
Minutes of the meeting of the SELEP Accountability Board, held in High House Production Park Vellacott Close, Purfleet, Essex, RM19 1RJ on Friday, 23 February 2018**Present:**

Geoff Miles	Chairman
Cllr Kevin Bentley	Essex County Council
Cllr Mark Dance	Kent County Council
Cllr Rodney Chambers	Medway Council
Cllr Keith Glazier	East Sussex County Council
Cllr James Halden	Thurrock Council
Cllr John Lamb	Southend Borough Council
Angela O'Donoghue	Further Education/ Skills representative
Lucy Druesne	Higher Education representative

ALSO PRESENT**Having signed the attendance book**

Louise Aitken	SELEP
Amy Beckett	SELEP
Suzanne Bennett	Essex County Council
Jake Cartmell	Steer Davies Gleave
Kim Cole	Essex County Council
Emma Cooney	Southend Borough Council
Steve Cox	Thurrock Council
Helen Dyer	Medway Council
Tomasz Kozlowski.	Medway Council
Paul Martin	SELEP
Stephanie Mitchener	Essex County Council
Rhiannon Mort	SELEP
Lorna Norris	Essex County Council
Sarah Nurden	Kent and Medway Economic Partnership
John Shaw	Sea Change Sussex
Lisa Siggins	Essex County Council Democratic Services
Emma Wakeling	Essex County Council
Charlotte Rose	BBC

1 Welcome and Apologies for Absence

The following apologies were received:

Councillor Paul Carter – Substituted by Councillor Mark Dance
Councillor Rob Gledhill – Substituted by Councillor James Halden

2 Declarations of Interest

Angela O'Donoghue declared an interest in respect of item 9 on the agenda as she is involved in the project in her capacity as Principal of South Essex College. No action taken as non-voting member of the Board.

3 Questions from the Public

There were no public questions.

4 Minutes

The minutes of the meeting held on Friday, 15 December 2017 were agreed as an accurate record and were signed by the Chairman.

5 Chelmsford City Growth Area Scheme LGF award

The Accountability Board (the Board) received a report and presentation from Rhiannon Mort, the purpose of which was to make the Board aware of the value for money assessment for the Chelmsford City Growth Area Scheme (the Project) which has been through the Independent Technical Evaluator (ITE) review process, to enable £10m Local Growth Fund (LGF) to be devolved to Essex County Council for delivery of the Project

Councillor Bentley stated that it was part of the Board's role to ease congestion, and he proceeded to give details of the traffic issues relating to the Army and Navy roundabout in Chelmsford.

Resolved:

To Approve the award of £10m LGF to support the delivery of the Chelmsford City Growth Area Scheme Project identified in the Business Case and which has been assessed as presenting high value for money with medium to high certainty of achieving this.

6 Gilden Way Upgrades LGF award

The Board received a report from Rhiannon Mort and a presentation from Steer Davies Gleave, the purpose of which was to make the Board aware of the value for money assessment for the Gilden Way Upgrades Project (the Project) which has been through the Independent Technical Evaluator (ITE) review process, to enable £5m Local Growth Fund (LGF) funding to be devolved to Essex County Council for Project delivery.

Councillor Bentley stressed that this was a critical project to alleviate the congestion on the strategic road network in Harlow and providing enabling works

for the new M11 junction; it will also provide capacity for committed developments in and around Harlow, including Harlow Enterprise Zone. Councillor Lamb spoke in support of the project, with the LEP having provided financial support to the Harlow Enterprise Zone.

Cllr Halden asked a question regarding whether there has been any local objection to the proposed works. Cllr Bentley indicated that there had been some local objection with regard to the road upgrades and that he had been speaking to local residents to understand their concerns.

Resolved:

To Approve the award of £5m Local Growth Fund to support the delivery of the Project identified in the Business Case and which has been assessed as presenting high value for money with high certainty of achieving this.

7 Kent Strategic Congestion LGF award

The Board received a report from Rhiannon Mort and a presentation from Steer Davies Gleave, the purpose of which was to make the Board aware of the value for money assessment for the Kent Strategic Congestion Management Programme Business Case which has been through the Independent Technical Evaluator (ITE) process to enable £1m Local Growth Fund (LGF) to be devolved to Kent County Council for scheme delivery.

Councillor Dance spoke in support of the Dover TAP project, with the Board proceeding to voice their support to all the projects detailed in the report.

Resolved:

To Approve the allocation of £1m LGF to the Kent Strategic Congestion Management Programme 2018/19 to support the delivery of the Project identified in the Business Case and which has been assessed as presenting achieving borderline high value for money, but with a low to medium certainty of achieving this.

8 Kent Sustainable Interventions LGF award

The Board received a report from Rhiannon Mort and a presentation from Steer Davies Gleave, the purpose of which was to make the Board aware of the value for money assessment for the Kent Sustainable Interventions Project 2018/19 (the Project) which has been through the Independent Technical Evaluator (ITE) process to enable £0.5m Local Growth Fund (LGF) to be devolved to Kent County Council for scheme delivery.

