

Coast to Capital – Board Meeting No. 38

31 January 2018
 5:00pm – 7:30 pm
 Croydon Town Hall, Katharine Street, Croydon, CR0 1NX

AGENDA

Time	Item	Agenda item	Action	Part
5:00pm	1	Introduction: a) Welcome and Apologies b) Declarations, Disclosures and Conflicts of Interest c) To Review Public Comments d) Minutes from last meeting and Matters Arising e) Chairman's Committee Minutes *	Record	A
5:05pm	2	LEP Accountable Body arrangements	Decision	B
5:10pm	3	Critical Projects Review: <ul style="list-style-type: none"> • A2300 • A29 	Discussion	B
5:40pm	4	Projects Spotlight Report - Croydon	Discussion	B
5:50pm	5	Strategic Economic Plan and Local Industrial Strategy	Discussion	A
6:50pm	6	Draft Business Plan	Discussion	B
7:00pm	7	Chief Executive Report	Note	B
7:20pm	8	Close: a) AOB b) Future Meetings	Note	B

A – agenda and minutes to be posted in the public domain

B – papers not for publication in advance of meeting; minutes and papers posted in the public domain, as appropriate, afterwards.

** - this paper is **not** for publication*

Future Meetings 2018

- **5pm Thursday 19 April**
- **5pm Wednesday 4 July**
- **Pm Thursday 19 July – LEP Annual General Meeting**
- **5pm Thursday 18 October**

Coast to Capital Board Meeting 37
Thursday 16 November 2017, 5:00pm
PLATF9RM, Tower Point, 44 North Road, Brighton, BN1 1YR

Meeting Minutes

Board Members:

Tim Wates (TW) - Chairman, Steve Allen (SA) – Vice Chairman, Daryl Gayler (DG), David Hodge (DH), Louise Goldsmith (LG), Martin Heffer (MH), Debra Humphris (DJH), David Joy (DJ), Nick Juba (NJ), Julie Kapsalis (JK), Warren Morgan (WM), Jonathan Sharrock (JS), Garry Wall (GW), Mark Watson

Attendees:

Katharine Eberhart (KE) – Director of Finance West Sussex County Council, Cath Goodall (CG) - Cities & Local Growth Unit, Kirsten Trussell (KT) (Items 1-4 only); Anthony Middleton (ALRM) (Items 1&2 only); Katie Nurcombe – Coast to Capital

Observers:

Adrian Lock (AL) and Helena Clayton (HC) – Roffey Park Institute

Introduction

Seb Royale (SR), PLATF9RM founder, welcomed the Board and gave a brief introduction to the venue.

TW thanked SR for his generous hospitality. SR then left the meeting.

Part A

1. Introduction

a) Welcome and apologies

TW welcomed the newly appointed David Joy to his first Board Meeting as Co-opted Board Director and Regeneration and Housing Sponsor.

The Board noted that Adrian Lock and Helena Clayton from Roffey Park would be observing the meeting to inform the Board Development Day taking place on 27 November.

TW confirmed that Nick Juba had been reappointed to the Board as the Further Education representative.

Apologies from Phil Jones, Mike La Rooy, Amanda Menahem, Tony Newman and Ravi Shankar were noted.

b) Minutes from last meeting and Matters Arising

The Board noted that all items on the schedule of Matters Arising were either completed or included under separate agenda items

The Minutes were noted as a true and accurate record of the meeting and were signed by the Chairman.

c) Declarations, Disclosures and Conflicts of Interest

The Board noted the importance of declaring conflicts of interest in relation to agenda item two, Local Growth Fund Award Recommendation.

d) To review Public Comments

No comments had been received.

2. Local Growth Fund Award Recommendation – this item will be published

The Board noted the process adopted to recommend funding under the latest LGF call. The Board felt this was a strong and robust process and the consideration between written proposals and presentations should be carefully balanced. The Board noted the total £27,019,000 package recommended by the Investment Committee which included £11,479,000 for Housing, Regeneration & Infrastructure; £3,500,000 for Transport; and £12,040,000 for Business, Enterprise & Skills.

Details of the 10 individual projects recommended for approval by the Board can be found in Appendix A.

LG arrived.

Following a presentation by JS and discussions about the project the Board **approved** the **Ricardo** project.

MW arrived.

Following a presentation by JS and discussions about the project the Board **approved** the **Charleston Trust** project.

Due to a 'non-trivial conflict' in relation to the Pelham Campus project NJ left the room.

JS gave a presentation on the Pelham Campus and it was noted that it was important that the project be compliant with the local plan in terms of the delivery of affordable housing. The Board **approved** the **Pelham Campus** project.

NJ re-entered the room.

Due to a 'non-trivial conflict' in relation to the Crawley College STEM & Digital Centre project JK left the room.

Following a presentation by JS and discussions the Board **approved** the **Crawley College STEM & Digital Centre** project and noted that it was important that this project was joined up with the Crawley Growth Programme to minimise disruption to residents.

JK re-entered the room.

Following a presentation by JS and discussions about the project the Board **approved** the **Sussex Innovation Centre** project.

