



SOLENT  
**LOCAL**  
ENTERPRISE  
**PARTNERSHIP**

## Solent Local Enterprise Partnership Meeting of the Board of Directors

Held on Friday 8<sup>th</sup> December 2017

08:00 - 11:55

Village Hotel, Portsmouth

<b>Present</b>	<b>In Attendance</b>
Gary Jeffries (Chairman)	Stuart Baker
Anne-Marie Mountifield	Marc Griffin
Brian Johnson	Richard Jones
Sir Christopher Snowden	Vicki Stone
Donna Jones	Nicola Twiddy
Keith Mans	Ravneet Viridi - BEIS
Kevin George	James Fitzgerald
Rachael Randall	Wayne Layton (deputising for James Fitzgerald for item 8b only)
Seán Woodward	
Stuart Hill	
Dave Lees	
David Stewart	
<b>Apologies</b>	<b>Guests</b>
Simon Letts	Andy Rumfitt and David Pendlebury - AECOM
Nick Gross	
Chris Ward	
Sandra Sassow	

<b>Item</b>	<b>ACTION</b>
<b>1. Welcome and Introductions</b> The Chairman welcomed everyone to the meeting.	
<b>2. Apologies for Absence</b> Apologies were received from Simon Letts, Nick Gross, Sandra Sassow and Chris Ward.	
<b>3. Notes of the meeting held on Friday 14<sup>th</sup> July 2017</b> The notes of the previous meeting on Friday 6 October 2017 were <b>agreed</b> from the previous meeting and signed by the Chairman.	
<b>4. Matters Arising and declarations of interest</b>	

<p><b><u>Declarations of Interest</u></b> The following declarations of interests were recorded:</p> <p><b><u>Cllr Seán Woodward</u></b> Item 7 - Retained LGD Scheme update for Stubbington Bypass and Proposed upgrade to Junction 10 M27 Item 8a - LGD Capital Programme 2017/18 - Fareham and Gosport Multiyear Programme - Newgate Lane South</p> <p><b><u>Cllr Donna Jones</u></b> Item 8b - Solent Skills and Productivity Fund</p> <p><b><u>Cllr Simon Letts (notified before the meeting)</u></b> Item 8a, LGD update legacy scheme - 2017/18 Accelerated Housing Fund Item 8b, Solent Skills and Productivity Fund</p> <p><b><u>Cllr Keith Mans</u></b> Item 7 - Retained LGD Scheme update - Stubbington Bypass and Proposed upgrade to Junction 10 M27 Item 8a - LGD Capital Programme 2017/18 - Fareham and Gosport Multiyear Programme - Newgate Lane South</p> <p><b><u>Cllr Dave Stewart</u></b> Item 8a LGD legacy scheme – IOW Floating Bridge Item 8 a LGD Innovation Fund round 3</p> <p><b><u>Brian Johnson</u></b> Item 8a - LGD Legacy Programme - BAE Systems Engineering Workshop Item 8a - LGD Capital Programme – National Maritime Systems Centre Item 8b - LGD Capital Programme - Innovation Fund Round 3</p> <p><b><u>Sir Christopher Snowden</u></b> Item 8a - LGD Legacy Programme 2016/17 Cancer Immunology Centre Item 8a – LGD Innovation Fund round 3</p> <p><b><u>James Fitzgerald</u></b> Item 8b - Solent Skills and Productivity Fund</p> <p><b><u>Matters arising</u></b></p> <p><u>Notes of the meeting 14 July 2017 - Matters arising (page 2 item 4 )</u> Board members were advised that the Council's external audit was still in progress and an update would be provided at the next Board meeting.</p> <p><u>Economic Impact Study of the Solent Universities (page 3 item 4)</u> The Executive advised the Board that the draft report had now been considered by all University partners and the final version would be published in the new year and the LEP would work with the Universities to consider a launch event.</p> <p><u>Business Support Review (page 3 item 4)</u></p>	<p><b>PCC – Accountable Body</b></p> <p><b>Executive working with Solent Universities</b></p>
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	<p>Board members were advised that the review would be presented at the Board's Strategy session in January 2018.</p> <p><u>Solent Metro update</u></p> <p>An update was provided to Board members and it was agreed that this would be considered further (as part of the review of Infrastructure to support local growth) at the Strategy day in January 2018.</p> <p><u>Isle of Wight Infrastructure Investment Plan (page 6 item 7)</u></p> <p>Board members were advised that Litchfields report would be published in the new year.</p> <p><u>Any other Business (page 7 item 9)</u></p> <p>It was noted that Place shaping would be a central consideration in the development of the new strategy for the Solent area and would be discussed at the forthcoming strategy day.</p>	<p><b>Board Lead – Brian Johnson</b></p> <p><b>Executive</b></p>
<p><b>5a</b></p>	<p><b>Executive Update - for decision</b></p> <p>Board Members were advised that the paper would be taken as read.</p> <p><u>Update from the Search, Employment and Remuneration (SER) Committee</u></p> <p>Board members:</p> <ul style="list-style-type: none"> <li>• <b>Noted</b> the update; and</li> <li>• <b>Agreed</b> the proposal for the SER Committee to undertake a review of the existing board structure, composition and skills; and</li> <li>• <b>Delegated</b> authority to the SER Committee to finalise and agree the processes for board and panel recruitment for the B Director role that is scheduled to become vacant in March 2018 and the Chair role on the Business Support Investment Panel which has just become vacant; and</li> <li>• <b>Agreed</b> initial principles for succession planning; and</li> <li>• <b>Delegated</b> authority to the Committee to develop an approach to support long term succession planning for consideration by the Board in Summer 2018</li> <li>• <b>Agreed</b> the proposal from the Committee to augment the evaluation of LEP performance to include a process of evaluating Board performance; and</li> <li>• <b>Delegated</b> authority to the Committee to develop a process for consideration by the Board in Autumn 2018.</li> </ul> <p>Board members also <b>noted</b> the update on the staffing and Organisational Structure for the LEP.</p> <p><u>Solent LEP Annual Review 2017, the Productivity and Growth Supplement 2018 and local Industrial Strategies</u></p> <p>Board members:</p> <ul style="list-style-type: none"> <li>• <b>Noted</b> the update;</li> <li>• <b>Approved</b> the approach to the development and production of the Annual Review 2017 and Productivity and Growth Supplement 2018; and</li> </ul>	<p><b>SER Committee</b></p>

