



SOUTH EAST
LOCAL ENTERPRISE
PARTNERSHIP

STRATEGIC BOARD AGENDA PACK

Friday 20th March 2020

High House Production Park, Purfleet, RM19 1RJ



Agenda

	09:30	INDUCTION FOR ALL BOARD MEMBERS	Various	
	10:30	Break		
Item 1	10:45	Welcome and introductions	Chris Brodie	
Item 2	10:55	Minutes from 31 st January 2020 meeting Declarations of Interest Matters arising	Chris Brodie	Pg. 3
Item 3	11:00	Appointment of Directors <ul style="list-style-type: none"> Resolution: to appoint one permanent Director and five Co-opted Directors of SELEP Ltd 	Chris Brodie	Pg. 10
Item 4	11:10	Terms of Reference, Framework Agreement and other policies <ul style="list-style-type: none"> Decision to adopt eight policies Decision to enter into the Framework Agreement Resolution to enter into a Power of Attorney To note that the Assurance Framework remains in force 	Chris Brodie	Pg. 12
Item 5	11:20	SME Board Champion <ul style="list-style-type: none"> Selection of the SME Champion 	Chris Brodie	Pg. 16
Item 6	11:25	Delivery Plan 2020/2021 TO FOLLOW	Suzanne Bennett	
Item 7	11:35	Coastal Prospectus <ul style="list-style-type: none"> Decision to endorse the Coastal Communities Economic Prospectus 	Adam Bryan	Pg. 17
Item 8	11:50	Local Growth Fund Capital Programme Update <ul style="list-style-type: none"> To note the update on programme delivery Decision to agree that an update will be brought back to the Board regarding Innovation Park Medway in June 2020 	Rhiannon Mort	Pg. 20
	12:05	Comfort Break		
Item 9	12:15	Consultation Responses TO FOLLOW	Adam Bryan	
Item 10	12:45	LIS Update <ul style="list-style-type: none"> To note the activities being undertaken To note the latest information provided by Government 	Helen Russell/Sharon Spicer	Pg. 34
Item 11	13:00	Chelmsford City Council: HIF Project update <ul style="list-style-type: none"> To note the background information 	Cllr Stephen Robinson and Nick Eveleigh	Pg. 38
	13:30	AOB and Close		

Information Items

Growth Hub Update

Sector Support Fund Update

Future Strategic Board meeting dates:

12th June; (24th June AGM); 2nd October; 11th December; 19th March 2021.

Item 1: Welcome and Introduction

- 1.1. Chris Brodie opened the meeting.

Item 2: Minutes of last meeting, Declarations of Interest and Matters Arising

- 2.1. The minutes of the previous meeting were **agreed**.
- 2.2. There were no interests declared in relation to this agenda.
- 2.3. The Board was updated regarding the Annual Performance Review that was conducted on the 27th of January; it went well, and final marks will be good, provided that all the LEP review requirements are met as previously agreed.
- 2.4. George Kieffer updated the Board regarding the ESIF meeting mentioned at 11.9 in the previous minutes. This meeting was unfortunately cancelled but resulted in the SELEP area receiving more money than originally allocated.
- 2.5. Adam Bryan informed the Board that the Lower Thames Crossing Supplementary Consultation is now open, and a response to this will be considered at the March Strategic Board meeting.
- 2.6. Adam Bryan also explained to the Board that there will be an induction session scheduled on the 20th of March before the Board meeting for all Board members, with more details to follow.

Item 3: Local Industrial Strategy

- 3.1. Carole Barron commented regarding the Government timetable delays slipping from March to the Summer that the political landscape has changed since December, and that an even bigger case for investment given the focus on investment in the north and that our area will be at the sharp point of Brexit.
- 3.2. Adam Bryan responded that the LISs remain part of Government plans, although possibility re-packaged. He continued that feedback has suggested the SELEP's LIS is stronger than many others and this may facilitate faster working with the Government, and emphasised that this meeting presents another chance to give feedback and comments to be taken into consideration in the final drafting of the LIS.
- 3.3. Helen Russell and Sharon Spicer presented to the Board.



3 310120 LEP Board
Meeting LIS PP_FINA

- 3.4.
- 3.5. Jo James expressed concern around adding more outcomes to the evidence base that this would add too much length to the document. She added her thanks to Helen and Sharon for the work they have done.
- 3.6. Jo James continued by suggesting that there needs to be a greater mention of the benefits of the Lower Thames Crossing, and that any opportunity where investing in the SELEP actually also helps the north will be important.

- 3.7. Peter Fleming expressed thanks regarding the engagement and attendance with KMEP. He added that he wished to emphasise to the new Board the scale of the challenge of covering the whole SELEP area, and that he doesn't think there is clear single message in the LIS, but he does not think this is possible given this challenge.
- 3.8. Ana Christie commented that Government will be focusing on net-zero carbon economy and that she thinks this needs to come out more. She asked whether a task group could be formed regarding engagement with utility companies.
- 3.9. Miranda Chapman suggested that the LIS needs a couple of sentences as an "elevator pitch".
- 3.10. Perry Glading stated that he would like a better understanding of the calculation of the figure of 28 billion. He also asked how this document could work alongside a good communications strategy throughout all the federated areas, adding that there is a need for a concise "front end" that can be promoted locally.
- 3.11. Graham Peters commented that he thinks the document needs to be more impactful for ministers.
- 3.12. Carole Barron commented that there needs to be more emphasis, regarding ageing society/new communities, around helping people to stay in their homes longer. She added that momentum needs to be maintained around Clean Growth, and that the U9 group may be able to add to the evidence base.
- 3.13. Carole Barron continued, adding that the word "security" is key in the section around the ports.
- 3.14. Andrew Metcalf stated that the detail of the document will be less important for ministers, and that a short pithy narrative would be useful for this.
- 3.15. Adrian Gulvin suggested encouraging utility companies to invest in infrastructure, as infrastructure needs to be green going forward to align with Government aims.
- 3.16. It was also suggested that the references to the coastal prospectus could be made clearer.
- 3.17. Graham Peters commented that the feedback from the rural group working group was positive, however most information relating to rural is found under the Coastal Catalyst strategic opportunity, and he asked whether this could be changed.
- 3.18. Jo James stated that the executive summary is too repetitive of content already in the document, and that it needs to be something more enticing to the reader.
- 3.19. Helen Russell clarified that there is a three-page summary produced which was not circulated as it will be finalised during the next stage.
- 3.20. Colette Bailey commented that she likes how the document describes what unites the area. The Skills Advisory Panel asked whether there could also be acknowledgement of the challenge of close proximity to London, rather than just the opportunities. More information and detail around the creative sector would also improve the document, particularly around the attraction strategy. She emphasised the available resources of copywriters available within this sector while finalising the document.

- 3.21. Graham Peters emphasised that some areas of the SELEP themselves require levelling with the rest of the South East, as there is some deprivation and particular issues within our own areas.
- 3.22. Carole Barron added that within Research and Development the language needs strengthening, that there is not a lack of spending but a disproportionately low amount of funding allocated to the area.
- 3.23. Chris Brodie concluded the item by summarising that these comments will be taken into consideration, a further update will be provided at the next meeting and that hopefully Government timetables will be clearer by this time.
- 3.24. The Board **noted** the progress made in drafting the LIS following feedback from the Board meeting on 6 December.

Item 4: Communication Strategy and Protocols

- 4.1. Zoe Gordon presented to the Board.



4 Board Meeting -
CommsStrategy_Pres

- 4.2.
- 4.3. Peter Fleming commented that he does not understand what the “brand” of the SELEP is, and that the tag line is too generic. He added that there are other bodies with “South East” in the title which risk confusion.
- 4.4. Zoe Gordon clarified that the LIS will provide more detail around the brand identity of the SELEP.
- 4.5. Clive Soper added that the LIS contains the “Global Gateway” branding, which is an important strength for the country and differentiates the SELEP from other regions.
- 4.6. Peter Chowney said that the target audience ought to include the utility companies. He also commented that the word “coalition” is not as strong as partnership .
- 4.7. Andrew Metcalf emphasised that putting this strategy into practice will require many other people, including local authorities and other communications teams for example, and that partnership working will be crucial.
- 4.8. Miranda Chapman clarified that this item was asking to sign off the broad premise of the strategy. She reemphasised the need for more impactful language, and that there is talent available to assist.
- 4.9. Ana Christie reiterated Peter Chowney’s point around the word “coalition” and suggested “partnership” instead. She raised the question of how SELEP sees their role in connecting the federated areas.
- 4.10. Colette Bailey commented that she likes how the strategy includes behaviours and values, and that this would be helpful to include in the induction of the new Board. She continued by agreeing with Miranda Chapman’s point about increasing the impact of the document, and suggested a series of pictures or a 30 second film.
- 4.11. Martin Bracken added that the strategy should build-in the strategic opportunities from the LIS.

- 4.12. Carole Barron suggested looking at Medway as an example of good practice.
- 4.13. The Board **agreed**, subject to comments being considered, the Communication Strategy and Protocols.
- 4.14. The Board **noted** the communications narrative and key messages set out in the Communication Strategy and Protocols.
- 4.15. The Board **noted** the responsibilities of SELEP Members and partners when communication the work of SELEP and its projects.

Item 5: Local Growth Fund Spend Beyond 31 March 2021

- 5.1. Rhiannon Mort presented to the Board.