Resolved:

To Approve the award of £0.5m LGF to the Kent Sustainable Interventions

Project identified in the Business Case and which has been assessed as achieving high value for money with low to medium certainty of achieving this.

9 Southend Forum Phase 2

The Board received a report from Rhiannon Mort and a presentation from Steer Davies Gleave, the purpose of which was for the Board to consider the inclusion of the Southend Forum Phase 2 (the Project), as part of Southend's Central Area Action Plan (SCAAP), in the SELEP Growth Deal programme and the award of £6m Local Growth Fund (LGF) to the Project.

Councillor Halden spoke in support, stating that this was an exciting development. This was echoed by Councillor Lamb, who stated that this will provide important new skills for local businesses and should be progressed as quickly as possible.

Resolved:

1. **To Approve** the inclusion of the Project in the Local Growth Fund programme.
2. **Approve** the award of £6m Local Growth Fund (LGF) to the Project, which has been assessed as presenting high value for money with medium certainty of achieving value for money.

10 Hastings Bexhill Movement and Access Package LGF award

The Board received a report from Rhiannon Mort and a presentation from Steer Davies Gleave, the purpose of which was to make the Board aware of the value for money assessment for the Hastings and Bexhill Movement and Access Package (the Project), which has been through the Independent Technical Evaluator (ITE) review process, to enable £9m Local Growth Fund (LGF) to be devolved to East Sussex County Council for delivery of the Project.

Cllr Glazier confirmed that the risk of potential contingency implications regarding the reduced funding to this project is recognised, but it still represented value for money.

Resolved:

To Approve the LGF award of £9m, reduced from £12m LGF, to the Hastings and Bexhill Movement and Access Package Project, as identified in the Business Case and which has been assessed as presenting high value for money with high certainty of value for money being achieved.

11 A289 Four Elms Roundabout LGF award

The Board received a report from Rhiannon Mort and a presentation from Steer

Davies Gleave, the purpose of which was to make the Board aware of the value for money assessment for the amended A289 Four Elms Roundabout to Medway Tunnel Journey Time and Network Improvements Project (the Project).

Rhiannon explained that a revised business case had been prepared due to the substantial change to the project's scope, which was detailed in the report.

Councillor Chambers gave the Board an explanation regarding the review of Medway Council's Local Plan. He stressed that he believed that the local plan will be approved, and that the consultation phase will be launched shortly.

Resolved:

1. **To Approve** the change of Project of scope from a road bypass scheme to junction improvements. The revised Project has been assessed as presenting high value for money with high certainty of value for money being achieved.
2. **To Approve** spend of up to £3.5m Local Growth Fund (LGF) on the development of the Project in advance of the full Business Case being approved by the Board.
3. **To Note** the intention to develop a Full Project Business Case to be considered by the Board for the remaining £7.6m LGF allocation to the Project.

12 Growing Places Fund Capital Programme Management

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

The Board discussed the reasons for the changes and felt that some parameters should be set within the funding agreements. Rhiannon informed the Board that the SELEP Strategic Board had agreed to the charging of interest on the loans for GPF Round 2 projects if GPF repayments are delayed from the schedule agreed in the project Credit Agreements.

It was felt that the number of times a project can come forward for a delay in repayment should be discussed further at a forthcoming meeting of the Strategic Board.

Resolved:

1. **To Approve** the principle of applying Local Growth Fund (LGF) on a temporary basis to GPF projects, if required, to mitigate any cash flow issues which may occur within financial years as a result of delayed GPF repayment, subject to the conditions set out in paragraph 6.8 of the report;
2. **To Approve** the delayed GPF loan repayment for the North Queensway Project, as per revised schedule set out in Table 1 of the report;
3. **To Approve** the revised GPF loan repayment for the Live Margate project, as per the revised schedule set out in Table 2 of the report; and

4. **To Note** the updated position on the GPF programme

13 Growing Places Fund award to No Use Empty

The Board received a report from Rhiannon Mort and a presentation from Steer Davies Gleave, the purpose of which was for the Board to consider the award of a Growing Places Fund (GPF) Loan to the No Use Empty Commercial Property Programme (the Project).

Councillor Dance stated that this had a massive supply chain benefits. Councillor Bentley spoke in support of the project but enquired about the position in connection with state aid rules. Rhiannon explained that each case is looked at on an individual basis.

Resolved:

To Approve the award of £1m GPF by way of a loan to enable the delivery of the Project identified in the Business Case and which has been assessed as presenting very high value for money with high certainty of achieving this, on the basis that it is repaid by 31st March 2022.

14 Growing Places Fund award to Colchester Northern Gateway

The Board received a report from Rhiannon Mort and a presentation from Steer Davies Gleave, the purpose of which was for the Board to consider the award of a Growing Places Fund (GPF) Loan to the Colchester Northern Gateway Project (the Project).

