
Minutes of the meeting of the SELEP Accountability Board, held in High House Production Park Vellacott Close, Purfleet, Essex, RM19 1RJ on Friday, 14 February 2020

Present:

Geoff Miles	Chair
Cllr Tony Ball	Essex County Council
Cllr Roger Gough	Kent County Council
Cllr Rodney Chambers	Medway Council
Cllr Keith Glazier	East Sussex County Council
Cllr Ron Woodley	Southend Borough Council
Cllr Rob Gledhill	Thurrock Council
Simon Cook	Further Education/Skills representative
Rosemary Nunn	Higher Education representative.

ALSO PRESENT**Having signed the attendance book**

Suzanne Bennett	SELEP
Amy Bernardo	Essex County Council
Steven Bishop	Steer
Chris Broome	Sea Change Sussex
Adam Bryan	SELEP
Lee Burchill	Kent County Council
Kerry Clarke	Kent County Council
Sarah Dance	SELEP
Howard Davies	SELEP
Richard Dawson	East Sussex County Council
Helen Dyer	SELEP
Sunny EE	Medway Council
Anna Eastgate	Thurrock Council
Richard Hicks	Medway Council
Jessica Jagpal	Medway Council
Richard Longman	TGKP
Stephanie Mitchener	Essex County Council (as delegated S151 Officer for the Accountable Body)
Charlotte Moody	Essex County Council (Legal representative for the Accountable Body)

Rhiannon Mort	SELEP
Lorna Norris	Essex County Council
Sarah Nurden	KMEP
Tim Rignall	Southend Borough Council
Peter Shakespear	Essex County Council
Lisa Siggins	Essex County Council
Stephen Taylor	Thurrock Council
Laura Wallis	Essex County Council
Rob Willis	Essex County Council
Ceri Williams	Canterbury City Council

1 Welcome and apologies for absence

The following apologies were received:

- Councillor Kevin Bentley (substituted by Councillor Tony Ball)

The Chair welcomed Simon Cook, from Mid Kent College, who has taken over the role of Further Education representative from Graham Razey and Rosemary Nunn from the University of Greenwich, who has taken over the role of the Higher Education representative from Lucy Druesne.

The Chair also welcomed Sarah Dance who has been appointed as SELEP Deputy Chair and will be taking over as Chair of the Accountability Board at the next meeting.

2 Minutes

The minutes of the meeting held on Friday 15th November were agreed as an accurate record, with slight amendment to the Finance Update and signed by the Chair.

It was **Agreed** that an update would be provided on the local funding contributions to SELEP at the next Board meeting on the 15th May 2020, following confirmation of SELEP core funding from central government. It was **Agreed** that the Board would be made aware as soon as SELEP core funding had been confirmed.

3 Declarations of interest

As a private businessman, Geoff Miles declared a disclosable pecuniary interest in respect of agenda item 15 (Growing Places Fund Update).

He advised of his intention to step out of the room whilst agenda item 15 was discussed and it was confirmed that Rosemary Nunn would chair this item.

4 Questions from the public

There were none.

5 Local Growth Fund Capital Programme Report

The Accountability Board (the Board) received a report from Rhiannon Mort the purpose of which was for the Board to consider the latest position of the Local Growth Fund (LGF) Capital Programme, as part of SELEP's Growth Deal with Government.

Councillor Glazier asked for the proposed date in 2.1.6 of the report to be put back to the Board meeting on 3rd July 2020. He explained that further information is required and that he wants to ensure that all the relevant information is available to the Board.

The Board proceeded to discuss the fact that often projects are held up by delays from Government departments, and that these mitigating factors should be taken into account by Central Government. They stressed that there needs to be joined up thinking between government departments.

Resolved:

1. **To Agree** the changes to 2019/20 LGF spend forecast, as set out in Appendix 2 and summarised in table 1 of the report.
2. **To Agree** a total planned LGF spend in 2020/21 of £87.994m excluding Department for Transport (DfT) retained schemes and increasing to £119.860m including DfT retained schemes. This decision is subject to sufficient LGF being made available by the Ministry for Housing Communities and Local Government (MHCLG) in 2020/21 as per the provisional funding allocation.
3. **To Note** the deliverability and risk assessment, as set out in Appendix 3 of the report.
4. **To Agree** to remove the Marks Farm project (formerly A131 Braintree to Sudbury) from the LGF programme and reallocate the £1.8m LGF to the next project on the LGF3b pipeline
5. **To Agree** that the Basildon Innovation Warehouse project must:
 - 5.1. submit an updated business case to SELEP secretariat by 24 April 2020 in order to complete the independent technical evaluation (ITE) process, for consideration at the 3 July 2020 Board meeting; and
 - 5.2. provide an update to Board on the 15 May 2020 which provides reassurance to the Board of the deliverability of the project, as set out in section 6.10 in the report

If these two conditions cannot be satisfied, it will be recommended to the Board, on the 15th May 2020, that the £870,000 LGF allocation is reallocated to the next project on the LGF3b pipeline.

