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**Minutes of the meeting of the SELEP Accountability Board, held in High House Production Park Vellacott Close, Purfleet, Essex, RM19 1RJ on Friday, 17 November 2017**

**Present:**

Cllr Kevin Bentley	Essex County Council
Cllr Mark Dance	Kent County Council
Cllr Rodney Chambers	Medway Council
Cllr David Elkin	East Sussex County Council
Cllr John Lamb	Southend Borough Council
Angela O'Donoghue	FE & Skills
Lucy Druesne	Higher Education representative

**ALSO PRESENT      Having signed the attendance book**

Amy Beckett	SELEP
Suzanne Bennett	Essex County Council
Adam Bryan	SELEP
Jake Cartmell	Steer Davies Gleave
Dominic Collins	Essex County Council
Emma Cooney	Southend Borough Council
Stephanie Holt	Kent County Council
Thomas Kozlowski.	Medway Council
Stephanie Mitchener	Essex County Council
Rhiannon Mort	SELEP
Mark Murphy	Southend Borough Council
Lorna Norris	Essex County Council
Paul Rogers	Thurrock Council
Lisa Siggins	Essex County Council Democratic Services

**1      Welcome and Apologies for Absence**

The following apologies were received:

Geoff Miles – Angela O'Donoghue chaired the meeting in his absence.

Councillor Paul Carter (Substituted by Councillor Mark Dance)

Councillor Keith Glazier (Substituted by Councillor David Elkin)

Councillor Rob Gledhill.

## 2 Minutes

In relation to Minute 5 (LGF Governance Arrangements), Cllr Mark Dance provided the following statement.

*“Paul Carter has asked that I raise the reference to the LGF Governance Arrangements paper. The relevant minutes can be found on page 14 of the board papers.*

*Paul recalls at the last meeting, there was a significant debate about where federated boards should have the flexibility to reallocate underspends with a value of 10% of the federated board’s programme, rather than 10% per project. The SELEP team were to go away and see if this change could be made.*

*I’m told that the Accountability Board were content to note the process for the use of LGF underspends, however it also “resolved to re-examine the LGF Governance Policy (and specifically the management of LGF underspend) at the first SELEP Accountability Board meeting following the annual LEP review”.*

*Please could this action be included in the minutes, and added to the December agenda.”*

Rhiannon Mort confirmed that the Board had agreed the recommendation of the report to:

- **Note** the process set out in to the SELEP Assurance Framework for the use of LGF underspends; and
- **Agree** the process for the inclusion of new LGF projects in the SELEP LGF Capital Programme.

Rhiannon Mort confirmed that the SELEP Assurance Framework currently states that there is 10% flexibility per project, but that the Assurance Framework is reviewed on an annual basis and is due to be considered at the SELEP Strategic Board on the 15<sup>th</sup> December 2017. In reviewing the SELEP Assurance Framework consideration will be given as to whether the 10% flexibility per project remains appropriate.

In relation to Minute 14 (SELEP Revenue Funding Budget Update) ,Cllr Mark Dance raised that Paul Carter had recorded that the upper-tier and unitary authority leaders had asked SELEP to create a contingency plan as all local authorities had less funding this year, and therefore would have to consider reducing their funding allocation to SELEP in 18/19.”

Adam Bryan confirmed that a letter had been written to Jake Berry MP to call for a level of SELEP core funding from Government which is proportionate to the size of our LEP and certainty of this funding for future financial years. A 2018/19 secretariat revenue budget will be brought to the next Board meeting for a decision.

The Minutes of the meeting held on 22nd September were thereafter agreed as a correct record and signed on behalf of the Chairman.

### **3 Declarations of Interest**

Councillor Bentley declared an interest in respect of item 8 of the agenda, as he is a director and co-owner of Mosaic Publicity Ltd, who are corporate sponsors of the Mercury Theatre Project.

Angela O'Donoghue declared an interest in respect of item 11 on the agenda, as she is the Principal and Chief Executive of South Essex College.

### **4 Public Questions**

There were no public questions.