Due to a 'non-trivial conflict' in relation to Housing and Regeneration projects in the region TW left the room. Due to a 'non-trivial conflict' in relation to the RegenOxted and North Tandridge projects DH left the room.

JS gave a presentation on the RegenOxted project and it was noted that public funding could only be used to support the delivery of public infrastructure in relation to the project. The Board **approved** the **RegenOxted** project.

JS gave a presentation on the North Tandridge project and the Board highlighted the importance of ensuring the social housing requirement set out in the proposal was delivered. Delivery of 100% affordable housing would be extremely desirable, although it was noted that this needed to be balanced against viability. ALRM commented that a suggested revised wording had been received from Tandridge & Surrey regarding the proposed grant conditions and that these were seen as acceptable. The Board **approved** the **North Tandridge** project subject to a full viability study being considered for the affordable housing element, by the Board at an appropriate time in the project process. The Board asked to be kept informed of delivery of affordable housing numbers in this project.

DH re-entered the room.

Due to a 'non-trivial conflict' in relation to the Southern Gateway and Bognor Regis Creative Digital Hub projects LG left the room.

Following a presentation by JS and discussions about the project the Board **approved** the **Chichester Southern Gateway** project.

TW re-entered the room.

Following a presentation by JS and discussions about the project the Board **approved** the **Bognor Regis Creative Digital Hub** project.

LG re-entered the room.

Due to a 'non-trivial conflict' in relation to the Croydon Fiveways project MW left the room.

JS gave a presentation on the Croydon Fiveways project and the importance of monitoring spend in relation to this project was highlighted. The Board **approved** the **Croydon Fiveways** project.

MW re-entered the room.

LG expressed her disappointment that given the strategic importance of Worthing the Worthing Central proposal had not been recommended to the Board for approval by the Investment Committee.

It was noted that the approval of the 10 recommended projects brought the total number of projects being delivered by Coast to Capital to 85 which was a large scale task for a small team. JS confirmed that due diligence would be applied to all the approved projects in the process of drawing up the Funding Agreements. He also confirmed that all projects would continue to be monitored and the profile would be reviewed every six months to consider the possibility of recycling funds. It was agreed that targeted commission in line with the strategic priorities identified in the new Strategic Economic Plan should be considered going forward and further work would be undertaken.

ALRM left the meeting.

3. ESIF Progress - this item will be published

JS gave a summary of the issues set out in the ESIF progress paper and confirmed that Coast to Capital was in an influencing position rather than being able to control the challenging risk factors.

The Board felt that Coast to Capital should continue to deliver its administrative role in relation to ESIF given the potential of the expected Prosperity Fund which would be replacing European funding once the UK left the EU. However, the reputational risks given the current level of delivery should continue to be monitored.

It was agreed that Coast to Capital should take a leadership position on this issue and learn lessons from the parts of England that were more successful in delivering ESIF in order to re-consider its approach.

The Board felt that the draft letter to Jake Berry MP would benefit from being stronger in tone and the addition of a case study.

Action: JS to:

- consider the skills, expertise and experience of other parts of England to inform a new approach to ESIF
- JS to re-draft letter to Jake Berry MP

4. Draft Strategic Economic Plan – this item will be published

JS gave an update on progress in relation to the development of the Strategic Economic Plan (SEP) which included significant engagement with stakeholders through the Coast to Capital Partnership Board. Board members welcomed the opportunity to comment on an early draft of the SEP and felt that the following should be emphasised in the document:

- Prioritisation
- A sense of place
- The regeneration of the coastal area
- The rural offer in particular in relation to micro-businesses and agri-businesses

- Artificial Intelligence, Technology, Innovation and Big Data
- The role of Universities
- Digital Infrastructure
- Infrastructure, towns and regeneration
- Demographic change including women returners and apprenticeships/reskilling for the older workforce
- Attracting people out of London
- Natural economy and natural infrastructure

It was noted that an Industrial Strategy White Paper was expected around the publication of the Budget. JS confirmed further engagement with stakeholders would take place and a final draft of the SEP would be presented at the Board meeting in January.

5. Chief Executive's Report - this item will be published, redacted as appropriate

JS outlined his report, of particular interest:

Government was undertaking a review of LEP functions, to develop options around its Manifesto pledge to give LEPs 'backing in law'.

A Board Development Day at Roffey Park was being arranged for 27 November 2017 and this opportunity would form part of a nine months' Board Assessment process.

Corporate update – The Mary Ney Review of Local Enterprise Partnership Governance and Transparency had been published and had made a number of clear recommendations which tighten up the requirements around governance and transparency. More detail would be included in a planned update to the National Assurance Framework in spring 2018; however, as our Assurance Framework goes beyond the current National Assurance Framework guidelines it was noted that Coast to Capital was in a good place to respond to the recommendations.

The Annual Conversation would take place in December and the Chairman and Chief Executive will be expected to prepare a 'statement on governance and transparency' and the Section 151 would also be expected to prepare a report on governance for consideration.

