

4. Matters Arising and declarations of interest

Declarations of Interest

The following declarations of interests were recorded:

Cllr Seán Woodward

Item 5a, Welborne Development
Item 7a, RGF project update

Cllr Donna Jones

Item 7a, Solent Skills and Productivity Fund

Cllr Simon Letts

Item 6, Solent Metro
Item 7a, Solent Skills and Productivity Fund

Cllr Keith Mans

Item 5a, Retained LGD Scheme for the proposed upgrade of Junction 10 M27
Item 5b, Stubbington Bypass

Kevin George

Item 6, Solent Metro
Item 7a, Isle of Wight Infrastructure Plan

Dave Lees

Item 6, Solent Metro

Brian Johnson

Item 7a, BAE Systems Contract Variation
Item 7a, Local Growth Deal

Sir Christopher Snowden

Item 7a, Innovation Programme Fund

Rachael Randall

Item 7a, Isle of Wight Infrastructure Plan

Matters arising

Notes of the meeting 14 July 2017 – matter arising (page 1)

Board Members were advised that the Council's external audit on the final position on the outturn was still in progress and that an update would be provided at the FPPMG meeting in November.

Governance Briefing (page 2)

The Executive advised the Board that all new board members would be offered the opportunity to access an external one-day non-executive director development course as part of board induction. It was agreed to extend this opportunity to existing board members.

Economic Impact Study of the Solent Universities (page 5 item 6)

Executive to action

	<p>The Executive advised the Board that the draft report had now been considered by all University partners and the final version of the report a would be circulated to the board and arrangements would be made to publish it shortly.</p> <p><u>Business Support Review (item 8 page 6)</u></p> <p>The board received a verbal update from Brian Johnson who advised that a business engagement steering group has been set up and was due to convene later in the month and a further progress update will be provided at the December Board meeting.</p>	<p>Executive to action working with Solent based Universities</p>
<p>5.a</p>	<p>Local Growth Deal Retained scheme - Welborne Development</p> <p><u>Item 5A: Local growth deal retained scheme for the Welborne development</u></p> <p>Seán Woodward declared a direct interest in the item as the Leader of Fareham Borough Council.</p> <p>The Board invited Fareham Borough Council and Buckland Development Limited to present an update to the board.</p> <p>Cllr Seán Woodward, Richard Jolley (Fareham Borough Council) and Paul Willoughby (Buckland Development Limited) provided a joint verbal update to the Board and outlined the progress being made on the Welborne Development.</p> <p>Cllr Seán Woodward, Richard Jolley and Paul Willoughby left the meeting at this point.</p> <p>Presentation from Mott MacDonald</p> <p>The Board considered an updated presentation on the review of the LGD Retained scheme to support the Welborne Development.</p> <p>Members of the Board expressed their continued strong support for the scheme and noted:</p> <ul style="list-style-type: none"> • The progress in relation to land assembly; and • The updated position statement from Fareham borough Council in relation to their delivery strategy for the development; and • That a marginal funding bid has been submitted to the Housing and Infrastructure Fund to support the proposed upgrade to M27 Junction 10; and • That a forward funding bid has been submitted to the Housing and Infrastructure Fund to support the Welborne Development. <p>The board continued to recognise that due to the scale and complexity of the project there were ongoing matters that need to be concluded (including the consideration and determination of the planning application) prior to confirming a start date on site for the development. This would need to be reviewed in the context of the timescales that have been provided by Central Government for the Local Growth Deal (LGD) funding and it would need to be reviewed further in early 2018.</p> <p>Keith Mans as Deputy Leader of Hampshire County Council declared a direct interest in the item relating to the DfT Retained Funding of £14.9 million and left the meeting.</p>	

	<p>The Board noted the update on the retained funding and agreed that the LEP should continue to engage with Government in relation to this scheme.</p>	
5.b	<p>Local Growth Deal Retained scheme - Stubbington Bypass</p> <p>Sean Woodward returned to the meeting and Keith Mans declared a direct interest in this item and withdrew from this item as well.</p> <p>The Board was provided with an update on the financing modelling options for the scheme and advised that the accountable body had modelled a range of scenarios based on the expected cash inflows from the rates, grant funding and the cash outflows in terms of the actual expenditure of the project.</p> <p>Board members noted the update and detailed financial modelling for the borrowing and considered FFPMG's advice on a preferred option and agreed an option to draw on prudential borrowing from Hampshire County Council, alongside utilising £3.5 million from the Growing Places Fund to support the Stubbington Bypass Scheme.</p> <p>They delegated authority to the Accountable Body Portsmouth City Council to work with Hampshire County council to finalise an agreement in relation to this.</p> <p>Keith Mans returned to the meeting.</p>	<p>Portsmouth City Council (as accountable body for Solent LEP)</p>
6.	<p>Consideration and approval of initial draft reports on the Solent Metro</p> <p>Dave Lees registered an interest in this item as Southampton airport is located in the proposed phase 1 route.</p> <p>Kevin George registered an interest in this item as the Red Funnel terminal in Southampton is located in the proposed phase 1 route.</p> <p>Board Members received a presentation from Steer Davies Gleave which included an update on the initial economic appraisal of the Solent Metro scheme</p> <p>Steer Davies Gleave then left the meeting room.</p> <p>The board also noted the work that had been undertaken on the Wider Network Review, the Funding and financing options for a scheme of this scale and complexity and the early development work for the proposed phase 1 route.</p> <p>A discussion took place around the final draft of the Solent Transit wider network review; the draft funding and financing paper for the Solent Metro Phase 1 and the Phase 1 Option Development report and Board members requested that wider work be undertaken that looked beyond the early work on the route option development work that had been completed to date.</p> <p>They asked the executive to schedule a session at the forthcoming strategy day to consider the work further, so that it could be considered in the context of the wider work that needs to</p>	<p>Executive</p>