6. **To Agree** that the Exceat Bridge project business case must come forward for a funding decision at the Board meeting on 3rd July 2020 and confirm that:

- 6.1. the project presents high value for money;
- 6.2. a full funding package is in place to deliver the project; and
- 6.3. the project can meet the conditions, set out in 5.1 of the report, for LGF spend beyond 31 March 2021.

If these three conditions cannot be satisfied, it will be recommended to the Board, on 3rd July 2020, that the £1.5m LGF allocation is reallocated to the next project on the LGF3b pipeline.

6 **Thanet Parkway Funding Decision**

The Board received a report from Helen Dyer SELEP Capital Programme Officer and a presentation from Steer, the purpose of which was for the Board to consider the award of £14m Local Growth Fund (LGF) to the Thanet Parkway project (the Project).

Councillor Gough advised that Kent County Council have had significant involvement with this project with its Cabinet having committed to the project. He confirmed that the required confirmation had been provided by KCCs S151 officer and that the only outstanding issue was regarding the planning permission.

Resolved:

1. **To Agree** that the Project satisfies the five conditions agreed by the Board in February 2019 to allow LGF spend beyond the Growth Deal period, subject to:

1.1. receipt of written confirmation from the Kent County Council S151 officer that all funding has been secured to enable delivery of the Project; and

1.2. receipt of written confirmation from Kent County Council that planning permission for the Project has been granted. Written confirmation should be provided by 22nd July 2020 at the latest.

2. **To Approve** the award of £14m LGF to the delivery of the Project which has been assessed as presenting high value for money with medium certainty of achieving this, subject to the above conditions in 1. above having been met.

3. **To Note** the intention for a grant agreement to be put in place for the transfer of the £14m LGF award to the Project.

4. **To Note** that no LGF will be transferred to Kent County Council for the delivery of the Project until the conditions set out in 1. above have been satisfied

7 **A13 Widening Update**

The Board received a report from Anna Eastgate, Assistant Director Lower Thames Crossing & Transport Infrastructure Projects, Thurrock Council and Rhiannon Mort the purpose of this report was to provide an update to the Board on the delivery of the A13 widening project (the Project).

Two amendments to the report were highlighted. The figure in 3.3 should read £66.058m rather than £66.580m. The amount of outstanding Local Growth Fund still to be transferred to the project should read £15.760m, rather than £20.760m.

Ms Eastgate gave an update to the Board, explaining the difficulties encountered and the mitigation measures that have been put in place. She advised that she was confident that the necessary skills had now been put in place on the project with progress having been made.

Councillor Gledhill echoed Ms Eastgate's comments and advised the Board that the project was now in a much-improved position. Councillor Gledhill confirmed that the full project position will be reported to the Board at its next meeting.

Resolved:

1. **To Note** that an increase to the total cost of the Project has been identified relative to the position reported to the Board in June 2019. The updated timescale for the delivery of the Project and the revised total Project cost have not yet been formally confirmed to the Board by Thurrock Council.
2. **To Agree** that an update must be provided to the Board by Thurrock Council at the next meeting of the Board on 15 May 2020 to confirm the updated total Project cost and expected Project completion date.
3. **To Note** that significant progress has been made since the last meeting to address the issues which have led to challenges in delivering the Project, as set out in section four and five below;
4. **To Note** that Thurrock Council provided a verbal commitment to the SELEP Strategic Board in October 2019, to meet any shortfall in the funding for the Project and to ensure the Project is delivered. Written confirmation will be sought prior to the next Board meeting on 15 May 2020, to confirm that Thurrock Council has committed the additional funding required to deliver the Project.

8 **M2 Junction 5 Report**

The Board received a report from Howard Davies, SELEP Capital Programme Officer and a presentation from Steer the purpose of which was for the Board to consider the award of £1.6m Local Growth Fund (LGF) to contribute toward the delivery of the M2 Junction 5 (the Project).

The Board were advised that the scheme is subject to a Public Enquiry that is due to take place in March 2020.

Resolved:

1. **To Agree** the award of £1.6m 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 certainties of achieving this .This is subject to written confirmation being provided to SELEP Secretariat and Accountable Body by Kent County Council (KCC) to confirm:
 - 1.1. the Secretary of State for Transport's approval of the Project following Public Inquiry; and;
 - 1.2. the Highways England Project Business Case confirms that the Project presents high value for money, with a benefit cost ratio of over 2:1.
 - 1.3. the full funding package is in place to deliver the Project.
2. **To Note** that LGF cannot be drawn down by KCC until the two funding conditions set out in 1. above have been satisfied.
3. **To Note** that if the two funding conditions set out in 1. above are not satisfied then the Board will agree to reallocate the funding to the next LGF project identified on the SELEP's LGF3b pipeline.