	<ul style="list-style-type: none"> <li>• <b>Delegated</b> authority to the LEP Executive, working with the Accountable Body to finalise the work for publication in early 2018.</li> </ul> <p><u>Governance Update</u></p> <p>Board members considered the update including the Ney review and the recent National Audit Office Report on Governance of GCP LEP as well as the requirements for the forthcoming Annual Conversation.</p> <p>Board members:</p> <ul style="list-style-type: none"> <li>• <b>Noted</b> the requirements under the Annual Conversation ;</li> <li>• <b>Noted</b> the draft S151 Officer Assurance Statement;</li> <li>• <b>Approved</b> the draft LEP Chairman and Chief Executive Assurance Statement;</li> <li>• <b>Agreed</b> the changes to be implemented relating to the publication of project funding and Whistleblowing and Delegated Authority to the Executive to action; and</li> <li>• <b>Agreed</b> to the designation of the Chair of FFPMG as the LEP Board Assurance Champion;</li> <li>• <b>Agreed</b> the Draft Code of Conduct for implementation and Delegated Authority to the Executive to action; and</li> <li>• <b>Noted</b> the requirement to review the Terms of Reference of the Solent Growth Forum (SGF) and the proposal to hold a minimum of one board meeting in public every year.</li> </ul> <p><u>Forward Plan</u></p> <p>The Executive advised Board members that the agenda for the Board Strategy day was currently being finalised and that as part of the review of the SEP and Local Industrial Strategy one of the key items for discussion would be place shaping in the Solent.</p> <p>Board members <b>agreed</b> the Forward Plan.</p>	<p><b>Executive</b></p> <p><b>Executive</b></p> <p><b>Executive</b></p> <p><b>Board</b></p>
<p><b>5b</b></p>	<p><b>Executive update – for information</b></p> <p><u>Strategy Update</u></p> <p>Board members <b>noted</b> the update.</p> <p><u>Energy Strategy and Local Capacity Funding</u></p> <p>Board members <b>noted</b> the update.</p> <p><u>Autumn Update</u></p> <p>Board members <b>noted</b> the update.</p> <p><u>Industrial Strategy</u></p> <p>Board members <b>noted</b> the update.</p>	