	<p>be undertaken in developing a new strategy for the Solent area.</p> <p>Donna Jones left the meeting.</p>	
<p>7.</p>	<p>Executive Update</p> <p>Board Members were advised that the paper would be taken as read.</p> <p><u>Floating Bridge</u> The Executive provided an update on the current position with the Floating Bridge.</p> <p>Board members noted that the LEP would seek a meeting with the Isle of Wight Council Leadership to see how the LEP can continue to work with them in order to support the project going forward.</p> <p>Board members also noted that the monitoring arrangements for this project would be enhanced and a further update would come back to the board at the next meeting to include an update on the likely date for the resumption of the floating bridge service. The board agreed to review the project again at the next meeting and they requested that the executive provide a further update at the forthcoming FPPMG meeting in November 2017.</p> <p><u>BAE Systems Marine Engineering Workshop</u> Brian Johnson declared a direct interest in this item and withdrew from the meeting.</p> <p>Board members noted the update for this scheme; approved the contract variation for the BAE Systems Marine Engineering workshop scheme to take account of the delay in completion of this phase of the project and delegated authority to the Executive and LEP Accountable body to action the contract variation.</p> <p>Brian Johnson returned to the meeting.</p> <p><u>RGF Project update</u></p> <p>Seán Woodward declared a direct interest in the item and withdrew from the meeting for this element of the discussion.</p> <p>Board members noted the general update on RGF legacy projects and considered and agreed a variation to one of the EZ RGF projects.</p> <p>Seán Woodward returned to the meeting.</p> <p><u>Isle of Wight Infrastructure Investment Plan</u></p> <p>Kevin George registered an interest in this item as the Chief Executive Officer of Red Funnel Rachael Randall registered an interest in this item given her business interests on the IOW</p> <p>The Executive advised Board members that Litchfields had been commissioned in March 2017 to take forward this work.</p>	<p>Executive</p> <p>Executive</p>

	<p>The Board invited Litchfield's to update the Board on the Isle of Wight Investment Plan which provided an identification of the future infrastructure needs of the Isle of Wight across a range of economic infrastructure categories.</p> <p>It was noted that the report would need to be considered by the IOW Council and as a result Board members considered the draft final Isle of Wight Infrastructure Investment Plan and agreed to note it and agreed that subject to any further feedback from the IOW Council the LEP should in partnership with the IOW Council work together to explore ways to take this work forward including engagement with central government.</p> <p>The board also agreed to consider publication of the report once any updates and comments from the IOW Council had been considered.</p> <p><u>Governance Update</u></p> <p>Board members considered the review of the Articles and asked for clarification on two areas:</p> <p>Article 45.1 and the position in relation to the management of interests as set out in articles 46 - 48. The executive advised that in relation to article 45.1 they would provide additional clarification. In relation to the management of interests this needed to be considered both within the requirements as set down in the Articles and also in accordance with requirements as set out in the LEP National Assurance Framework. The board were advised that there was an expectation that a further revision of the national assurance framework was anticipated and the policy on the management of interests could be reviewed again once the update guidance is available.</p> <p>Board members agreed the recommended changes and to delegate authority to the Company Secretary and LEP Chairman to finalise a resolution for the consideration of LEP Members at the Company AGM.</p> <p><u>AGM</u></p> <p>Board Members agreed the proposed format for the Solent LEP AGM</p> <p><u>Forward Plan</u></p> <p>Board members agreed the updated Forward Plan</p> <p>Sir Christopher Snowden left the meeting</p>	
<p>8.</p>	<p>Finance Update</p> <p>Board members:</p> <ul style="list-style-type: none"> • approved the revised budget for 2017/18 of £36,273,705 • approved the revised budget for the period 2018/19 to 2020/21 • noted the update on the North Whitely scheme in paragraph 5.1 and agreed to change the profile as set out in the table in paragraph 6.1 to reflect this update • noted and agreed the release of the £750,000 contingency that is no longer required for the IOW Core Composite College from the Growing Places fund 	

	<ul style="list-style-type: none"> • note the updated position of the Growing Places Fund and paragraph 6.4 below which has been updated to reflect the preferred option for the funding of the borrowing costs for the Stubbington Bypass scheme • note the latest Local Growth Fund programme summary and the challenges around future delivery • note the current position on the Investment Regeneration Fund to unlock sites for growth and FFPMG's agreement that the Executive and the Accountable Body should investigate whether the LEP should explore further direct investment on the EZ 	
<p>9. Any Other Business</p>	<p>Sandra Sassow advised that she had been invited to visit Washington DC to look at the transformation that has been made to the city and felt that this case study could be used to inform place shaping discussions and the development of the new strategy for the Solent area. It was agreed to consider this as part of the forthcoming discussions at the strategy day.</p>	

Meeting closed at 11.15am