9 Innovation Park Medway Update Report

The Board received a report from Rhiannon Mort, the purpose of which was to provide the Board with an update on the delivery of the Innovation Park Medway project (the Project).

Rhiannon circulated an email dated 10 February from Highways England giving support and commitment to the project.

Richard Hicks, Deputy Chief Executive of Medway Council updated the Board on the project, giving assurances and advising that there had been a positive direction of travel with regards to progress with Highways England.

He asked for an amendment to recommendation 2.1.2 in the report in order to align Phases 2 and 3 funding.

The Board proceeded to discuss the issues including the challenges regarding the Local Development Order. The Board were sympathetic to the situation and felt that it was a it was a very important project.

Geoff Miles read out an email of support of the project from Richard Longman, Head of Policy from Thames Gateway Kent Partnership which stressed the importance of the project.

It was proposed that the proposed recommendations be amend accordingly.

Resolved:

1. **To Note** the update on the delivery of the Project;
2. **To Agree** that the Business Case for £1.519m Phase 3 LGF be brought forward for consideration by the Board on the 3rd July 2020 for a funding decision.
3. **To Agree** that by the Board meeting on the 3rd July 2020, Medway Council must:
 - 3.1. demonstrate how the Phase 2 and Phase 3 Project meets the five conditions set out in 8.3 of the report; and
 - 3.2. provide evidence that satisfactory progress has been made towards meeting the Project milestones, set out in Table 2 in the report; and
 - 3.3. provide an update on the mitigation sought by Highways England and the extent to which this will impact the overall deliverability of the Project, as set out in section 6 of the report.

If the condition set out in 3.1 to 3.3 are not satisfied by 3 July 2020, the Board will be asked to consider the reallocation of the £3.7m LGF award to Phase 2 and £1.519m LGF to Phase 3.

4. **To Note** the risk to Medway Council of abortive LGF spend on the Phase 2 project, if the LDO is not approved to enable the delivery of the Project. If LGF spend on the Project becomes an abortive revenue cost, this must be repaid to SELEP by Medway Council under the terms of the Service Level Agreement with the SELEP Accountable Body.

10 A289 Four Elms roundabout update

The Board received a report from Helen Dyer, and a presentation from Steer, the purpose of which was for the Board to receive an update on the delivery of the A289 Four Elms Roundabout to Medway Tunnel project (the Project).

Councillor Chambers advised the Board that should the grant funding application be unsuccessful, there would be nothing to fall back on in order to deliver the required housing needs. He stressed that this would be a message to Central Government that the much-needed housing would not be provided, which would have to be removed from the Local Plan.

It was felt by some members of the Board that should the Housing Infrastructure Fund (HIF) not be secured then the project should be considered a high priority for future funding opportunities should such opportunities arise.

Resolved:

1. **To Agree** that the £9.279m unspent LGF is reallocated through the LGF3b pipeline development process; and
2. **To Agree** that there is compelling justification for SELEP not to recover the £1.821m LGF spent on the Project to date; and
3. **To Agree** that should the HIF funding not be secured that the Project is

considered for future funding opportunities, should such funding opportunities become available.

11 University of Essex Parkside LGF Funding Decision

The Board received a report from Howard Davies, SELEP Capital Programme Officer and a presentation from Steer the purpose of which was for the Board to consider the award of up to £5m Local Growth Fund (LGF) to the delivery of the University of Essex Parkside Phase 3 development (the Project).

Resolved:

1. **To Agree** the award of £5m LGF 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; subject to planning consent being secured for the delivery of the Project.

2. **To Note** that a comprehensive Benefits Realisation Plan will be expected prior to commencement of works

12 Groundworks and Scaffolding Training Centre LGF funding decision

The Board received a report from Howard Davies and a presentation from Steer, the purpose of which was to bring forward the revised scope of the Colchester Institute Groundworks and Scaffolding Training Centre (the Project) for consideration by the Board.

In response to a Member's question regarding the level of funding in question, it was confirmed that this had been considered by the Investment Panel and was beneficial and worthwhile.

Resolved:

1. **To Approve** the change of scope for the Project which has been assessed by the ITE as presenting high value for money with high certainty of achieving this.

2. **To Approve** the reduction of funding to be awarded to £50,000 LGF to support the delivery of the Project.

3. **To Note** that the remaining £50,000 will be returned to the LGF pot to be reallocated to the next project on the LGF3b pipeline.