### **5 A133 Colchester to Clacton Funding Decision**

The Accountability Board (the Board) received a report from Rhiannon Mort and a presentation from Steer Davies Gleave, the purpose of which was to make the Board aware of the value for money assessment for the A133 Colchester to Clacton Project (the Project) which has been through the Independent Technical Evaluator (ITE) review process to enable £2.74m funding to be devolved to Essex County Council for scheme delivery.

#### **Resolved:**

**To Approve** the award of £2.74m Local Growth Fund (LGF) to support the delivery of the Project identified in the Business Case and which has been assessed as presenting very high value for money with high certainty of achieving this.

### **6 M11 Junction 8 Funding Decision**

The Board received a report from Rhiannon Mort and a presentation from Steer Davies Gleave, the purpose of which was to make the Board aware of the value for money assessment for M11 Junction 8 (the Project) which has been through the Independent Technical Evaluator (ITE) review process, to enable £2.734m funding to be devolved to Essex County

Council for Project delivery.

Councillors Bentley and Lamb spoke in support of the project. Councillor Lamb stated that he would like to see financial contributions from Stansted Airport and the Highways Agency, as the project would be beneficial to them.

**Resolved:**

**To Approve** the award of £2.734m Local Growth Fund (LGF) to support the delivery of the Project identified in the Business Case and which has been assessed as presenting very high value for money with high certainty of achieving this.

**7 A414 Chelmsford to Harlow Funding Decision**

The Board received a report from Rhiannon Mort and a presentation from Steer Davies Gleave, the purpose of which was to make the Board aware of the value for money assessment for A414 Chelmsford to Harlow Project (the Project) which has been through the Independent Technical Evaluator (ITE) process to enable £2.173m funding to be devolved to Essex County Council for scheme delivery.

Whilst the Project was originally allocated £3.66m through LFG Round 1, a Business Case has been brought forward for the allocation £2.173m. Section 6 of the report sets out the proposed re-allocation of funding from the A414 Chelmsford to Harlow Project to the Mercury Theatre Project and the A414 Pinch Point Package.

Councillor Lamb spoke in support of this project, expressing his pleasure that the original funding contribution had been reduced.

**Resolved:**

**To Approve** the award of £2.173m Local Growth Fund (LGF) to support the delivery of the Project identified in the Business Case and which has been assessed as presenting high value for money with medium to high certainty of achieving this.

**8 Mercury Theatre Funding decision**

This agenda item was discussed after item 11 and Councillor Bentley left the meeting for the duration of this item.

The Board received a report from Rhiannon Mort and a presentation from Steer Davies Gleave, the purpose of which was to make the Board aware of the value for money assessment for Mercury Rising Theatre Project in Colchester, Essex which has been through the Independent Technical Evaluator (ITE) process to enable £1m LGF to be devolved to Essex County Council for scheme delivery.

Councillor Lamb expressed his support but this should be conditional on there being a funding contribution from the Arts Council England. Rhiannon confirmed that the approval was indeed subject to this (see recommendation 3 below).

**Resolved:**

1. **To Note** the risk that:
  - a. the proposed funding contribution from the Mercury Theatre has not been secured in full; and
  - b. the proposed funding contribution from the Arts Council England is due to be considered on the 15<sup>th</sup> December 2017.

**2. To Approve** the inclusion of the Mercury Rising Theatre Project in the Local Growth Fund (LGF) Growth Deal Programme; and

**3 To Approve** the award of £1m LGF, identified through the reduction in the allocation of LGF to the A414 Chelmsford to Harlow Project, to Mercury Theatre Project to support the delivery of the Project identified in the Business Case and which has been assessed as presenting achieving high value for money with medium certainty, subject to:

Written confirmation of the proposed funding contribution from Arts Council England being received, as detailed in paragraph 5.4 of the report.

**9 Sandwich Rail Infrastructure Funding Decision**

The Board received a report from Rhiannon Mort and a presentation from Steer Davies Gleave. The purpose of which was to seek Board approval for the inclusion and award of £1,025,745 Local Growth Fund (LGF) to The Open 2020 Championship Rail Infrastructure Project (the Project) at Sandwich Railway Station, Kent.