5 LGF spend
beyond 31 March 20

- 5.2.
- 5.3. The Board considered each project in turn. It was agreed that all endorsements would be subject to review if there were any significant changes regarding planning approval, project deliverability or the availability of other funding towards the project.
- 5.4. A127 Fairglen Interchange Junction Improvements and New Link Road project:
 - a) Geoff Miles explained that the Accountability Board considered this project as a priority;
 - b) the Board **endorsed** this project.
- 5.5. Thanet Parkway project:
 - a) David Rayner commented on the positive news that Kent County Council will be putting money into this project to bridge the funding gap. He asked whether the work on this project will have started before the deadline;
 - b) Mike Whiting responded that he is confident that there will be good headway by March 2021 with an expected opening of Spring 2022;
 - c) the Board **endorsed** this project.
- 5.6. A28 Sturry Link Road project:
 - a) Jo James explained that she considers this project to be a priority and would like to see some flexibility;
 - b) Geoff Miles explained that this project would be following a similar approvals timeline as the Thanet Parkway project;
 - c) The Board **endorsed** this project.
- 5.7. George Kieffer expressed the need to prove that the LEP can deliver in order to retain future funding for our area;

- 5.8. There was a discussion regarding project pipelines, and the importance of using any money that may become available towards these projects, taking available time into consideration.
- 5.9. Exceat Bridge project:
- a) the Board **endorsed** this project.
- 5.10. Innovation Park Medway project:
- a) Tony Ball requested more information around the delay with the Local Development Order (LDO);
 - b) Rhiannon Mort explained that in order to approve the LDO, Medway needs to understand the impact on the Highways England network. This could then raise the need for mitigating works which will need to be addressed. The project is dependent on this timeline;
 - c) Adrian Gulvin added that Medway is committed to this project and is working with Highways England, and that they have invested in the project and are sponsoring one of the buildings. He emphasised that work is ongoing with the LDO and archaeological works and that the project is ready to start as soon as the LDO is received;
 - d) David Rayner stated that Success Essex considered at their meeting that time has run out for this project;
 - e) Jo James asked if Dawn Hudd, Assistance Director- Physical and Cultural Regeneration at Medway Council, could address the Board;
 - f) Dawn Hudd explained that Geoff Miles wrote to Highways England regarding this project, which was useful and demonstrates the influence of the SELEP. She added that Medway is engaged with Highways England and is committed to finding solutions, and that this project has been decoupled from the Local Plan which was causing a delay, to be re-linked if timescales around traffic modelling match up. She continued that Highways England will be writing to the Accountability Board to state that they are working with Medway and are confident in finding solutions. She summarised that traffic modelling will be finalised, and Highways England will inform Medway of the required mitigations by July 2020, there will then be further discussions regarding funding and it is possible that the project could start before October 2020, but a Cabinet meeting date has been identified in October 2020 for the potential approval of the Local Development Order;
 - g) the Board **did not endorse** this project. This project will be reviewed by the Accountability Board in February 2020, to return to the March 2020 Strategic Board meeting.
- 5.11. David Rayner emphasised the importance of providing the Secretariat with up-to-date information.
- 5.12. Rhiannon Mort commented that relevant projects on the pipeline will be contacted to prepare business cases in advance after the February Accountability Board meeting.
- 5.13. Rhiannon Mort commented that there are a further ten LGF projects with a risk of LGF spend beyond 31 March 2021.
- 5.14. Geoff Miles comments that Kent County Council has handed back around £15m LGF from certain LGF projects which could not progress. The question around deliverability should be put to other local

authorities to ensure that the high-risk projects and those projects at risk of spending LGF beyond 31 March 2021 are deliverable and where they are not, this funding should be handed back.

- 5.15. Graham Peters suggested that the SELEP Secretariat should formally write to local areas on the point raised by Geoff above.
- 5.16. Ron Woodley commented that it would be useful to understand the threshold of success according to Government.
- 5.17. Adam Bryan reassured the Board that the SELEP maintains good delivery, and that a sensible approach will help to keep this trajectory.

Item 6: SELEP Local Assurance Framework 2020/21

- 6.1. Suzanne Bennett presented to the Board.



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- 6.2.
- 6.3. The Board **agreed** the SELEP Assurance Framework 2020/21, to be formally adopted on incorporation of the South East LEP Ltd.
- 6.4. The Board **agreed** the revised Board Recruitment Policy, to be formally adopted on incorporation of the South East LEP Ltd.
- 6.5. The Board **noted** the revised Terms of Reference, to be reconsidered at the March Strategic Board meeting.

Item 7: Chair Term Extension

- 7.1. Chris Brodie left the room for this item; Adam Bryan chaired this item.
- 7.2. It was agreed that the allowance for this position will be given further consideration at the appropriate moment.
- 7.3. The Board **agreed** to extend the term of the current Chair by a further two years.
- 7.4. The Board **noted** that this extension would take the term served to a full six years which is the maximum term for the position, after which an open and transparent recruitment in line with the agreed process as set out in the Board Recruitment Policy would be required.
- 7.5. Chris Brodie returned to the room, and added that he has been nominated to be the representative for the Southern LEPs on the LEP network board.

Item 8: Deputy Chair Recruitment

- 8.1. George Kieffer, Chair of the Selection Panel, provided the Board with background information.
- 8.2. The Board **agreed** to appoint Sarah Dance as the Deputy Chair.

Item 9: Board Membership

9.1. Chris Brodie expressed a series of messages of thanks on behalf of the rest of the board and the SELEP Secretariat to the Board members who have recently left or for whom this will definitely be their last meeting. These members were:

- a) David Burch
- b) David Tutt
- c) Douglas Horner
- d) George Kieffer
- e) Paul Thomas
- f) Peter Chowney
- g) Peter Fleming

Item 10: AOB

10.1. Success Essex will be reconsidering their representatives in order to achieve the gender balance necessary to meet the requirements of the LEP Review.

10.2. George Kieffer added that the LEP was invited to the hearing before the Stansted Airport planning application but was unfortunately not called, about which George Kieffer has expressed disappointment to Uttlesford District Council.

Chris Brodie closed the meeting.

Item 3: Appointment of Directors

1. Purpose

- 1.1. The purpose of this report is to provide Strategic Board (the Board) with information on one permanent Director and five Co-Opted Directors for them to consider whether these persons should be adopted as Directors of South East LEP Ltd.

2. Recommendations

- 2.1. The Board is asked to resolve:
 - 2.1.1. that Cllr Keith Glazier be appointed as a permanent Director of South East LEP Ltd with immediate effect;
 - 2.1.2. that Cllr David Monk be appointed as a Director of South East LEP Ltd for the period of one year beginning on 1 April 2020;
 - 2.1.3. that Cllr Graham Butland be appointed as a Director of South East LEP Ltd for the period of one year beginning on 1 April 2020;
 - 2.1.4. that Professor Karen Cox be appointed as a Director of South East LEP Ltd for the period of one year beginning on 1 April 2020;
 - 2.1.5. that Angela O'Donoghue be appointed as a Director of South East LEP Ltd for the period of one year beginning on 1 April 2020; and
 - 2.1.6. that Penny Shimmin be appointed as a Director of South East LEP for the period of one year beginning on 1 April 2020.

3. Background

- 3.1. South East LEP Ltd was registered with Companies House on 28 February 2020 and in line with the Articles of Association adopted at that time, it is necessary for the South East LEP Ltd Board of Directors to take a resolution to appoint new Directors.
- 3.2. Nineteen of the 20 permanent Directors of the Board were registered on incorporation of the company but one Director could not be registered at that time due to governance requirements within the organisation he represents. The Board will now need to take a resolution to appoint this Director.
- 3.3. It was agreed at the October 2019 meeting of the Board that five Directors would be appointed on an annual basis, for a period of 12 months. These Directors would represent the following sectors:
 - City/Borough/District Local Authority
 - City/Borough/District Local Authority
 - Social Enterprise
 - Further Education
 - Higher Education
- 3.4. It was agreed that the 12-month period served would align with the financial and planning year which runs from April to March. Those parties who are responsible for nominating Co-opted Directors have now submitted their nominations for consideration by the Board.

4. Appointment of Directors

- 4.1. As detailed above, it was not possible to register one director on incorporation. We have now had confirmation that governance processes at East Sussex County Council are complete and they nominate Councillor Keith Glazier to sit as a Director of the Board as the East Sussex County Council Director. The Board is recommended to appoint Cllr Glazier as a Director of South East LEP Ltd with immediate effect. Should the Board take this resolution, Cllr Glazier will join for the remainder of the meeting at the invitation of the Chair.
 - 4.2. Nominations have been received for the five Co-opted Directors, who will serve for 12 months. The nominations are as follows:
 - 4.3. **City/Borough/District Local Authority Co-Opted Director One:** it was agreed that this representative would be from Essex for the 2020/21 period. The Essex authorities have nominated Cllr Graham Butland from Braintree District Council to be the Co-Opted Director.
 - 4.4. **City/Borough/District Local Authority Co-Opted Director Two:** it was agreed that this representative would be from Kent for the 2020/21 period. The Kent authorities have nominated Cllr David Monk from Folkestone and Hythe District Council to be the Co-Opted Director.
 - 4.5. **Social Enterprise Co-Opted Director:** the Social Enterprise working group has confirmed that they wish Penny Shimmin to continue to be their representative and therefore she is nominated to be the Co-Opted Director.
 - 4.6. **Higher Education Co-Opted Director:** the Vice Chancellors of the nine universities have nominated Professor Karen Cox to be their representative and therefore she is nominated to be the Co-Opted Director.
 - 4.7. **Further Education Co-Opted Director:** the Skills Advisory Group has confirmed their nomination for the Further Education Co-opted Director is Angela O'Donoghue.
 - 4.8. The Board is recommended to appoint these five persons as Co-opted Directors. The Co-opted members will join the Board at their meeting in June.
 - 4.9. The resolution for the company is attached at Appendix A.
- #### **5. Accountable Body Comments**
- 5.1. The recommendations are appropriate and are in line with the Assurance Framework and the decisions previously agreed by the Board.

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Position: Chief Operating Officer

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Item 4: Terms of Reference, Framework Agreement and other policies

1. Purpose

- 1.1. The purpose of this report is to propose to adopt updated versions of policies previously agreed by the SELEP Strategic Board.

