

**Coast to Capital Shadow Investment Committee Meeting
Monday 6 February 2017, 09.30am – 12.30pm.
Coast to Capital Offices, Carpenter Room, Arun House,
Horsham Training Centre, Hurst Road, Horsham, West Sussex, RH12 2DN**

Meeting Minutes

Attendees

Chair

Daryl Gayler, Private Sector Coast to Capital Board Director DG

Voting Members

David Hodge, Leader Surrey County Council & Coast to Capital Board Member	DH
Louise Goldsmith, Leader West Sussex County Council & Coast to Capital Board Member	LG
Jonathan Sharrock, Coast to Capital Chief Executive & Board Member	JS
Martin Heffer, Private Sector Coast to Capital Board Director	MH
Steve Allen, Private Sector Coast to Capital Board Director	SA
Cllr Mark Watson, Representative, Croydon Council	MW

In support

Anthony Middleton, Chief Operating Officer, Coast to Capital	ALRM
Hannah Gosling, Growth Deal Project Manager, Coast to Capital	HG
Leon Gadsdon, Project Manager, Coast to Capital	LGA
Laura McDougall, Coast to Capital Committee Secretary	LM

Governance Advisors

Martin Yates, West Sussex County Council Accountable Body Representative	MY
Chris Neville, West Sussex County Council Accountable Body Representative	CN
Katharine Eberhart, West Sussex County Council Accountable Body Representative	KE
Arinola Adebekun, West Sussex County Council Accountable Body Representative	AA

In attendance for Business Case Scrutiny

Carolyn Carr and Nick Smales representing West Sussex County Council	CC/NS
Duncan Barratt representing Crawley Borough Council	DB/NS
Trevor Pugh and Lyndon Mendes representing Surrey County Council	TP/LME

Part A

1. Welcome, introductions and apologies, Declarations, Disclosures and Conflicts of Interest.

DG opened the meeting with a welcome to the members and attendees and noted apologies from Debra Humphris, Tony Newman, Mike La Rooy & Warren Morgan.

DG informed the committee that RBS has a current interest at Shoreham Port and would leave the room if required. ALRM advised that he lives near Tandridge and has an interest but has not been involved in the scoring for the bid. JS advised for statement of interest purposes that he sits as a trustee on the Greater Brighton Economic Board and is a Board Member on the Croydon Bid Board. MW advised the committee as he is representing Croydon, he would leave the room if required.

SA and MH declared no conflicts. DH advised he would leave the room when the A23 Resilience Scheme is covered. JK advised the committee that as she is Vice Principal for Chichester College, she would leave the room should the Chichester College or University be discussed. LG advised the committee she sits on the board of Governors for Chichester College. LG also advised the committee she would leave the room when the Novartis funding application as discussed as it is a WSCC project.

2. To review Public Comments.

DG advised the committee that as this is a Shadow Investment Committee Meeting, it is not constituted and therefore no public comments will need to go on the Coast to Capital Website however, going forward there will be. ALRM advised that a clear conflict of interest procedure will be put in place within the completed Coast to Capital Assurance Framework Manual. DH felt that in future, procedures must be in place and going forwards it should be made clear that Coast to Capital and members of the Investment Committee are neutral.

3. Introduction and agreement of terms of reference to recommend to Board.

DG asked the committee to consider a debate around the level of delegated authority and question how right and appropriate it would be for the committee to exercise powers to a certain level. DG raised if there should be a threshold which could then be ratified by the Board. DG suggested that it could be good working practice to have full delegated authority and or possibly a subset of terms. DG said that speed and transparency is paramount.

JK agreed that accountability is required and thought that a level of authority up to a certain level was a good idea. SA suggested that authority could go back to the board but questioned how far it can go back before it becomes a running discussion. DG agreed that it could go back to the board with recommendations from the Investment Committee and that this could provide controls around discussion when it goes back to the board with recommendations requesting input.

ALRM informed the committee that at the next board meeting, 9 March 2017, members will be given a Project Status Dashboard detailing the status of each project programme along with key information and minutes of the Investment Committee meetings. LG said this could provide a good practice of check and balance and will add value and assist in making informed decisions. DH suggested there should be an amount of discretion permitted to the committee but also said this should not be a rubber stamping exercise and the committee should have the power to say no. DH questioned if the committee and process will fit in with the overall strategic direction of the LEP and felt that clarity needs to be provided within the TOR.

DG suggested that funding is ring-fenced for Transport, Infrastructure Business, Skills and Enterprise focused projects. JS agreed that this topic was covered in the Board away day and that the new SEP and direction of the Board would provide clarity.