Rhiannon explained that the last time Kent hosted the Open in 2011, significant transport issues were experienced. Accordingly transport improvements are required to enable Kent to host the event in 2020. Furthermore, on the 22<sup>nd</sup> September the Board were made aware of Kent County Council's intention to bring forward a Business Case for a

permanent solution. The review of the Business Case and supplementary information has confirmed that the infrastructure will be permanently in-situ, but will only be operational whilst the event is being held.

The Board discussed the issue of DFT funding, with Rhiannon advising that there appeared to be some confusion and conflicting information in communications received from The Secretary of State and from civil servants. The Board expressed their concern at this and felt that a letter should be sent to the Secretary of State, on behalf of the Board requesting urgent clarification.

Clarification was given that 2.1.3.2 of the report should in fact refer to the event being hosted in Kent in 2020 and on at least 2 further occasions and not 3 further occasions, as implied in the report.

The Board discussed the significant benefits of the event being hosted by Kent, with Councillor Chambers pointing out that the event would be of national and international significance. He added that there would be an enormous economic benefit to the Local Enterprise Partnership area and beyond.

Stephanie Holt from Kent County Council advised that the train operator for the line was due to be re-procured by 2020 and that the on-going maintenance of the new infrastructure to be implemented as part of this Project, would form part of that contract.

They proceeded to discuss transport maintenance commitments, stating that as Network Rail would be a beneficiary of the transport improvements they should share commitments together with the rail operator.

Rhiannon highlighted to the board that the infrastructure will be permanently in-situ, but will only be operational whilst the event is being held; in response to this, Councillor Dance confirmed that whilst this was the case, it would still represent a stepping stone to full permanent solution in the longer term.

**Resolved:**

1. **To Approve** the inclusion of the Project into the LGF Programme;

2. **To Approve** the award of £1,025,745 LGF, identified from the underspend and reallocation of LGF from Ashford International Connectivity Project, to support the delivery of the permanently in situ solution as identified in the Business Case and which has been assessed as presenting high value for money with medium certainty of achieving this. This award is subject to:

1. The underspend from the Ashford Spurs project being confirmed\*;  
and
2. Confirmation from the R&A that the event will be hosted at Royal St

- George's on at least 3 occasions on a 7-8 years cycle; and
3. Written confirmation from the DfT and R&A that their funding contributions have been committed.

\* This was confirmed at the meeting.

#### 10 **A13 Widening project update**

The Board received a report from Rhiannon Mort, the purpose of which was to provide Board with an update on the A13 widening project.

Councillor Bentley pointed out that this was a critical development and asked for clarification regarding the slippage. Paul Rogers from Thurrock Council advised that this was caused by a delay in the Business Case review and funding decision by the Department for Transport and the impact of local elections.

Councillor Bentley requested that the Board's disappointment regarding the delay be included in a letter to DfT.

The Board proceeded to express their concern at the delays and the need for the project owing to the level of traffic and planned growth in the area.

Rhiannon confirmed that quarterly updates will be received by the Board going forward.

#### **Resolved:**

1. **To Note** the update report; and
2. **To Agree** to the acceleration of Department for Transport (DfT) retained funding on the A13 widening scheme in advance of the Local Growth Fund (LGF) A13 widening development funding

#### 11 **LGF Capital Programme Update Report**

The Board received a report from Rhiannon Mort updating the Board on the latest position of the Local Growth Fund (LGF) Capital Programme, as part of SELEP's Growth Deal with Government.

Councillor Dance gave the Board an update on some proposed funding contributions towards Thanet Parkway project from Discover Park Enterprise Zone and from the potential development of Manston Airport.

With regards to the Southend Central Area Action Plan - Non-transport project, the Board were advised that a business case is currently being developed for the Forum 2 project and is due to be considered by the Board in February 2018.

Councillor Bentley requested that the Board receive a presentation on the Forum 2 project so that all Board members could be made aware of the intended benefits of the project.

A discussion followed regarding how deliverability and risks are reported to the Board, with a suggestion that a risk register would be useful. Rhiannon

confirmed that detailed information was included in appendix 3 to the report and that changes are likely to be implemented shortly in light of new reporting requirements from Government.