2. Recommendations

- 2.1. The Board is asked to agree to adopt the Terms of Reference;
- 2.2. The Board is asked to agree to adopt the Board Recruitment Policy;
- 2.3. The Board is asked to agree to adopt the Code of Conduct;
- 2.4. The Board is asked to agree to adopt the Complaints Policy;
- 2.5. The Board is asked to agree to adopt the Conflicts of Interest Policy;
- 2.6. The Board is asked to agree to adopt the Public Questions Policy;
- 2.7. The Board is asked to agree to adopt the Subsistence and Hospitality Policy;
- 2.8. The Board is asked to agree to adopt the Whistleblowing Policy;
- 2.9. The Board is asked to agree to enter into the Framework Agreement;
- 2.10. The Board is asked to resolve to enter into a Power of Attorney to appoint Adam Bryan and Suzanne Bennett to act on behalf of the Company by signing, executing, delivering and/or issuing the agreements, documents, certificates and instruments (all whether as a deed or not) as set out in Section 5 below. The Power of Attorney will last for a period of twelve months or when Mr Bryan or Ms Bennett no longer holds the position of Chief Executive Officer or Chief Operating Officer, whichever is soonest; and
- 2.11. The Board is asked to note that the SELEP Assurance Framework continues to be in force.

3. Background

- 3.1. The SELEP has now been registered with Companies House as the South East LEP Limited (SELEP Ltd), and as such it is necessary that the company formally adopts the SELEP policies.
- 3.2. The Assurance Framework remains in force according to the Articles of Association of the South East LEP Ltd, but all other policies require formal re-adoption by the newly incorporated SELEP.
- 3.3. All policies have been updated for accuracy and clarity, but this update is not an instrument to propose any new governance arrangements for the LEP other than those already happening in practice or previously agreed.
- 3.4. Tracked changes versions of these policies are available as background information on request to Amy Ferraro (amy.ferraro@southeastlep.com).
- 3.5. All policies once adopted can be found for reference on the SELEP website under Good Governance.

4. Summary of Policy Changes

- 4.1. The draft Terms of Reference were shared with the previous Board at their meeting on 31 January 2020 and the members who were to become Directors of SELEP Ltd were invited to send comments to the Secretariat. No comments have been received and therefore the Terms of Reference remains unchanged from the draft previously circulated.

- 4.2. The Board Recruitment Policy remains unchanged from previous approval at the 31 January 2020 meeting.
- 4.3. The Code of Conduct has not been materially changed, but the wording has been made clearer and sections with repeated content have been edited.
- 4.4. The Confidential Reporting of Complaints Policy has been renamed as the Complaints Policy, as this title is more representative of the content within. Some of the wording has been moved within the document but otherwise there has been only small corrections.
- 4.5. The Register of Interests Policy has been renamed as the Conflicts of Interest policy as per National Assurance Framework guidelines, and this is a more representative title of the content in this policy. The wording has been edited for clarity and conciseness, and the procedures made clearer. They key changes are:
 - 4.5.1. the explanation of relevant interests has been updated to reflect the new Register of Interests form;
 - 4.5.2. “Code Interests” has been removed as a keyword, as this is not necessary for understanding of the document. Interests previously under this category are now referred to as “other miscellaneous relevant interests”;
 - 4.5.3. the timescale requirement to add any changes to a Register of Interests has been clarified as within 28 days or before taking part in decision-making;
 - 4.5.4. the procedures for the interests of substitutes has been further clarified;
 - 4.5.5. the requirement to declare Strategic/Accountability Board and Investment Panel interests ahead of a meeting has been added, to allow for proper consideration of action needed;
 - 4.5.6. the exception around sensitive interests at 4.4 has been extended to include informing the Federated Board lead officer; the publication exception remains materially unchanged;
 - 4.5.7. the fact that interests will be audio recorded as well as minuted has been added; and
 - 4.5.8. the previous version of the Register of Interests has been removed as an appendix.
- 4.6. The Public Questions Policy now applies to both the Strategic and Accountability Boards. The key update is that the rights of District/City/Borough Councils to join a discussion have been explained.
- 4.7. The Subsistence and Hospitality Policy has been updated to reflect the addition of the Deputy Chair, but otherwise no material changes are proposed.
- 4.8. The Whistleblowing Policy has been updated to reflect the incorporated status but otherwise no significant changes.
- 4.9. At the December 2019, the Board received a draft agreement that creates an overarching framework setting out the duties and obligations, roles and responsibilities of the Councils, the Accountability Board, Accountable Body and the Company in relation to the activities undertaken in relation to SELEP Ltd.
- 4.10. SELEP Ltd and the six County/Unitary Councils will be party this Framework Agreement; each respective council has approved the agreement through their governance processes; SELEP Ltd is now required to approve the Framework in order that it can be adopted.

5. Power of Attorney

- 5.1. The Board is asked to take a resolution to give the Power of Attorney to the Chief Executive Officer (CEO), Adam Bryan and to the Chief Operating Officer (COO), Suzanne Bennett to cover any period where the CEO may be absent. The powers to act would be limited to those outlined below and would be in place for a period of twelve months only.
- 5.2. Currently the vast majority of legal agreements for the partnership will continue to be contracted by Essex County Council as the Accountable Body on behalf of SELEP Ltd. However, as set out in the Framework Agreement, SELEP Ltd and the Accountable Body will both be party to any new funding agreements with project leads. This was included to ensure that the Accountability Board could not agree to bring forward projects that were not approved by Strategic Board/SELEP Ltd.
- 5.3. It is therefore proposed that the CEO and COO should be granted Power of Attorney to sign/execute funding agreements on behalf of SELEP Ltd. The Board will be asked to take a resolution following Investment Panel meetings to resolve to make investment in the selected projects when the Accountability Board have made their final approval. It will only be after this resolution and the Accountability Board approval that the CEO or COO could act.
- 5.4. In addition, it is proposed that the CEO and COO should be granted Power of Attorney to sign executive letters of support on behalf of SELEP Ltd following an assessment that the project/initiative that is seeking support aligns with extant strategies as approved by the Board.
- 5.5. An increasing number of Government initiatives and funding streams require bidders to seek confirmation of support from their LEP before they submit for funding. In many cases it is not defined exactly what form that 'support' takes beyond a general agreement that the submission broadly aligns with the strategic direction of the LEP. To gain Board approval for all of these requests would be both time-consuming and potentially impact the ability of the submitting authority to submit within time constraints.
- 5.6. It is therefore proposed that where a general letter of support is requested, the CEO/COO would be able to do following an assessment of strategic fit. Should the request for support require any commitment of future resources for SELEP Ltd or potentially require any commitment, support or endorsement will continue to be a decision of the Board.
- 5.7. Power of Attorney is awarded to a person rather than a post; however, should Mr Bryan or Ms Bennett leave their posts with SELEP Ltd, their Power of Attorney will be revoked immediately. The Power of Attorney will be reviewed on a twelve-monthly basis to ensure it is still appropriate or the Board could take a resolution to revoke at any time.

6. Accountable Body Comments

- 6.1. It is proposed that the Power of Attorney is awarded to Mr Bryan, SELEP Ltd CEO and in his absence Ms Bennett, SELEP Ltd COO, to ensure operational continuation for delivery of company decisions.
- 6.2. The Power of Attorney will be executed in line with the SELEP Ltd Assurance Framework.
- 6.3. The Chief Executive Officer Adam Bryan (and in his absence the Chief Operational Officer Suzanne Bennett) are responsible for;
 - 6.3.1. publishing as a Chief Officer Action on the SELEP Ltd website, all decisions made under the Chief Executive Officer's delegated responsibilities;
these must be in line with:

- i. the Accountable Body's scheme of delegation and Financial Regulations;
 - ii. respective decisions made by the Accountability Board and the Strategic Board, including decisions related to the approved budget of the Secretariat;
 - iii. the SELEP Ltd Assurance Framework.
- 6.4. All decisions made by the Chief Executive Officer Adam Bryan (and in his absence the Chief Operational Officer Suzanne Bennett) that are Chief Officer Actions under the Financial Regulations and associated scheme of delegation of the Accountable Body, shall also be published on the SELEP Ltd website.

7. Appendices

- 7.1. Appendix A: Articles of Association (for reference)
- 7.2. Appendix B: Assurance Framework (for reference)
- 7.3. Appendix C: Board Recruitment Policy
- 7.4. Appendix D: Code of Conduct
- 7.5. Appendix E: Complaints Policy
- 7.6. Appendix F: Conflicts of Interest Policy
- 7.7. Appendix G: Framework Agreement
- 7.8. Appendix H: Public Questions Policy
- 7.9. Appendix J: Subsistence and Hospitality Policy
- 7.10. Appendix K: Terms of Reference
- 7.11. Appendix L: Whistle-blowing Policy
- 7.12. Appendix M: Resolution to enter a POA
- 7.13. Appendix N: Power of Attorney

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Item 5: SME Board Member Champion

1. Purpose

- 1.1. The purpose of this report is to inform the Strategic Board (the Board) on the background for the requirement of a Small and Medium Enterprise (SME) Champion at Board level and to request for interested Board Members to put forward their expressions of interest in the role.

2. Recommendations

- 2.1. The Board is asked to consider the expressions of interest from Board Members for the role and to select which member they would like to appoint as the SME Champion for a period of two years.

3. Background

- 3.1. It is a requirement of the National Assurance Framework that every LEP has at least one Board Member designated as a LEP-wide SME Champion. Their role is to champion SME businesses and their interests with the LEP and local community. Given the large proportion of SME businesses in the South East region it is important that they are properly represented on the Board.
- 3.2. The current SME Champion is the Chair but at the first meeting of the refreshed Board it is an opportune time to review and invite expressions of interest from other members of the Board.
- 3.3. For the majority of SME businesses in the South East, the visible face of SELEP is the Growth Hub. The South East Business Hub provides support on a day to day basis for many of our SMEs and signposts to other projects and programmes of support provided by our partners. It is expected that the SME Champion will also be the Board lead for the South East Business Hub, supported by the Growth Hub Steering Group and the Secretariat.
- 3.4. To align with the agreed terms of service for Board Members it is proposed that the Champion is appointed for a period of two years.