<p>6.</p>	<p><b>Finance update</b></p> <p>The board considered the finance report for 2017/18, the financial forecast through to 2020/21 and the risk management framework.</p> <p>Board members:</p> <ul style="list-style-type: none"> <li>• <b>Approved</b> the revised budget for 2017/18 of £35,873,705;</li> <li>• <b>Approved</b> the revised budget for the period 2018/19 to 2020/21;</li> <li>• <b>Noted</b> the updated position of the Growing Places Fund which included the decision to use £3.5m of the fund to help reduce the borrowing costs for the Stubbington Bypass scheme;</li> <li>• <b>Agreed</b> to re profile the funding allocation for North Whiteley into 2018/19</li> <li>• <b>Agreed</b> to remove the £3m LGD allocation for the Accelerated Housing Scheme;</li> <li>• <b>Agreed</b> to bring forward the final allocation of £300,000 for Newgate Lane into the current financial year;</li> <li>• <b>Considered</b> the options for the future use of the Investment Regeneration Fund allocation of £1.5m and <b>agreed</b> to designate this as unallocated funding, and requested that FFPMG provide further advice on this to inform a further board discussion in early 2018; and</li> <li>• <b>Agreed</b> to re profile the GPL allocation for the Stubbington Bypass indemnity into the 2019/20 financial year;</li> <li>• <b>Noted</b> the current position on the Local Growth Deal programme particularly the forecast £18.6m under programming in the current year, and the over programming for 2018/19 the implications of this and the mitigation measures; and</li> <li>• <b>Noted</b> the Solent LEP statutory accounts as prepared by the Accountable Body and agreed for the Chair to sign them off for submission to Companies House.</li> </ul>	<p>FFPMG</p> <p>Executive and PCC AS Accountable Body</p>
<p>7.</p>	<p><b>Local Growth Deal Retained Schemes update</b></p> <p>Board Members were advised that the paper would be taken as read.</p> <p><u>Stubbington Bypass</u></p> <p>Keith Mans (as deputy Leader of Hampshire County Council) and Seán Woodward (as Leader of Fareham Borough Council) declared an interest in this item</p> <p>The Board <b>noted</b> the update.</p> <p><u>Welborne and M27 Junction 10</u></p> <p>Seán Woodward provided Board members with a short update on the scheme and advised that he had held a meeting with the Secretary of State for the Department for Transport earlier in the week to discuss the transport/infrastructure requirements for this key development. Senior officers from Hampshire County Council were also in attendance at the meeting.</p> <p>Seán Woodward and Keith Mans declared an interest in this item and withdrew from the meeting before the item was considered.</p>	

	<p>Board members considered the update from Seán Woodward and the report. It was noted that the LEP are awaiting confirmation of the scheme lead and that local partners have submitted funding applications to the Housing Infrastructure Fund (decisions awaited). It was also noted that the planning application for the Welborne development is also under consideration.</p> <p>The board again expressed their strong support for the scheme and continued to recognise that due to the scale and complexity of the project there are ongoing matters that need to be concluded (including the consideration and determination of the planning application and funding applications to DCLG) 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>Board members:</p> <ul style="list-style-type: none"> <li>• <b>Agreed</b> the proposal to write to Local Partners confirming their strong support for the scheme and requesting an update on the scheme lead and confirmation of the outcome of recent dialogue with Central Government; and</li> <li>• <b>Agreed</b> the proposal to discuss this scheme with DCLG as part of the forthcoming Annual Conversation; and</li> <li>• <b>Noted</b> the update on the Retained funding and <b>Agreed</b> that the LEP should provide a further update to government as part of the ongoing monitoring process.</li> </ul> <p><u>Autumn Budget</u></p> <p>Board members</p> <ul style="list-style-type: none"> <li>• <b>Noted</b> the update</li> </ul> <p>Seán Woodward and Keith Mans returned to the meeting.</p>	<p><b>LEP Board</b></p> <p><b>LEP Chair and Chief Executive</b></p> <p><b>Executive</b></p>
<p><b>8a</b></p>	<p><b>Consideration of Local growth programmes including update on LDG 2016/17, 2017/18 and provisional 2018/19</b></p> <p>Board Members were advised that the paper would be taken as read.</p> <p><u>Cancer Immunology Centre</u></p> <p>Sir Christopher declared an interest in this item and withdrew from the meeting before the item was considered.</p> <p>Board members <b>agreed</b> to a variation to the Cancer Immunology Centre funding agreement to 30<sup>th</sup> June 2018 to take account of the delayed completion date.</p> <p>Sir Christopher returned to the meeting.</p> <p><u>BAE Systems Marine Engineering Workshop</u></p> <p>Brian Johnson declared an interest in this item and withdrew from the meeting before the item was considered.</p>	