DH felt that the priority of the bid applications weren't clear in the TOR and that they could be put into funding areas. DG agreed a fair distribution of funding in these areas should be put into place and he questioned how the bids are prioritised in the Board's view. MH felt that whether full and adequate discussion can be achieved and any Local Authority issues should be covered by the committee before going to the Board. ALRM reminded the committee that this meeting is focused on the spend and bids do need to be prioritised but have been constrained by the scores.

JK said based on the review group debate, she was uncomfortable about how fair and even scoring was. JK said that although it was a robust procedure, some detail within the bids was unclear which made scoring difficult.

LG suggested that feedback should be given to the applicants and this should drive the future of bids and funding subsequently awarded. DG said that a certain level of delegated authority should be agreed to come up with a strategic plan. DG recommended committee delegated authority spend of £2m be proposed to the board. LG suggested this is agreed and reviewed every six months – All agreed. (By correspondence).

JS asked if membership for the committee is fixed. ALRM advised that a standing open invitation is in place for all Coast to Capital Board members. JS questioned core membership and was minded to ensure that sufficient representation was achieved. DH suggested that should a board member be unable to attend the Investment Committee that feedback could be provided by other board members. KE said it was important that political accountability is exercised through the political members of the committee and DH said that no board member should be excluded. LG agreed this process is to lobby a case for a bid but purely for observation and any input should be factual and value added.

	Recommendations	Owner
3.	<ul style="list-style-type: none"> • DG recommended committee delegated authority spend of £2m be proposed to the board. • DG recommended this is reviewed every six months. 	DG DG

4. Draft Assurance Framework Manual

MH advised the committee that he and Mike la Rooy have been in the process of producing this document and it was currently a working document. MH said the manual will be ready to share completed at the next Coast to Capital Board meeting 9th March 2017. CN advised the committee the Accountable Body’s input into the manual will be directly in line with Government guidelines. MH advised the manual will also be in line with the Board’s technical objectives. CN said the manual will meet the required standards to ensure more information and full compliance.

LG noted that should any complaints be received that a suitable timeframe is in place for response and action and that a 2 week period is agreed. JS agreed and should an in depth complaint be received, an extended timeframe for response should be agreed. CN assured the committee that the Accountable Body are in place to assist in relation to any queries concerning Local Growth Funds. CG pointed out that transparency needs to be easy to navigate especially concerning decision making. JS advised the committee that LEP’s throughout the Country have initiated a LEP Peer Group process whereupon processes and thoughts are shared. LG suggested a user friendly process on the Coast to Capital website could offer a simplistic means for accountability.

5. AOB

NA.

Part B

1. Call for bids / Growth Deal 3 Update

Part B – Item 1 - ALRM advised the committee at the last Board meeting, members agreed the £11m underspend must be fully addressed and this paper seeks recommendations on funding to be drawn down and allocated to schemes. ALRM requests authority is given to JS for flexible funding authority to be agreed and released on the projects listed in Annex A from the unallocated Growth Deal 1 and 2 Funding Pot. ALRM also seeks the members to recommend to the Board the projects listed in Annex B are awarded funding grants now that full business cases have been received.

ALRM requests the members recommend to the Board the latest projects to be allocated flexibility funding. ALRM also requested that funding is awarded to the Crawley Traffic Control Scheme, the Crawley RTPPI (Real Time Passenger Information) Scheme, The Acquisition of the Novartis Site (Horsham), and the A23 Network Resilience Scheme.

ALRM also requested open discussion around these bids and that representatives from WSCC, Crawley Borough Council and Surrey County Council join the discussion separately to present background to their respective applications. CN highlighted to the committee that direct powers granted to the Chief Executive of Coast to Capital had not been picked up in this paper.

JS said that projects in the Growth Deal Fund 2 were live projects and flexibility for funding was required. JS advised a clearer picture would be available at the end of Quarter 4 of 16/17 and said it was important for the members to understand the context of flexibility required.

Annex B – Business Case Scrutiny - Crawley Traffic Control Scheme Haslett Avenue and Crawley RTPPI (real time passenger information) Presented by Duncan Barratt, West Sussex County Council (WSCC).

DG welcomed NS and DB to the meeting. CN advised the committee that all Accountable Body representation is undertaken by WSCC. DB covered the business proposal highlighting the benefits to the area and transport issues currently being faced. LG said the analysis provided 2 good independent transport consultant reports. MY requested match funding needs to be clarified. DB said this is in excess of 15%. DB left the meeting.