4. Process for Selection

- 4.1. Board members are invited to email Suzanne Bennett (suzanne.bennett@southeastlep.com) by 5pm Friday 13th March if they are interested in becoming the SME Champion. Submissions should include a brief (no more than two paragraph) statement setting out why the Board Member believes they should be the Champion.
- 4.2. Details of the expressions of interest received will be circulated to Board Members by 5pm 18th March. At the Board meeting those who have expressed an interest will be asked to leave the room and the remaining Directors will vote on their preferred candidate for the role.
- 4.3. Should no expressions of interest be received the Chair will be asked to continue in the role for a further two years.

5. Accountable Body Comments

- 5.1. It is a requirement of the National Local Growth Assurance framework that SELEP that at least one member of the Board must be designated as a SME Champion for the SELEP. They should be clearly named on the SELEP website.

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Position: Chief Operating Officer

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Item 7: Coastal Communities Economic Prospectus

1. Purpose

- 1.1. The purpose of this report is to seek endorsement from the Strategic Board (the Board) of the Coastal Communities Economic Prospectus.

2. Recommendations

- 2.1. The Board is asked to endorse the Coastal Communities Economic Prospectus.

3. Background

- 3.1. The Coastal Communities Economic Prospectus (the Prospectus) has been commissioned, by a partnership of 14 Local Authorities across Essex, Kent and East Sussex (Castle Point Borough Council, Colchester Borough Council, Dover District Council, Eastbourne Borough Council, Essex County Council, Hastings Borough, Lewes District Council, Maldon District Council, Rochford District Council, Rother District Council, Southend-on-Sea Borough Council, Tendring District Council, Thanet District Council and Wealden District). While local authorities have made contributions, it has been supported, predominantly, by the SELEP Sector Support Fund.
- 3.2. The Prospectus highlights common strategic issues along with potential opportunities to inform and enable the poorest towns on the South East Coast to improve their economic performance and attract investment and support.
- 3.3. The Prospectus sets out the priorities which will assist in both improving the coastal economy and alignment with the themes in the National Industrial Strategy. It has also informed the ongoing development of the SELEP Local Industrial Strategy.

4. Coastal Communities Economic Prospectus

- 4.1. The Prospectus was match funded by SELEP, through the Sector Support Fund (£40,000 awarded), as well as the partnership of 14 Local Authorities mentioned above. The commission was in recognition that South East coastal economies face unique challenges to economic growth and that identifying these barriers as well as developing policies and ambitions to overcome them should be central to any future economic growth and productivity strategy.
- 4.2. As such, it was recognised that this piece of work should inform the development of the SELEP Local Industrial Strategy (LIS). To ensure this, the Prospectus has been developed in parallel to the LIS and has informed the emerging priorities, namely the 'Coastal Catalyst' strategic opportunity.
- 4.3. There is no ongoing SELEP budget associated with the Prospectus. The £40,000 allocation from the Sector Support Fund has been used, alongside £20,000 match funding from 14 coastal Local Authorities, for the production of the Prospectus and associated evidence base.

Economic Context

- 4.4. The South East coastal economy is a significant part of the wider economic picture, and currently contributes over £36 billion (1.3% of the national output) per annum to the UK economy.
- 4.5. The South East coast is home to over 2 million people and is anticipating future growth averaging at 7.5% per annum over the next decade. This population growth will partly consist of elderly and unskilled/unemployed inward migration at higher concentrations than inland areas in the South East.
- 4.6. The South East coast is also home to over 72,000 businesses registered for VAT and employs over

800,000 people.

- 4.7. The wider South East's Gross Value Added per head in 2017 was £28,683, while the South East coast averaged just £17,840 per head. This is comparable to the performance of Blackpool (£17,309), Lancaster and Wyre (£18,482) and Cornwall (£17,634), all of which are economies recognised as requiring significant investment.
- 4.8. The house price to workplace-based earnings ratio for the South East coast revealed that prices are 13x earnings, compared to 10x earnings for the wider South East region.
- 4.9. If the South East coast were able to match the predicted growth rate for the UK over the next decade, the South East coastal economy could grow by 15% to £43 billion per annum, potentially creating 48,000 additional jobs.

Vision Statement and Ambitions

- 4.10. The vision statement set out in the Prospectus is to:

"Improve the economic performance of the coast in absolute and relative terms, to grow our economy and narrow the gap with the wider SELEP region.

Ensuring our residents and communities benefit from inclusive regeneration and through improved skills and workforce development."

- 4.11. The Prospectus also sets out the key priorities and ambitions for coastal economies in the South East, namely:
 - 4.11.1. improving connectivity in order to improve mobility and attract new investment and business;
 - 4.11.2. working alongside the Clean Growth Working Group to ensure that the coast is at the forefront in delivering programmes that address the climate emergency;
 - 4.11.3. providing residents and communities with improved skills and workforce development;
 - 4.11.4. working with Government to make policy and programmes "coast friendly";
 - 4.11.5. attracting and retaining business investment and Government interest in supporting growth in economic productivity;
 - 4.11.6. improving the environmental fabric of the coast including housing, seafronts, and town centres; and
 - 4.11.7. building on existing relationships including with our Clinical Commissioning Groups and health partners to address long term health issues which impact our communities and economies.
- 4.12. The Coastal Communities Group will oversee delivery of these priorities, as well as seek partners and identify funding sources to deliver on the stated ambitions.
- 4.13. Given the prominence of the coastal agenda in the draft Local Industrial Strategy, and the degree of local buy-in to this project and its stated ambitions for SELEP's coastal areas, it is currently planned that one member of the SELEP secretariat will have the coastal agenda, namely delivery against this prospectus and the coastal elements of the final Local Industrial Strategy, as the core focus of their role. This will be reflected in delivery planning through 2020/21 and will be reported to the board of SELEP Ltd in due course.

5. Next Steps

5.1. If the Prospectus is endorsed by the Board:

- 5.1.1. Strategic Board members would act as champions of our coastal communities, promoting and assisting actions outlined in the prospectus where possible, without SELEP making a commitment of funding to this activity;
- 5.1.2. SELEP, alongside coastal partners, would use the Prospectus to engage Parliament, Government departments, senior civil servants, anchor industries and education organisations in support of the Prospectus ambitions;
- 5.1.3. relevant stakeholders and partnerships would be signposted to the Prospectus; and
- 5.1.4. the Prospectus would support and inform the actions to be considered in the implementation of the LIS.

5.2. However, it is important to note that by endorsing the prospectus, while SELEP would be stating its support for the overall ambitions, this cannot be taken as a commitment of any SELEP resources or funding. SELEP is not currently in a position to allocate resources or funding to new strategies/plans.

6. Accountable Body Comments

- 6.1. Any commitment to resource a post or any activity to support delivery of the ambitions included in the Coastal Communities Economic Prospectus will be subject to sufficient funding being made available and prioritised for this purpose by the Board. The revenue budget agreed for 2020/21 by the Accountability Board in November 2019, includes provision for a member of the Secretariat to support this activity, albeit subject to receipt of the Core revenue funding from Government, due to be confirmed in April 2020.
- 6.2. Revenue funding to support this post beyond 2020/21 will need to be considered as part of the budget setting process for 2021/22; the Accountability Board has already been made aware at their meeting in February 2020, that there is no confirmed commitment of funding from Government on-going; also, other sources of revenue income, such as income from interest receipts is expected to be reduced as 2020/21 is the final year of the Local Growth Programme, with no confirmation from Government yet of a successor scheme. These challenges mean that it is not possible to commit to the funding of this post beyond 2020/21, at this time.
- 6.3. Further to the challenges in the revenue budget, there is currently no Capital funding aligned to support delivery of the identified opportunities for economic growth within the prospectus; the respective partners will need to work with Government and other agencies to secure greater certainty with regard to future funding arrangements to support the ambitions of the prospectus.

7. Appendices

- 7.1. Appendix A: Coastal Communities Economic Prospectus: 'Boosting Coastal Productivity: An Economic Prospectus for the South East Coast'
- 7.2. Appendix B: Coastal Communities Economic Prospectus - Data Pack

Item 8: Local Growth Fund Capital Programme Update

1. Purpose

- 1.1. The purpose of this report is to provide the Strategic Board (the Board) with an update on the delivery of the Local Growth Fund (LGF) capital grant programme and Growing Places Fund (GPF) capital loan programme.
- 1.2. A detailed update on the delivery of all LGF and GPF projects is provided within the Accountability Board Agenda Pack from the meeting on 14 February 2020. A link to this Agenda Pack is provided at the end of this report.

2. Recommendations

- 2.1. The Board is asked to:
 - 2.1.1. Note the update on the delivery of the LGF and GPF programmes
 - 2.1.2. Agree that an update will to be brought back to the Board in relation to the Innovation Park Medway project in June 2020, for the Board to consider the endorsement of LGF spend beyond 31 March 2021 on the project.

3. Local Growth Fund - Overview

- 3.1. Through three rounds of LGF allocations made by Central Government, SELEP has secured a total of £579m investment in projects across SELEP, aimed at boosting skills, unlocking barriers to development and driving economic growth.
- 3.2. The £579m funding has been allocated to projects which have previously been prioritised by the SELEP Strategic Board or Investment Panel. Once a project has received a funding allocation from the Investment Panel, an Independent Technical Evaluator (ITE) assessment of the project business case is completed prior a funding decision being made by the SELEP Accountability Board.
- 3.3. There is also a project pipeline in place, which was agreed by the Investment Panel in June 2019. This pipeline, set out in Table 1, provides a ranked list of projects that are next in line to receive LGF should sufficient funding become available. Projects included on the pipeline are only able to progress for a funding decision by the Accountability Board once sufficient funding is available to SELEP to support the project.
- 3.4. At the end of Q3 2019/20, a total of £380.523m LGF has been spent on the delivery of the projects which have been approved by the Accountability Board to date.
- 3.5. A total of 36 projects having been completed to date.
- 3.6. There remains pressure to maximise LGF spend on projects by the end of the Growth Deal, ending on 31 March 2021. As per the discussion at the last Board meeting, there is some flexibility for SELEP to agree LGF spend beyond this deadline, where an exceptional case is made. Projects which are identified as at risk of spending beyond 31 March 2021 will be considered by the Board on a case by case basis.