13 Queensway Gateway Road Project Update

The Board received a report from Helen Dyer the purpose which was for the Board to receive an update on the delivery of the Queensway Gateway Road project (the Project).

Councillor Glazier explained the difficulties that had been encountered and confirmed that progress was being made which included the delivery of a temporary connection with the A21 in the Spring of 2020.

Resolved:

1. **To Note** the latest position on the delivery of the Project; and
2. **To Note** that the Board will be provided with a further update on the Project at its next meeting on 15th May 2020.

14 Bexhill Enterprise Park North Update

The Board received a report from Helen Dyer, SELEP Capital Programme Officer and Marwa Al-Qadi, Project Co-ordinator – East Sussex Growth, East Sussex County Council, the purpose of which was for the Board to receive an update on the delivery of the Bexhill Enterprise Park North project (the Project).

The Board were advised that it was unlikely that the planning appeal would be decided before June 2020.

Resolved:

1. **To Note** the latest position on the delivery of the Project;
2. **To Agree** to pause LGF spend on the delivery of the Project, beyond the £440,000 LGF already transferred to East Sussex County Council, until planning consent has been granted.
3. **To Agree** that a further update on the Project which confirms the outcome of the planning appeal should be provided to the Board at their meeting on 3rd July 2020.

15 Growing Places Fund Update

Geoff Miles left the room due to his previously made declaration of interest. This item was chaired by Rosemary Nunn.

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.

Resolved:

1. **To Note** the updated position on the GPF programme.
2. **To Approve** the revised repayment schedule for the North Queensway project
3. **To Approve** the revised repayment schedule for the Workspace Kent project

4. **To Approve** the revised repayment schedule for the Eastbourne Fisherman's Quay and infrastructure development project
5. **To Note** the revised drawdown schedule for the Eastbourne Fisherman's Quay and infrastructure development project
6. **To Note** the removal of the Discovery Park project from the GPF programme
7. **To Note** the increase in GPF funding available for reallocation through GPF Round 3

16 **SELEP Operations Update**

The Board received a report from Suzanne Bennett Chief Operating Officer, the purpose of which was for the Board to be updated on the operational activities within the Secretariat to support both this Board and the Strategic Board. The report included an update on risk management and updates on items of governance. The financial update was included in a separate report.

The Board discussed the issues gender representation on the Strategic Board and that the requirement for one third female representation may not be achieved.

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Resolved:

1. **To Note** the risk register at Appendix A and the update included in the report;
2. **To Note** the update on the LEP Review and Assurance Framework; and
3. **To Note** the update on the Annual Performance Review.

17 **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 latest financial forecast position for the SELEP Revenue budget for 2019/20.

A further update report will be brought back to the Board on the 15th May 2020.

Resolved:

To Note the half year forecast revenue outturn position for 2019/20 of an underspend of £826,000.

18 A28 Sturry Link Road Update

The Board received a report (Appendix 1 was considered under Exempt items) from Rhiannon Mort, the purpose of which was for the Board to receive an update on the delivery of the A28 Sturry Link Road project (the Project), Canterbury, Kent.

Councillor Gough expressed his favour for option 2 in the report. He explained the situation regarding the planning issues and requested that the date in Option 2 be amended to meeting of the Board on 15 May 2020.

Resolved:

1. **To Agree** that £4.791m unspent LGF will be automatically reallocated to the LGF3b pipeline if planning consent is not secured by 15th May 2020 for:
 - 1.1 the Broad Oak Farm and Sturry development;
 - 1.2 the Project itself.

19 Date of next meeting

The Board noted that the next meeting will take place on Friday 15th May 2020 at High House Production Park.

20 Any other business

Councillor Gough asked whether it was feasible for the NIAB LGF 3b project to come forward for consideration by the Accountability Board on the 3rd July 2020, as the project requires an urgent funding decision to enable the project to spend any LGF allocations by the end of the Growth Deal period.

Rhiannon explained that LGF funding decisions can only be brought forward to the Accountability Board when there is sufficient LGF funding available to support the award of funding to the project. However, it is possible for the project promoters to prepare their business case and for this to be assessed by the Independent Technical Evaluator so that should sufficient LGF be made available, the project will be ready to be considered by the Accountability Board.

On behalf of the Board, Councillor Glazier offered his thanks to Geoff Miles for all his hard work and the contribution that he has made during his Chairmanship.

There being no urgent business the meeting closed at 1.10pm

21 A28 Sturry Link Road Confidential Appendix 1

The Board considered A28 Sturry Link Road CONFIDENTIAL APPENDIX 1.

22 Hadlow College Update

The Board noted the Hadlow College update.

Chairman