Councillor Halden queried the New Homes Bonus funding contributions from Colchester Borough Council. Rhiannon confirmed that a £2m New Homes Bonus had been committed by Colchester Borough Council to the Project.

Councillor Bentley urged the Board to support the project, stating that he was confident funding would be forthcoming from Colchester BC to mitigate any funding shortfalls for the project, and that Colchester Borough Council had taken into consideration the £2m New Homes Bonus contribution.

Resolved:

1. **To Note** the risk relating to the remaining funding contributions to the Project
2. **To Approve** the award of £2m GPF by way of a loan to enable the delivery of the Colchester Northern Gateway identified in the Business Case and which has been assessed as presenting high value for money and high certainty of achieving this, on the basis that it will be repaid by 31st March

2022.

15 Growing Places Fund award to Charleston Centenary

The Board received a report from Rhiannon Mort and a presentation from Steer Davies Gleave, the purpose of which was for the Board to consider the award of Growing Places Fund (GPF) to the Charleston Centenary Project (the Project).

Councillor Glazier spoke in support of the project, giving the Board some background information.

Resolved:

To Approve the award of £120,000 GPF to enable the delivery of the Project identified in the Business Case and which has been assessed as presenting high value for money with high certainty of achieving this.

16 Local Growth Fund Project Changes

The Board received a report from Rhiannon Mort and a presentation from Steer Davies Gleave, the purpose of which was to update the Board on the delivery of specific Local Growth Fund (LGF) projects in East Sussex and to seek the Board's approval for changes to the LGF allocations between Growth Deal Projects in East Sussex.

Rhiannon advised that lessons have been learnt and shared at the officers meetings. Councillor Glazier offered his thanks to Rhiannon for her assistance in this respect.

Resolved:

1. **To Approve** the reallocation of £2m from Eastbourne and South Wealden Walking and Cycling to Eastbourne Town Centre Movement and Access Package (MAP)
2. **To Approve** the revised project scope for the Eastbourne Town Centre MAP
3. **To Approve** the reallocation of £2m from A22/A27 Junction Improvements to North Bexhill Access Road
4. **To Approve** the reallocation of £1m from A22/A27 Junction Improvements to Queensway Gateway Road
5. **To Approve** the reallocation of £3m from Hastings and Bexhill Movement and Access Package to Queensway Gateway Road

17 Harlow Advanced Manufacturing and Engineering Centre of Excellence Financial Update

The Board received a report from Louise Aitken, the purpose of which was to seek Board decision for utilisation of an underspend arising from a VAT rebate associated with the Harlow Advanced Manufacturing and Engineering Centre

(HAMEC) project.

The Board discussed the proposals and it was clarified this was just a decision to enable Harlow College to submit a business case. The Board indicated that the proposed business case should be an extension of the original HAMEC project.

Resolved:

1. **To agree** that Harlow College can submit a business case to utilise the underspend of £234,815 arising from a VAT rebate from the HAMEC Project, that was received in December 2017, on alternative broader projects. Any funding approval is subject to a full Business Case being provided and approved by the Board at a future date. Any business case would need to meet the requirements of the SELEP Assurance Framework.

2. **To agree** that the Accountable Body will issue a formal request for the underspend of £234,815 to be returned if any business case put forward by Harlow College is unsuccessful.

18 Assurance Framework Implementation Plan delivery

The Board received a report from Rhiannon Mort, the purpose of which was to make the Board aware of:

1. The progress which has been made by the SELEP team and the federal areas in implementing the changes necessitated by the 2017 Assurance Framework;
2. Progress made by the SELEP team in implementing the recommendations of the Review of Local Enterprise Partnership Governance and Transparency by Mary Ney (Non-Executive Director, MHCLG) which was released to LEPs on 26th October 2017; and
3. Plans for the implementation of the 2018 Assurance Framework.

Councillor Dance queried whether the changes to the Assurance Framework would impact on the operation and make-up of the Accountability Board; Rhiannon confirmed that there is minimal impact for Accountability Board.

Rhiannon provided some clarifications on the recommendations, with further information to be provided at the March Strategic Board meeting.

The Board proceeded to discuss the problems encountered with the register of interests form. Kim Cole advised feedback has been given to central Government, but that at present the current form must be used. She advised that at the next review there may be more opportunity to influence the format of form used.

Resolved:

1. **To Note** the progress to date in implementing the 2017 SELEP Assurance Framework;
2. **To Note** the progress made in delivering the Mary Ney recommendations to the 28th February deadline; and
3. **To Agree** the approach for implementing further changes in accordance with the 2018 Assurance Framework.

19 Date of Next Meeting

The Board noted that the next meeting will take place on Friday 16th March 2018.

There being no urgent business the meeting closed at 11.55 am.

Chairman