Annex B – Business Case Scrutiny - Acquisition of the Novartis Site, Wimplehurst Road, Horsham by WSCC. Presented by Carolyn Carr and Nick Smales

LG and CN left the room. DG welcomed CC and NS to the meeting. NS opened the discussion describing the location as a possible mixed use site offering commercial and residential space. The funding gap will allow Horsham District Council to complete the purchase. ALRM said the funding has already been earmarked for the application. LGA said the retention of a commercial element would be beneficial. MH expressed concern that a covenant would need to be in place to allow the funding agreement to go ahead so funds should be returned should the acquisition not be completed. JK highlighted she was in full support of the application as this could be a good connection for Further and Higher Education business connections within the town. CC responded to the committee advising that the ground work for local relationships was already underway. CC and NS left the meeting.

Annex B – A23 Resilience Scheme, Surrey County Council. Presented by Trevor Pugh and Lyndon Mendes.

DH left the room. DG welcomed LME and TP to the meeting. ALRM advised the committee this scheme is for the implementation of flood risk measures along the A23 between Redhill and Horley. ALRM said this scheme is required as the impact of flooding poses an impact to businesses in the area and this is a priority scheme. LG said this issues does affect the South in particular and would be in favour in funding being awarded. MH said that this ongoing maintenance funding for such projects is important and should be considered. LG suggested that the whole system in place should be updated to achieve a measure of success. LME and TP left the meeting.

ALRM proposed to the committee that funding should be awarded for the Crawley Transport Schemes, Novartis Site Acquisition and A23 Resilience Scheme. All voting members are in favour of the Crawley Traffic Control Scheme subject to suitable match funding. All voting members are in favour of the Crawley Real Time Passenger Information Scheme subject to suitable match funding. All voting members are in favour of the Novartis Site Acquisition with the condition that the funding agreement is agreed based on the outputs. All voting members are in favour of the A23 Flood Resilience Scheme and agreed this goes hand in hand with Surrey County Council Maintenance Scheme.

2. Review of in year spend on Growth Deal Projects

ALRM advised the committee that two Coast to Capital Review Groups were undertaken which fed the outcomes of each group into the Coast to Capital Project Pillar Board meeting. JK said this process was robust however the quality of the bids were mixed and suggested that going forward, clarity should be provided to members and to the applications. JS agreed and said that this process will take place twice a year and that the applications need more time to allow quality representation. MH also agreed and said that a clear marking regime should be put in place going forwards. JS also reassured the committee that this process was thorough and would be very happy to provide feedback. MY suggested that there could be fewer subcategories for the scoring criteria going forwards and therefore speeding up the procedure. DG commented that in order to ensure a fair and measured scoring system, going forward a clearer system could be implemented and be used across all of the key investment themes and with fewer categories allowing enough scrutiny to be exercised and sufficient time to challenge recommendations. DG recommend these points are actioned and feedback:

	Actions	Owner
2.	<ul style="list-style-type: none">• Identification of why the bid has not achieved funding.• Identification of how greater scoring clarity can be provided.• To identify weighting of spend in line with the LEPs strategic areas and objectives.	ALRM ALRM ALRM

DG said that where bids have not achieved funding that the boundaries should be considered where they have narrowly missed out based on outputs. LG said that the approach of the bids needs to sell and clarity must be effective for deliverability. CN noted that best practice should be carried out and that more time should be allowed for consideration. CN asked is the same evaluators were going to be on each review group and suggested that training could be given beforehand. CN said there must be a clear audit trail from start to finish of the process. ALRM agreed that compliance needs to be clear for key criteria.

JS advised the committee that the Railway Quay Side bid is for a plot of land in association with Lewes District Council and the site forms a part of the Newhaven Enterprise Zone key areas. SA agreed with JS and advised the committee that the site must be developed as a showcase for the town. LG questioned what the LEP will gain from this possible acquisition and that a clear exit strategy must be set. DG said that there must be clarity around planning, strategy and approach. ALRM said that a conditioned funding agreement must be put in place.

LG said that this should be for the board to consider and would like further guidance on the LEP can acquire land or property. CG tasked to find out the LEPs ability to purchase and feedback.

ALRM outlined that the recommendation for Coast to Capital to acquire land is no longer going ahead. GD asked the voting members if they were all happy to go with the recommendations from this committee meeting. All agreed subject to conditioning. KE advised the committee that an up to date funding amount to be approved would be allocated. All voting members accepted.

3. AOB.

NA.