Table 1 Pipeline of projects prioritised by Investment Panel June 2019 (to progress if additional LGF unallocated funding is identified)

Project	Federated Area	LGF ask (£m)
University of Essex Parkside Phase 3 Tranche 2	Success Essex	2.000
Southend Town Centre Tranche 2	OSE	0.632
Kent and Medway Medical School Tranche 2	KMEP	4.000
Exceat Bridge Replacement Tranche 2	East Sussex	0.611
Eastbourne Fisherman's Quayside & Infrastructure Development	East Sussex	1.080
New Construction Centre, Chelmsford	Success Essex	1.295
Colchester Grow-on Space - Queen Street	Success Essex	3.777
NIAB	KMEP	1.750
Total		15.146

4. Update on Accountability Board decisions

- 4.1. On 14 February 2020, the Accountability Board approved the award of £20.6m to the following three projects:
 - 4.1.1. Thanet Parkway Railway Station, subject to planning consent being secured (£14.0m LGF);
 - 4.1.2. M2 Junction 5 (£1.6m LGF); and
 - 4.1.3. University of Essex Parkside Phase 3 – Tranche 1 (£3m LGF) and Tranche 2 (£2m LGF).
- 4.2. Further information about these funding decisions can be found within the Accountability Board Agenda Pack.
- 4.3. The Board also agreed to:
 - 4.3.1. remove the Marks Farm Roundabout project from the LGF programme, as a result the project being fully funded through developer contributions – resulting in £1.8m LGF being reallocated;
 - 4.3.2. reduce the scope of the Colchester Institute Groundworks and Scaffolding Centre and therefore reduce the LGF ask from £100,000 to £50,000; and
 - 4.3.3. reallocate £9.279m unspent LGF from the A289 Four Elms Roundabout to Medway Tunnel project, as a result of the project being included as part of the package of works which has been identified for £170m Housing Infrastructure Fund (HIF) from Central Government.
- 4.4. The cumulative impact of the changes to the three projects set out in section 4.3 above has resulted in a total of £11.129m being returned to SELEP. Along with the £72,717 LGF that was previously identified as unallocated. This has increased the amount of unallocated funding to £11.202m.
- 4.5. The £11.202m unallocated LGF has provided sufficient funding for the University of Essex Parkside Tranche 2 funding of £2m LGF funding which was awarded on 14 February 2020, along with the



Tranche 1 funding of £3m LGF. There is also now sufficient funding available for the following five projects to be brought forward to the Accountability Board for funding approval:

- 4.5.1. Southend Town Centre (£632,292 LGF);
 - 4.5.2. Kent and Medway Medical School Tranche 2 (£4,000,000);
 - 4.5.3. Exceat Bridge Replacement Tranche 2 (£610,579)
 - 4.5.4. Eastbourne Fisherman's Quayside & Infrastructure Development (£1,080,000); and
 - 4.5.5. New Construction Centre, Chelmsford (£1,295,200).
- 4.6. Once the amount of LGF awarded to the University of Essex Parkside Tranche 2 project and the amount of funding sought by the further five projects listed in 4.5 have been taken into account, this leaves £1.584m LGF unallocated. It is intended that the £1.584m will remain unallocated until the amount of LGF underspend increases to a sufficient amount to fund the next project on the LGF3b pipeline.
- 4.7. At the Accountability Board meeting on 14 February 2020, the Board considered several high-risk or medium to high-risk projects. Specific actions have been identified for each of the projects, to demonstrate progress and the project promoters will be required to report back to the Accountability Board on 3 July 2020. Further information about the deliverability and risk position of LGF projects is set out in section 7 and Appendix A.
- 4.8. There is the potential that further LGF may be reallocated from existing LGF projects to support the two projects which remain on the LGF3b pipeline. If the value of the unallocated funding exceeds the amount of LGF sought by the two projects which remain on the pipeline, a further investment approach will be brought back to the Board for consideration at the next meeting of the Board in June 2020.

5. LGF spend position

2019/20

- 5.1. The 2019/20 LGF spend forecast totals £109.760m. This figure has increased relative to the planned spend of £107.314m as expected at the outset of 2019/20 financial year but decreased by £13.766m relative to the position at the time of the last Board meeting. This is the result of delays to LGF spend as a result project delays, which are set out in Appendix A on a project by project basis.
- 5.2. A total of £48.978m LGF is expected be held across SELEP as LGF slippage from 2019/20 to 2020/21 is forecast from 2019/20 to 2020/21. This funding will either be held by either Essex County Council, as the SELEP Accountable Body, or by partner authorities.
- 5.3. This forecast slippage of £48.978m LGF from 2019/20 to 2020/21 increases the delivery pressure during the final year of the programme and increases the risk of LGF slippage beyond the end of the Growth Deal period, as set out in section 5 below.

2020/21

- 5.4. The Accountability Board have also agreed the budget for 2020/21, subject to LGF funding being confirmed by Central Government as per the provisional LGF funding allocation. Receipt of the 2020/21 LGF allocation and SELEP core funding is conditionate upon full compliance with the requirements of the LEP Review and SELEP Assurance Framework.
- 5.5. A total of £119.860m LGF spend is planned in 2020/21, with a further £25.691m LGF spend now

planned beyond the Growth Deal period (ending 31 March 2021).

6. Project Evaluation

- 6.1. Post scheme evaluation is required for each LGF project as the project is completed. Each County Council/ Unitary Authority is required to provide monitoring reports on the delivery of intended project outcomes to date at the end of each financial quarter. This includes the delivery of new jobs, houses, apprentices and new learners. A commitment to monitoring and evaluation is a condition of funding, as set out in the Service Level Agreement between the SELEP Accountable Body and each County Council/ Unitary Authority.
- 6.2. To date, it is reported that a total of 15,776 jobs and 20,835 dwellings have been completed through LGF investment, as shown in Table 2 below. This is relative to the 78,000 jobs and 29,000 homes which SELEP committed to deliver through its Growth Deal by 31 March 2021. It is likely that the output and outcomes will continue to increase through the remainder of the Growth Deal, as projects progress to completion and given the time lag between investment taking place and benefit realisation.
- 6.3. Work is underway to ensure that where project benefits have started to be realised, these are reported to SELEP and Central Government. As part of the SELEP Delivery Plan, annual forecasts have been agreed for the number of jobs and houses which are expected to be delivered within each financial year. SELEP will track progress against these targets. The creation of new jobs through LGF investment is proving more challenging to monitor as methods of collecting this data are more resource intensive.
- 6.4. In 2019/20 financial year, it is expected that 12,661 jobs and 5,223 houses will be delivered as a result of LGF investment across the SELEP area. Limited progress has been reported to SELEP against the target number for jobs and homes to be delivered in 2019/20. This may be in part due to housing completion figures being made available by district authorities on an annual basis following the completion, rather than the quarterly basis sought by Central Government and therefore SELEP.
- 6.5. There is also a risk, as a result of the uncertainty around Brexit, that private sector investment decisions may be deferred and as such, there may be delays to the benefits of LGF investment being realised.

Table 2 Project Outputs Reported to Date

	To date			Forecast in 2019/20		Total forecast through delivery of the LGF programme	
	Jobs	Homes	Other outputs	Jobs	Houses	Jobs	Houses
East Sussex	1,241	1,841	0.5km of newly built road and 3km of new cycle route built	2,350	409	4,916	2,708
Essex	11,805	13,600	3.6km resurfaced, 3.8km newly built road, and 13km of new cycle route built	3,554	1,950	52,817	46,300
Kent	169	3,094	7.0km of road resurfaced, 1.2km of newly built road and 18.6km of new cycle route built	5,670	1,177	25,197	23,454
Medway	2,378	1,144	2.1km of road resurfaced and 14km of new cycle route built	867	1,616	19,057	9,905
Southend	0	1156	3.432km of road resurfaced, 0.626km of newly built roads and 0.408km of new cycle route built	0	0	3,864	5,346
Thurrock	183	0	3.75km off-carriageway new cycle/shared use paths, 0.995km of on-carriageway cycle way, 7.5km of footways to off-carriageway cycle/shared used paths.	220	71	20,547	6,859
Total	15,776	20,835		12,661	5,223	126,398	94,572

7. Deliverability and Risk

- 7.1. Appendix A sets out a delivery update and risk assessment for all projects included in the LGF programme, as summarised in Table 3 below. A score of 5 represents high risk whereas a score of 1 represents low risk.
- 7.2. The risk assessment has been completed based on the following three parameters, in accordance with the reporting to the Ministry for Housing, Communities and Local Government (MHCLG):
- 7.2.1. **Delivery** – considers project delays and any delays to the delivery of project outputs/outcomes. SELEP has considered the delay between the original expected

project completion date (as stated in the project business case) and the updated forecast project completion date.

- 7.2.2. To ensure consistency with MHCLG guidance on the assessment of LGF project deliverability risk, all projects with a great than 3 month delay are shown as having a risk of greater than 4, unless the project has now been delivered and there is no substantial impact on the expected project outcomes delivery.
- 7.2.3. **Financial** – considers changes to project spend profiles and project budget. SELEP has considered the certainty of match funding contributions, and changes to spend in 2019/20 between the planned spend (agreed with the Board at the outset of the financial year) and the updated spend forecast for 2019/20).
- 7.2.4. **Reputation** – considers the reputational risk for the delivery partner, local authority and SELEP

Table 3 LGF project delivery, financials and reputational risk (5 high risk, 1 low risk)

Score	Delivery	Financials	Reputation	Overall
5	11	10	2	5
4	13	7	7	13
3	10	20	16	18
2	12	9	15	20
1	61	61	67	51
Total	107	107	107	107

7.3. Five projects have been identified as having a high overall ‘red’ project risk (overall risk score of 5).

7.3.1. A28 Chart Road, Kent

- The A28 Chart Road project is for improvements to ‘Tank’ and ‘Matalan’ roundabout in Ashford, and for the road to be increased to two lanes in each direction between the two junctions, to support the Chilmington Green development.
- The delivery of the A28 Chart Road scheme in Ashford is currently on hold following the failure of the developer to provide the security bond required for Kent County Council (KCC) to forward fund the delivery of the scheme. The Accountability Board has agreed to reallocate the unspent part of the LGF allocation to this project. This funding has been reinvested through the LGF3b process. The project remains under review to ensure that the £2.756m LGF spend on the project to date remains a capital cost.