Communications and stakeholder engagement – The Board noted that stakeholder strategy had been developed which would be kept under review. The Board agreed that Coast to Capital would move to delivering an AGM and Annual Conference to build on the progress and momentum of the current Partnership Board. The Joint Committee would also be organised annually to ensure regular engagement with Local Authorities. DH suggested that a map of all projects could be produced to demonstrate the impact of Coast to Capital investment.

Progress on the Brighton Mainline campaign was noted. Coast to Capital was demonstrating leadership on this campaign and planning to launch the Brighton Mainline Alliance which had support from MPs and businesses across the region.

Projects Pillar

Local Growth Fund - JS explained that independent deep dive confidence delivery assessments had been commissioned on a number of previously red rated projects. The A300 and A29 continued to be rated red because physical project delivery was not likely to be able to start before the end of the Parliamentary spending period and DfF were yet to confirm that Government would allow a carry forward of project funding. Following the review the Gatwick rail station upgrade project had been rated green and Valley Gardens 3 rated amber.

Following a discussion regarding the risk ratings it was agreed that consideration would be given to clearly communicating the reasons behind the red ratings and whether mitigating action was in the control of Coast to Capital. LG suggest that projects be tracked back to learn lessons from project delivery.

Services Pillar

Board members were directed to the new Services dashboards which included detail on progress across each of the three key areas. It was noted that Foreign Direct Investment was forecast to be below the position achieved last year.

JS informed the Board that it was expected that the Budget would confirm the future funding position for the Growth Hub which was currently uncertain.

Strategy and Policy Pillar

JS noted that Regeneration and Housing was a priority which would be taken forward by the newly appointed Head of Regeneration, Housing and Business Space. GW highlighted the importance of aligning transport models and housing plans.

The Newhaven Enterprise Zone was progressing well and JS and SA had visited Salford along with Lewes Council to see how the HCA English Cities Fund had managed a £100 million investment to drive large scale regeneration.

Following an invitation from BEIS to bid for grant funding to develop an energy strategy we had agreed with South East LEP to procure and produce a joint strategy. Discussions were underway with Enterprise M3 LEP to see if they also wanted to join this partnership. A £40,000 grant for each LEP could be pooled to deliver work, based on engaging consultants to gather and analyse the relevant data and an independent strategy coordinator to produce the strategy by May 2018. JS confirmed that we would be working closely with our local authorities in the development of this strategy.

6. Close

a) AOB

There was none.

b) Future Meeting

Board meetings in 2018 would take place at 5:00pm on the following dates:

- Wednesday 31 January
- Thursday 19 April
- Wednesday 4 July
- Thursday 18 October

November 2017 - Board Agenda Item 2 - Appendix A			
Projects approved for funding			
Digital Infrastructure + Transformation	1		
Scheme	Bognor Regis Creative Digital Hub		
LGF Allocation in 17/18	£100,000		
Total LGF Award	£500,000		
Review Score	58.08%		
Investment Committee Score	63.75%		
High Value Tourism	1		
Scheme	The Charleston Trust Centenary Project		
LGF Allocation in 17/18	£400,000		
Total LGF Award	£400,000		
Review Score	72.64%		
Investment Committee Score	60.56%		
FE+ HE Facilities	1	2	
Scheme	Pelham Campus	Crawley College STEM	
LGF Allocation in 17/18	£350,000	£120,000	
Total LGF Award	£5,000,000	£5,000,000	
Review Score %	70.08%	60.70%	
Investment Committee Score	90.71%	70.00%	
Sustainable Transport	1		
Scheme	Fiveways Croydon		
LGF Allocation in 17/18	£250,000		
Total LGF Award	£3,500,000		
Review Score	45.56%		
Investment Committee Score	61.88%		
Regeneration and Housing Infrastructure	1	2	3
Scheme	Southern Gateway	Regen Oxted Phase 1	Unlocking Housing in North Tandridge
LGF Allocation in 17/18	£500,000	£79,500	£30,000
Total LGF Award	£5,000,000	£1,034,000	£4,945,000
Review Score	64.63%	50.28%	48.39%
Investment Committee Score	63.75%	63.57%	62.86%
Generate Foreign Investment	1		
Scheme	Ricardo Hybrid Powertrain		
LGF Allocation in 17/18	£1,500,000		
Total LGF Award	£1,500,000		
Review Score	39.67%		
Investment Committee Score	70.71%		
Innovation and Start Ups	1		
Scheme	SInC		
LGF Allocation in 17/18	£140,000		
Total LGF Award	£140,000		
Review Score	67.50%		
Investment Committee Score	75.00%		

Board Meeting – 16 November 2017
Matters Arising Schedule

Meeting Ref.	Action	By	Status
Board meeting 09.03.17 Minute item B5 New Assurance Framework (AF)	To arrange risk management training session for interested Directors	JS	This will be incorporated as part of the Board Development programme
Board meeting 16.11.17 Minute item - 3 ESIF Progress	To consider the skills, expertise and experience of other parts of England to inform a new approach to ESIF. To re-draft letter to Jake Berry MP.	JS JS	 Completed. Response received and included in CE report.