also explained the rationale for the recommendation made in the options report prepared by East Sussex County Council's Property team as outlined within the report.

Helen Dyer provided an update on risks from a SELEP perspective, highlighting the key areas of concern as set out in Section 9 of the report and reiterating the need for a full update on the project to be provided at the January 2024 Board meeting.

Resolved:

1. **To Note** the latest update position on the delivery of the Project.

2. **To Note** that East Sussex County Council is working with its delivery partner to ascertain the extent to which further resource is required to complete the project.

3. **To Agree** that a clear delivery plan, including an indicative delivery programme, total project cost and funding package, should be provided at the January 2024 Board meeting.

4. **To Agree** that the Board will be provided with a further update on the Project at its meeting in November 2023.

12 **A13 Widening LGF Project Update**

The Board received a report from Kevin Munnely, Assistant Director Regeneration and Place Delivery, Thurrock Council and Howard Davies, SELEP Capital Programme Officer, the purpose of which was for the Board to receive an update on the delivery of the A13 Widening Local Growth Fund (LGF) project (the Project) which has been assessed as being High risk.

Kevin advised that the project is now predominantly complete and has been handed over to the Highway Authority. Kevin also summarised the key lessons learnt (as detailed in the report) and acknowledged the need for an updated Value for Money assessment to be undertaken.

Howard Davies proceeded to highlight the risks from SELEP's perspective as set out in Section 8 of the report and indicated that the revised Value for Money assessment was expected to be presented to the Board in November 2023.

Cllr Jeffries stated that an important lesson had been learnt through project delivery and that was to ensure that you are able to deliver a project before you start it.

Cllr Gough sought confirmation that a revised Value for Money assessment taking into account the increased total project cost would be provided at the November 2023 Board meeting and sought clarification as to whether there are mitigating factors which would offset the increase in total project cost given the low BCR (excluding consideration of the Lower Thames Crossing) previously reported for the project. Helen confirmed that, as part of the Value for Money assessment, Thurrock Council are looking at wider benefits that can be attributed to the project.

Cllr Bentley indicated that his understanding from the information provided was that a lot of the pre work had not been carried out effectively which presented challenges during delivery and that this was a lesson for everyone, including the SELEP Board or similar, moving forward.

Resolved:

1. **To Note** the update on the project, including the lessons learnt.

2. **To Note** that an update including an updated Value for Money assessment will be brought to the November 2023 Board meeting.

13 London Gateway/Stanford le Hope LGF Project Update

The Board received a report from Kevin Munnely and Leslie Rickerby, SELEP Capital Programme Officer, the purpose of which was for the Board to receive an update on the delivery of the London Gateway/Stanford le Hope Local Growth Fund (LGF) project (the Project).

The report included an update on progress of Phase 1 and progress on Phase 2 design options.

The Board were advised that good progress had been made in connection with the Phase 2 interchange design and that it was expected that the planning application would be submitted in October 2023. Kevin also indicated that Thurrock Council remain on track to submit the revised Business Case in time for consideration by the Board in February 2024 as required. Kevin did, however, point out that it would be a challenge to deliver the project within the currently available budget and therefore other funding options are being investigated, increasing the potential use of alternative LGF funding held by Thurrock Council.

Leslie provided an update on risks from a SELEP perspective as set out in Section 7 of the report, highlighting that there continued to be concerns regarding affordability, deliverability and Value for Money offered by the project. The report indicates that a budget gap has been identified but there is no clear indication as to how this gap will be bridged.

Leslie also reminded the Board that there remains a requirement for the revised Business Case for the project to be considered at the February 2024 Board meeting at the latest.

Cllr Jefferies advised the Board that the project had been considered by informal Cabinet and that a report would be taken to the Cabinet meeting in October 2023. Cllr Jefferies indicated that his intention was to be able to provide the required assurances to the Board at the next meeting.

Cllr Bentley sought confirmation that there was sufficient capacity within Thurrock Council to address the remaining issues identified within the report. Kevin confirmed that consultants are currently preparing the planning application and the Business Case and that conversations are ongoing regarding potential additional funding sources. Kevin indicated that Thurrock Council remain confident of meeting the timelines set out within the Board report.

Resolved:

1. **To Note** the update on project delivery set out within this report.

2. **To Note** that a further update on delivery of the Project and the status of the required Business Case will be brought to the November 2023 Board meeting.

14 **Beaulieu Park Station LGF Project Update**

The Board received a report from Gary Macdonnell, Network Coordinator, Essex County Council and Leslie Rickerby, the purpose of which was for the Board to receive an update on the Beaulieu Park Station Local Growth Fund (LGF) project (the Project) which has been identified as High risk.

Gary advised that there had been a lot of positive movement on the project since the last Board meeting, with all construction contracts now in place to take the project through to completion. Gary also advised that, following discussions with Homes England, a proposed way forward has been agreed which will allow both the Beaulieu Park Station and Chelmsford North East Bypass projects to proceed.

Leslie provided an update on risks from a SELEP perspective as set out in Section 8 of the report, advising that whilst an approach to managing the Housing Infrastructure Fund (HIF) funding risk had been provisionally agreed with Homes England, this still needed to be formalised through a Deed of Variation.

Cllr Bentley paid tribute to all the Essex County Council officers involved with the project, stating that the project is a game changer – particularly in relation to housing growth in the South East. Cllr Bentley also outlined actions which had been taken with a view to preventing any future cost increases.

Resolved:

1. **To Note** the update on the Project and the risks to project delivery which have been identified.
2. **To Note** a further update on the Project will be brought to the November 2023 Board meeting which will include an update on all aspects of the Project.

15 **A28 Sturry Link Road LGF Project Update**

The Board received a report from Kerry Clarke, Senior Programme Manager - Major Capital Programme Team, Kent County Council and Leslie Rickerby, which was presented by Lee Burchill, Major Capital Programme Manager, Kent County Council, the purpose of which was for the Board to receive an update on the A28 Sturry Link Road Local Growth Fund (LGF) project (the Project), which has been identified as High Risk.

Lee Burchill provided an update on the current position, advising that progress had been made since the last Board meeting with delegated authority now having been provided by the relevant Cabinet Member at Kent County Council

to proceed with the Compulsory Purchase Order (CPO), with the CPO now expected to be published at the end of October 2023.

Lee also indicated that a preferred supplier had been identified for the Design and Build contract and that the contractor was carrying out some early works whilst the contract is being formally agreed and signed. It is expected that the contract will be signed in the near future and definitely in advance of the next Board meeting.

Leslie provided an update on risks from a SELEP perspective, as set out in Section 9 of the report. It was noted that none of the expected actions (as outlined at the last Board meeting) had been completed in advance of the meeting. He advised that it is still expected that the completion date agreed by the Board (31 December 2026) will be met but this will continue to be monitored.

Resolved:

1. To Note the update on the project, specifically:

1.1. that conclusion of the negotiations between the developer and land owner of the Sturry site has been delayed.

1.2. the design and build contract is due to be signed in September 2023.

1.3. the delay to the publication of the Compulsory Purchase Order which is now expected by the end of October 2023.

1.4. the update on the status of the planning application for the North Hersden development, and the revised date for determination of the planning application (December 2023).

2. To Note that a further update will be brought to the November 2023 Board meeting which will provide a full update on the status of the Project.

16 Date of Next Meeting

The Board noted that the next meeting will be held on Friday 17 November 2023 to be held at Mid Kent College (Maidstone campus)

17 Urgent Business

None.