7.3.2. A28 Sturry Link Road, Kent

- The project is for the delivery of a new link road in Sturry, Canterbury. The link road will cross the railway and the Great Stour river to unlock planned new housing developments for Sturry and Broad Oak. The project has been awarded £5.9m LGF, of which £1.109m LGF has been spent to date.

- The developer contributions towards the delivery of the project have not yet been secured. The planning applications, for the residential development sites that are due to financially contribute to the project, are due to be considered by Canterbury City Council planning committee on 3 March 2020. The planning application for the construction of the LGF funded part of the link road is also due to be considered by KCC planning committee on 1 April 2020.
- LGF spend on the project has been placed on hold until the local funding contributions to the projects have been confirmed. On 15 November 2019, the Accountability Board agreed that if satisfactory progress had not been made towards securing the full funding package, planning consent for the project and planning consent for the developments due to financially contribute to the project, by 14 February 2020, the Accountability Board would be asked to consider the reallocation of the LGF award to the project.
- At the Accountability Board meeting on 14 February 2020, additional time was allowed for planning consent to be secured by 15 May 2020; for the developers due to financially contribute to the project and for the delivery of the link road itself. If planning consent is not secured by the date of the next Accountability Board meeting, the funding will automatically be reallocated.
- At the last Board meeting, the Board endorsed the spend of LGF beyond the Growth Deal period, which is currently estimated at £760,000 spend in 2021/22.

7.3.3. Thanet Parkway, Kent

- Thanet Parkway project is for the delivery of a new railway station, two miles west of Ramsgate, to increase rail connectivity between East Kent, London and the wider Kent area by providing access to mainline and high-speed services. The project will provide access to more employment opportunities for local residents. It will also improve investment opportunities at Discovery Park Enterprise Zone and surrounding business parks in Thanet.
- Thanet Parkway has been considered a high-risk project for several years as a result of cost increases and a funding gap. Following the award of £17.81m from Kent County Council of its own capital funding, the project funding gap has now been bridged. On 14 February 2020, the Accountability Board approved the award of £14m LGF to the project, subject to planning consent being secured by July 2020. Whilst it remains a complex project, the RAG rating will now reduce from high to medium-high.
- At the last Board meeting, the Board endorsed the spend of LGF beyond the Growth Deal period, which is currently estimated at £4.725m spend in 2021/22.

7.3.4. Innovation Park Medway (Phase 2 & 3)

- The Innovation Park Medway project Phase 2 and 3 will deliver enabling infrastructure, including an access road and utility works. This will help unlock commercial development at the site, including 38,500m² of commercial space which is expected to create 2,665 jobs (1,365 jobs in Phase 2 and a further 1,300 jobs in Phase 3). In addition to the £4.4m LGF which has been awarded to Phase 1, £3.7m LGF has been awarded to Phase 2 and a further £1.519m LGF has been allocated to Phase 3. Phase 3 funding has not yet been approved by the Accountability Board.
- The vision for Innovation Park Medway (as part of the North Kent Enterprise Zone), is to attract high GVA businesses focused on the technology, engineering and knowledge intensive sectors. These businesses will deliver high value jobs in the area and contribute to upskilling the local workforce. This is to be achieved through general employment and the recruitment and training of apprentices including degree-level apprenticeships through collaboration with the Higher Education sector.
- At the last Board meeting, an update was provided about the issues which have arisen related to the adoption of the Local Development Order (LDO) for the Innovation Park Medway site. Highways England have raised concerns about the impact of the development on the Strategic Road Network. Until these issues have been resolved, the project is unable to proceed and create the planned 38,500m² of commercial space at the site.
- There are several steps required prior to the LDO being adopted, as set out in Table 4. The estimated timescale for the completion of each task has been provided by Medway Council.

Table 4 - Milestones to adopt LDO for Innovation Park Medway site

Steps to be taken (timescale subject to statutory authorities' engagement and agreement):	Duration (estimated)	Timescale (anticipated)
Modelling scenarios undertaken by consultants on behalf of Medway Council: <ol style="list-style-type: none"> 1. Baseline - current baseline scenario without proposed development across the borough or the IPM. 2. Baseline + growth - baseline plus all proposed development across the borough. This will be used to determine the impact of the IPM and help identify the necessary mitigation. 3. Baseline + growth + Mitigation – baseline plus all proposed development across the borough, assuming implemented mitigation to negate the impact of the IPM. 	6-8 weeks	February to mid/end of March 2020
Assess and agree final mitigation design with statutory authorities based on modelling.	2 months	April to end of May 2020
Amendments to LDO documentation and any further modelling required based on mitigation discussions.	1 month	June 2020

Steps to be taken (timescale subject to statutory authorities' engagement and agreement):	Duration (estimated)	Timescale (anticipated)
LDO updated public consultation.	30 days	July 2020
Amendments to LDO if needed based on updated public consultation.	2 weeks	Early August 2020
Medway Council approvals.	TBC dependent on meeting dates	Late August into September 2020
Adoption of LDO	TBC dependent on meeting dates	October 2020
Design of infrastructure and utility works	14 months	April 2019 to May 2020
Tender and appointment process for works contractor	6 months	June 2020 to November 2020
Mobilisation and delivery	9 months	November 2020 to July 2021

- An email has also been received from Highways England, as provided in Appendix C. This sets out Highways England's commitment to ongoing partnership working with Medway Council to deliver their growth plan and the next steps towards the adoption of the LDO.
- In the letter, Highways England commits to work with Medway Council to agree design cost funding sources, governance, timing and delivery of mitigation. However, no timescales or estimated costs are detailed in the email correspondence. The LDO may be subject to planning conditions to address the residential cumulative impacts of development. The impact of potential planning conditions on the scale and pace of development at the Innovation Park Medway site is currently unclear.
- At the Accountability Board meeting on 14 February 2020, the Accountability Board:
 - I. Agreed that the Business Case for £1.519m Phase 3 LGF should be brought forward for consideration by the Board on 3 July 2020 for a funding decision; and
 - II. Agreed that by the Board meeting on 3 July 2020, Medway Council must:
 - (1) demonstrate how the Phase 2 and Phase 3 projects meet the five conditions for LGF spend beyond 31 March 2021; and
 - (2) provide evidence that satisfactory progress has been made towards meeting the project milestones, set out in Table 4 above; and
 - (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



- At the last Board meeting, the Board asked to receive a further update on the delivery of the project, prior to endorsing LGF spend beyond 31 March 2021 for the project. There is no substantial change to the position of the Project since the last meeting, as the technical transport modelling work is currently being completed. It is therefore proposed that a more detailed update is to be provided to the Board in June 2020, to consider the endorsement of LGF spend beyond 31 March 2021, once the technical work has been completed. As per the estimated timescales, set out in Table 4, it is expected that by June 2020 there will be a clearer idea of the mitigation required by Highways England to offset the impact of the development on the Strategic Road Network.

7.3.5. A13 Widening, Thurrock

- The project is for the widening of the A13 to three lanes between the A128 and the A1014 interchange. To date, the project has been awarded £5m LGF development funding and a further £66.058m towards the construction of the project.
- The Board has previously been made aware of a substantial cost increase and the likely delays beyond the previous expected completion date. An external audit of the project has been completed. Thurrock Council has subsequently made changes to the project team and additional resource has been brought in to support the delivery of the project and the implementation of the recommendations of the external audit.
- In November 2019, the Board were made aware of an additional £8.942m LGF which the Department for Transport has transferred to SELEP as an un-ringfenced grant. The Board agreed that the additional LGF should be allocated to the A13 widening project to help meet the increase in costs for the project, subject to confirmation that a full funding package is in place to deliver the project and an updated economic appraisal confirming that the project still presents high value for money.
- The value for money assessment is currently being prepared and the revised total cost of the project is due to be confirmed to the Accountability Board on 15 May 2020.

8. Growing Places Fund (GPF)

- 8.1. In addition to the LGF programme, SELEP also operates a £49.21m GPF capital loan fund programme. To date, GPF has either been invested or allocated for investment in a total of 21 capital infrastructure projects, as detailed in Appendix B.
- 8.2. GPF repayments have been made on several projects. In total, £14.222m is scheduled for repayment in 2019/20, including repayments which have already been made in relation to the Bexhill Business Mall and Discovery Park.
- 8.3. A third round of GPF investment was launched in October 2019. This three-staged process includes:
 - 8.3.1. Stage 1 – Federated Area assessment, sifting and prioritisation of projects based on Strategic Fit, using information from the Expression of Interest form;
 - 8.3.2. Stage 2 – Independent Technical Evaluator (ITE) assessment and scheme prioritisation by the SELEP Investment Panel, based on the Strategic Outline Business Case;

8.3.3. Stage 3 – SELEP Accountability Board funding decision.

- 8.4. A total of 19 projects have been submitted to SELEP following endorsement by their respective Federated Board and are due to be considered for prioritisation by the SELEP Investment Panel on 17 April 2020. The total GPF ask for the projects submitted to SELEP totals £47.43m, relative to the (up to) £25.481m GPF available for reinvestment (£19.163m GPF in 2020/21 and a further £6.318m GPF in 2021/22).