**Resolved:**

1. **To Note** the updated LGF spend forecast for 2017/18
2. **To Note** the project delivery and risk assessment
3. **To Agree** the slippage of LGF spend from 2017/18 to 2018/19 for the following projects:
  - a. Eastbourne Town Centre (£1.945m);
  - b. STEM Innovation Centre (£4.550m);
  - c. Basildon Integrated Transport Package (£1.068m)
  - d. Maidstone Integrated Transport Package (£0.729m);
  - e. Thanet Parkway (£4.000m);
  - f. Coastal Communities Housing Intervention – Thanet (£0.370m);
  - g. A289 Four Elms Roundabout to Medway Tunnel Journey Time and Network Improvements (£1.768m)
  - h. Strood Town Centre Journey Time and Accessibility Enhancements (£1.220m);
  - i. Chatham Town Centre Place-making and Public Realm Package (0.869m);
  - j. Rochester Airport – Phase 1 (£1.944m);
  - k. Rochester Airport – Phase 2 (£0.300m); and
  - l. Strood Civic Centre – flood mitigation (£0.250m)
  - m. TGSE LSTF – Thurrock (£0.169m);
  - n. Thurrock Cycle Network (£0.620m);
  - o. London Gateway/Stanford le Hope (£0.837m)
  - p. A13 Widening Development Funding (£2.292m)
4. **To Agree** the acceleration of LGF spend in 2017/18 for the following projects:
  - a. Eastbourne and South Wealden Walking and Cycling LSTF package (£0.750m);
  - b. Devonshire Park (£1.600m);
  - c. A131 Chelmsford to Braintree (£0.750m)
  - d. M11 Junction 8 Improvements (£0.500m)
5. **To Agree** the reduced spend forecast in 2017/18 and 2018/19 for the Ashford International Rail Connectivity Project to support the re-allocation of LGF to the Sandwich Rail Infrastructure Project in 2018/19
6. **To Note** the reallocation of LGF from A414 Harlow to Chelmsford Route Based Strategy to Mercury Theatre Project
7. **To Note** the change request for the Phase 2 Forum development Southend, subject to development of a Business Case and completion of ITE review process.



**12 2017-18 Revenue Budget Update**

The Board received a report from Suzanne Bennett, the purpose of which was to update the Board of the current year revenue budget forecast outturn position as at the end of October 2017.

**Resolved:**

**To Note** the current forecast outturn position.

**13 SELEP Assurance Framework Implementation Plan delivery**

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

1. The progress which has been made by the SELEP team and the federal areas in implementing the changes necessitated by the refreshed Assurance Framework. *The Board was reminded that it is accountable for assuring that all requirements are implemented; it is a condition of the funding that the Assurance Framework is being implemented.*
2. The implications of the Review of Local Enterprise Partnership Governance and Transparency by Mary Ney (Non-Executive Director, DCLG) which was released to LEPs on 26<sup>th</sup> October 2017.

**Resolved:**

1. **To Note** the progress to date in implementing the SELEP Assurance Framework.
2. **To Note** the secretariat team's intentions around implementing the Mary Ney recommendations.

**14 Growing Places Fund Update**

The Board received a report from Rhiannon Mort updating the Board on the latest position of the Growing Places Fund (GPF) Capital Programme.

Rhiannon informed the Board that a report would be circulated to SELEP Strategic Board in relation to the prioritisation of projects for recycled GPF and that the first few projects, if prioritised, are due to be considered at the

next Board meeting on the 15<sup>th</sup> December 2017.

**Resolved:**

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

**15 Future meeting dates**

The Board noted that the following future meeting dates:

- Friday 15th December 2017 at 9.30am at Ashford College.
- Friday 23rd February 2018 at 10.00 am at High House Production Park
- Friday 27th April 2018 at 10.00 am at High House Production Park
- Friday 15th June 2018 at 10.00 am at High House Production Park
- Friday 14th September 2018 at 10.00 am at High House Production Park
- Friday 16th November 2018 at 10.00 am at High House Production Park
- Friday 15th February 2019 at 10.00 am at High House Production Park

The meeting closed at 11.20 am

**Chairman**