Table 5 – Summary of all GPF Expressions of Interest received and those projects which have been prioritised for progression to Stage 2 of the process

Federated Board	No of EOI's submitted	Total GPF ask in all EOI's	No of EOI's progressing to Stage 2	Total GPF ask of prioritised projects
KMEP	18	£32.7m	9	£17.81m
OSE	4	£5.1m	3	£7.5m
Success Essex	2	£4.8m	1	£3.5m
TES	8	£23.4m	6	£18.62m
Total	32	£66m	19	£47.43m

9. Update on existing GPF projects

- 9.1. A deliverability and risk update is provided for each GPF project in Appendix 2. Ten GPF projects have now been completed, with the benefits of investment starting to be realised. It is reported that 1,777 jobs have been delivered through investment in commercial space and new business premises, as set out in Table 5 below.
- 9.2. Additional benefits are expected to be delivered through the completion of the remaining GPF projects and through the follow-on investment which has been unlocked through the infrastructure delivered with GPF investment. It is expected in many cases that there will be a time lag between spend of the GPF investment and benefit realisation due to the use of the GPF funding to enable wider development at the project location.
- 9.3. A RAG rating is being used to assess how the completed projects are progressing towards delivering the jobs and homes outcomes stated within the Business Case. To date, it can be seen that the Parkside Office Village project has exceeded the number of jobs stated within the project Business Case, and that the Charleston Centenary project has met the forecast jobs figure for the project.
- 9.4. The North Queensway project has been completed, however, due to slower uptake of land than originally anticipated no jobs outcomes have been delivered to date. The development of the site has been delayed as a result of challenges in securing planning consent for the commercial development due to concerns raised by statutory consultees; particularly in relation to drainage issues. Whilst there is high demand from third party developers and occupiers, the challenges in securing planning consent has deterred private sector investment in the site.
- 9.5. Sea Change Sussex, as the delivery organisation for the North Queensway project, is therefore

intending to carry out further site enabling works. This will provide additional infrastructure to address these challenges to enable the stalled development to progress. These infrastructure works include the installation of a pumping station and provision of mains drainage, water and electricity supplies to the site.

- 9.6. There are also a number of completed projects which are demonstrating progress towards meeting the outcomes defined in the Business Case but have not yet reached the forecast, including Harlow West Essex and Sovereign Harbour.
- 9.7. The No Use Empty Commercial project continues to make good progress towards delivery of the benefits outlined in the project Business Case. To date 18 jobs have been created through the project, which exceeds the anticipated 16 new jobs as set out in the Business Case. 17 homes have been delivered to date, against an original forecast of 28. In addition, it has been noted that 15 commercial units have now been contracted to be brought back into use. This significantly exceeds the forecast of 8 commercial units which was set out in the Business Case.
- 9.8. These RAG ratings will be updated in advance of each Board meeting, based on the GPF project update reports submitted by local areas.

Table 5 - Monitoring of GPF project outcomes

Name of Project	Outcomes defined in Business Case		Outcomes delivered to date	
	Jobs	Houses	Jobs	Houses
Round 1 GPF Projects				
Priory Quarter Phase 3	440	0	240	0
North Queensway	865	0	0	0
Rochester Riverside	1,004	374	25	94
Chatham Waterfront	211	159	0	0
Bexhill Business Mall	299	0	98	0
Parkside Office Village	127	0	270	0
Chelmsford Urban Expansion	600	4,000	0	919
Grays Magistrates Court	200	0	206	0
Sovereign Harbour	299	0	218	0
Workspace Kent	198	0	116	0
Harlow West Essex	4,000	1,200	390	200
Discovery Park	Project removed from GPF programme			
Live Margate	0	66	0	38
Round 2 GPF Projects				
Colchester Northern Gateway	81	450	0	0
Charleston Centenary	6	0	6	0
Eastbourne Fisherman	4	0	0	0
Centre for Advanced Engineering	56	0	0	0
Fitted Rigging House	300	0	190	0
Javelin Way Development	311	0	0	0

Name of Project	Outcomes defined in Business Case		Outcomes delivered to date	
	Jobs	Houses	Jobs	Houses
Innovation Park Medway	307	0	0	0
No Use Empty Commercial	16	28	18	17
Totals	9,324	6,277	1,777	1,268

*Variance is the difference between the expected outcomes stated in the Business Case and those delivered to date

Key:

	Projects which have been completed and which have delivered the jobs or homes outcomes as defined in the Business Case.
	Projects which have been completed and which have shown some progress towards delivering the jobs or homes outcomes as defined in the Business Case.
	Projects which have been completed but which have not yet shown any progress towards delivering the jobs or homes outcomes as defined in the Business Case.
	Projects which are ongoing/yet to start and would therefore not be expected to be delivering jobs and homes outcomes in line with the figures defined in the Business Case.

10. Accountable Body Comments

- 10.1 All funding allocations that have been agreed by the Board are dependent on the Accountable Body receiving sufficient funding from HM Government. Funding allocations for 2019/20 have been confirmed and received, however, funding for future years is indicative.
- 10.2 Government has made future funding allocations contingent on full compliance with the revised National Local Growth Assurance Framework. Allocations are also contingent on the Annual Performance Review of SELEPs LGF programme by Government and assurance from the Accountable Body's S151 Officer that the financial affairs of the SELEP are being properly administered.
- 10.3 A key assessment made in the Annual Performance Review in January 2019 was effective delivery of the Programme; it is noted that there was a high level of slippage from 2018/19 into 2019/20 totalling £57.799m; in addition, slippage in excess of £37.735m (excluding DfT programmes) is already reported into 2020/21. This creates a risk to delivery in the remaining 12 months of the programme.
- 10.4 Essex County Council, as the Accountable Body, is responsible for ensuring that the LGF funding is utilised in accordance with the conditions set out by Government for use of the Grant.
- 10.5 Should the funding not be utilised in accordance with the conditions, the Government may request return of the funding, or withhold future funding streams.

- 10.6 The Accountable Body is ensuring that the grant is spent in line with the Grant Determination letter condition, which does not impose an end date for use.
- 10.7 Alongside the annual grant determination letter, Government has written to SELEP and the Accountable Body, emphasising the requirement for the grant to be spent on the Growth Deal (which has a lifetime of April 2015 to March 2021) and that future funding allocations remain subject to the outcome of future annual conversations and compliance with the National Local Growth Assurance Framework.
- 10.8 SELEP have raised the issue of the application of the LGF grant beyond the end of the growth deal period with central government and whilst a formal response has not been provided, however, in February 2019, MHCLG informally advised that government would potential have concerns about LGF spend beyond the Growth Deal, where the project is not already underway. However, if SELEP has strong justification for why it's supporting spend beyond 31 March 2021 then there is nothing in the conditions of the grant to prohibit this.
- 10.9 At the meeting on 14 February 2020 the Accountability Board approved the spend of LGF beyond 31 March 2021 for four projects;
- A127 Fairglen Interchange New Link Road
 - Thanet Parkway
 - A28 Sturry Link Road
 - Exceat Bridge

The Accountable Body will work with the SELEP to establish project specific grant agreements which reflect updated grant conditions on a case by case basis for each of these projects.

11. Appendices

11.1. Appendix A – LGF project update

11.2. Appendix B – GPF project update

11.3. Appendix C – Email from Highways England in relation to Innovation Park Medway

12. Background reports

12.1. Accountability Board Agenda Pack 14th February 2020

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Item 10: Draft Local Industrial Strategy

1. Purpose

- 1.1. The purpose of this paper is to update the Strategic Board (the Board) on the progress and timescales for the SELEP Local Industrial Strategy (LIS). The draft LIS was shared with the Board ahead of the last meeting on 31st January 2020 and is attached for information as Appendix A.

2. Recommendations

- 2.1. The Board is asked to note the activities being undertaken to support the LIS development, following feedback from the Board meeting on 31 January 2020.
- 2.2. The Board is asked to note the latest information and feedback provided by Government relating to the draft LIS and the potential timescales for co-design and sign off.
- 2.3. The Board is asked to consider the proposed next steps for local development and agreement of the LIS.

3. Background

- 3.1. The SELEP team have been working to develop the LIS and supporting evidence base since June 2019. This work builds on the “Smarter, Faster, Together” Economic Strategy Statement, existing plans and emerging strategies developed by the federated areas and SELEP working groups and the Government’s National Industrial Strategy.
- 3.2. The National Industrial Strategy set the scene of Government’s approach to growth and productivity. This is set around five foundations (Ideas, People, Place, Infrastructure and Business Environment) and four grand challenges (Ageing Society, Clean Growth, Future of Mobility and Artificial Intelligence and Data). The National Industrial Strategy, and Government’s requirement for each Local Enterprise Partnership to have in place a Local Industrial Strategy (LIS), remains unchanged.
- 3.3. The work in recent months has therefore been focused on producing a LIS that builds on SELEP’s distinctive strengths, challenges and opportunities in providing a local response to the National Industrial Strategy. The LIS should articulate a small number of key overarching propositions and then a wider narrative, priorities and opportunities, set out under the five foundations.
- 3.4. In developing the LIS, the SELEP team have continued to engage interest groups and individuals from a range of public and private sector organisations throughout the process. Federated Boards and SELEP working groups have been engaged continuously, particularly through regular Stakeholder Group and Core Group meetings. Information is also being provided to a wider audience through the SELEP newsletter and website, as well as five engagement events that took place in late 2019. The working draft has been informed by discussions at the SELEP Strategic Board meetings on the 6th December 2019 and 31st January 2020, as well as a dedicated meeting with Board members on the 14th January 2020.

4. The Draft LIS

- 4.1. The first draft of the LIS was circulated to Strategic Board members for their consideration ahead of their meeting on the 31st of January 2020. The draft LIS sets out the following overarching ambition:
 - 4.1.1. The South East is the UK’s global gateway; powering trade and prosperity throughout



the UK, generating £90billion¹ a year for the economy.

- 4.1.2. We will accelerate our role as a global region to drive sustainable and innovative growth. Through targeted investment in our people and places and progressing our partnership with London, we will enhance the economic vitality of UK plc by increasing productivity across the SELEP area, delivering £28 billion additional Gross Value Added by 2030.
 - 4.2. The figure of £28 billion reflects the ambition of the Smarter Faster Together strategy to close the productivity gap between the SELEP and the rest of the UK by 2030. Forecasts estimate that achieving these higher productivity levels would deliver GVA output of £127 billion in 2030 compared to the £99 billion currently forecast for 2020, an increase of £28 billion.
 - 4.3. At the heart of the strategy are three strategic opportunities which highlight the distinctive strengths and economic opportunities within SELEP and will help to deliver a united message and ambition, resonating with Government and providing a compelling case for investment in our region. These were endorsed by the Board at their meeting on the 6th December 2019 and are :
 - 4.3.1. UK's Global Gateway;
 - 4.3.2. Communities for the Future; and
 - 4.3.3. Coastal Catalyst.
 - 4.4. In addition, the draft LIS provides a comprehensive account of the priorities and opportunities across each of the five foundations, as well as our commitments to work with London and the Greater South East to address shared challenges and secure investment in the region. The Greater South East effectively functions as London's city-region combining the South East with five other LEP areas: Hertfordshire, Coast to Capital, Solent, Enterprise M3 and Thames Valley Berkshire. Further detail relating to activities, local commitments and asks of Government that are required for SELEP to meet the ambitions of the LIS will continue to be developed in consultation with partners and through discussions with Government. As this work progresses, analysis will be undertaken to test cause and effect against cited outcomes, including the overarching ambition of £28bn additional GVA.
 - 4.5. In their discussions on 31st January 2020, Board members noted the important role of this strategy in articulating the significant economic impact that we can achieve through growth in the SELEP area, and the ongoing need for Government investment. The strength of this message is particularly critical given the Government's current 'levelling up' agenda.
 - 4.6. Board members provided constructive feedback on the draft content which has informed the ongoing development of the LIS. In particular, this highlighted the need for the LIS to effectively communicate SELEP's messages to a range of audiences. Work is also underway to produce a more impactful executive summary of the strategy which can be used for wider communication purposes, which is intended to be presented to the Board alongside an updated LIS in June 2020.
- 5. Engagement with Government**
- 5.1. The SELEP team is in regular dialogue with the Cities and Local Growth Unit (CLGU) and feedback on the LIS evidence base and the proposed content for the LIS has been very positive. Both CLGU and the Department for Business, Energy and Industrial Strategy (BEIS) analyst commented that they are pleased with SELEP's progress. They highlighted particularly that the

¹ total Gross Value Added (GVA) in 2016

information presented provides a clear articulation of the evidence and data, as well as a strong sense of place in terms of the economic geography that is covered by SELEP.

- 5.2. The evidence base and accompanying logic chains were formally reviewed by the Local Industrial Strategy Analytical (LISA) panel on 11th February 2020. Key points of constructive feedback have been fed into our next steps. These were largely focused on suggestions for how the analysis or presentation of the analysis could be enhanced to support the proposed interventions, including in relation to skills and economic activity, articulation of our natural assets, inbound tourism and links to the sector deal, capacity and other constraints relating to our strategic corridors, ports and housing growth.
- 5.3. While the SELEP team have continued to have an effective dialogue with Government colleagues, it should be noted the recent political challenges within Whitehall have had implications for the timing of this work. Engagement activities with Government departments have been largely on hold in recent months and the schedule of sign off for LISs nationally has been impacted. We have recently been advised that the process for SELEP is likely to extend to Summer 2020. .

6. Next Steps

- 6.1. Despite the delays to Government timescales, the SELEP team has continued to progress the development of our LIS. The next stages of this work include:
 - 6.1.1. strengthening the economic narrative on the value and distinctive strengths of the SELEP economy as well as legacy deficits, for example around skills, infrastructure and coastal areas;
 - 6.1.2. continuing to develop our focus on addressing the climate change emergency and embedding clean growth principles;
 - 6.1.3. ongoing development of clear and tangible actions and outcomes to underpin the priorities and ambition of the strategy;
 - 6.1.4. strengthening the evidence base and accompanying logic chains;
 - 6.1.5. pursuing conversations with Government departments, when we are able to do so, to test the appetite for supporting our ambitions; and
 - 6.1.6. developing an executive summary that clearly and concisely articulates the ambition, investment needs and distinctive strategic opportunities for SELEP.
- 6.2. To support and underpin this, as well as addressing the LISA panel feedback, we are undertaking further work to:
 - 6.2.1 develop further analysis to support SELEP's position that investment in our LEP area will deliver greater economic benefit than investment in other areas;
 - 6.2.4 provide additional analysis on demographics and economic activity by age groups and including graduate destinations and the supply of and demand for skills; and
 - 6.2.6 develop additional research and analysis on priority areas of focus within the sustainable growth agenda, informed by the emerging priorities of SELEP Clean Growth Working Group, to convey a clearer story on clean growth/climate change and our contribution to it.
- 6.3. Based on the information currently available to us, it is proposed that a revised draft of the LIS is



brought back to the SELEP Strategic Board in June 2020. This draft will reflect the work outlined above, discussions that have taken place with Strategic Board members and our partners throughout the process and clarity from Government as our expectation is that conversations with Government departments will have taken place. The purpose of this will be to seek local endorsement to the LIS document, recognising that co-design and sign off from Government may still be required.

- 6.4. We will provide Board members with an update on the process and timescales from Government as soon as this is available.
- 6.5. Having a robust evidence base and a well-developed LIS in place will enable SELEP to clearly articulate our ambition, priorities and need for investment and will place SELEP in a stronger position for any local and national policy and funding discussions. Once finalised, SELEP will monitor the progress of the commitments in the LIS by developing an Implementation Plan setting out clear milestones, deliverables and timings for the actions set out in the strategy. SELEP will also update the evidence base regularly and align this work with the monitoring of Key Performance Indicators in the SELEP Delivery Plan.

7. Accountable Body Comments

- 7.1. It is a requirement of the National Assurance Framework that LEPs implement a LIS, which can be published on the website, that considers the following activities:
 - 7.1.1. Strategy - Developing an evidence-based Local Industrial Strategy that identifies local strengths and challenges, future opportunities and the action needed to boost productivity, earning power and competitiveness across their area;
 - 7.1.2. Allocation of funds: Identifying and developing investment opportunities; prioritising the award of local growth funding; and monitoring and evaluating the impacts of its activities to improve productivity across the local economy;
 - 7.1.3. Co-ordination: Using their convening power, for example to co-ordinate responses to economic shocks; and bringing together partners from the private, public and third sectors; and
 - 7.1.4. Advocacy: Collaborating with a wide-range of local partners to act as an informed and independent voice for their area.”
- 7.2. The progress on the development of the LIS was an area identified by Government as ‘requiring improvement’ by SELEP following the Annual Performance Review in January 2019. Following this assessment, an improvement plan was agreed with the Cities and Local Growth Unit; this was presented to Accountability Board on the 7th June 2019. It is noted that the Government have recognised the progress made in the delivery of the LIS and that although timescales have slipped, this is not currently identified as a significant risk by the SELEP Secretariat. In finalising the LIS, the Board is advised to ensure that there is a clear evidence base to secure the investment to support the realisation of the opportunities for growth identified.
- 7.3. To support delivery of the LIS and the on-going monitoring and evaluation requirements, SELEP will need to ensure that it can prioritise sufficient budget to this activity moving forward; it may wish to consider seeking greater certainty from Government with regard to future funding arrangements of the SELEP to support the ambitions of the LIS.

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Item 11: Chelmsford City Council: Delivering Sustainable Housing and Economic Growth at a Local Level

1. Purpose

- 1.1. The purpose of this report is to provide Strategic Board (the Board) with background information on a presentation to be made by Chelmsford City Council at the Board meeting.

2. Recommendations

- 2.1. The Board is asked to note the background information.

3. Background

- 3.1. The Leader of Chelmsford City Council (CCC), Councillor Stephen Robinson and Nick Eveleigh, the Chief Executive Officer, will attend the Board meeting to present to Board members their experiences of a large, multi-partner economic growth project and to offer advice and insight to Board Members on the challenges and opportunities of this type of project and share learning. The project has previously had Growing Places Fund (GPF) investment of £1 million and has an allocation of £12 million of Local Growth Fund.
- 3.2. Since City Status was awarded to Chelmsford in 2012, the City has been on a journey of embracing the growth agenda through the delivery of sustainable housing and economic development. Over the past few years the City has delivered a consistent 1,000 new homes per year and has an enviable track record of securing Section 106 contributions, the Community Infrastructure Levy and Government Funding to deliver infrastructure to support its growth. Economic growth is also strong, with the City supporting some 87,000 jobs, 8,000 businesses and in commuting almost in balance without commuting.
- 3.3. Maintaining sustainable growth has required a proactive approach to identifying future strategic growth locations and with London's green belt abutting Chelmsford to the West and South, the Council has identified North East Chelmsford as its largest strategic growth location.
- 3.4. In this location, a new Garden Community of 10,000 new homes, 85,000 sq. m of commercial floorspace, a new rail station, new schools, and new open spaces and community facilities is already underway. To date over 1,200 new homes have already been completed in the Garden Community, the first primary and secondary schools are open and a commercial centre and community facilities are in place. An early investment by the South East LEP Ltd (SELEP) through the Growing Places Fund allowed Essex County Council to bring forward improvements to the road network close to the site which in turn brought forward planning permissions for development on the site.
- 3.5. 2019 proved a key year – North East Chelmsford was recognised by Government as the ninth Garden Community in Essex, and £218m was awarded from the Government's Housing Infrastructure Fund (HIF) to deliver Beaulieu Station and the Chelmsford North East Bypass, which the City Council is now working in partnership with the County Council to deliver. The HIF funding will sit alongside the £12 million of Local Growth Fund investment allocated by SELEP for the development of the railway station.
- 3.6. The new Chelmsford Local Plan (to 2036) has been found sound in February 2020, making the Chelmsford Garden Community the first to be found sound in the County. The scale of ambition in the new Garden Community presents huge opportunities for Chelmsford to meet its corporate objectives for Chelmsford to be a safer, greener, fairer and better-connected place, matching

homes and jobs growth and creating genuine communities along the Town and County Planning Association's Garden Community Principles.

4. Accountable Body Comments

4.1. The Accountable Body has no comments to add.

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