<p>Board members <b>agreed</b> to a variation to the BAE Marine Engineering Workshop funding agreement to 30<sup>th</sup> September 2018 to take account of the delayed completion date.</p> <p>Brian returned to the meeting.</p> <p><u>LGD 2016/17 IOW Floating Bridge</u> David Stewart provided Board members with a short update on the IOW Floating Bridge and advised that the ferry will be put back in service on Monday 11<sup>th</sup> December on an extended trial basis.</p> <p>Board members <b>noted</b> the update.</p> <p><u>Natural Enterprise</u></p> <p>Board members <b>agreed</b> the proposal to advance the 2018/19 allocation to Natural Enterprise for the IOW Rural SME Programme in quarter 4 2017/18 and <b>delegated</b> authority to the Executive and accountable Body to vary the current funding agreement accordingly</p> <p><u>Fareham and Gosport Multiyear Programme - Newgate Lane South</u> Keith Mans and Sean Woodward declared an interest in this item and left the meeting room before this item was discussed.</p> <p>Board members <b>noted</b> the update and <b>agreed</b> for the proposal to bring forward the remaining allocation of funding for Newgate Lane South of £300,000 profiled for 2018/19 to 2017/18 and <b>delegated</b> authority to the Executive and Accountable Body to agree a funding variation with the scheme lead, Hampshire County Council.</p> <p>Sean and Keith returned to the meeting room.</p> <p><u>Forecast LGD Capital Programme for 2017/18 following mid-year review</u></p> <p>Board members <b>noted</b> the mid-year review position on the LGD Capital Programme.</p> <p><u>North Whiteley</u></p> <p>Seán Woodward advised the board that whilst he is currently a member of the North Whiteley Forum, it is not a formal body and has no decision making role in relation to the scheme and therefore he remained in the meeting for the consideration of the North Whiteley scheme.</p> <p>Board Members <b>noted</b> the update for this scheme; <b>agreed</b> the recommendations from AECOM of the due diligence report and <b>agreed</b> to re-profile the scheme to the 2018/19 capital programme in accordance with the update and subject to receiving an updated business case to address the actions of the due diligence report.</p> <p><u>National Maritime Mission Intelligence Systems Centre - Qinetiq</u></p> <p>Brian Johnson registered an interest as BAE Systems are co-located with QinetiQ at the facility and BAE Systems work in the Defence sector.</p> <p>The board did not consider this to be a conflict of interest and he remained in the meeting for the consideration of this scheme.</p>	<p><b>Executive</b></p> <p><b>Executive</b></p>
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	<p>Board members <b>agreed</b> the recommendations in the AECOM report to finalise a funding agreement subject to clarification of the land ownership status.</p> <p><u>Innovation Programme Fund (IPF)</u> Sir Christopher declared an interest in this item and left the meeting room before this item was discussed.</p> <p>Dave Stewart declared an interest in this item and left the meeting room before this item was discussed.</p> <p>AECOM gave a presentation to Board members which provided a high level summary review of each case and a prioritised list of recommendations.</p> <p>10 applications were received in total and the sum total of all application grant requests was £24.9m which exceeded the funding available of £5m. In terms of the applications received, six were from private sector applicants, one from a public sector body and three from academic institutions.</p> <p>Board members:</p> <ul style="list-style-type: none"> <li>- <b>Agreed</b> the following projects as eligible for funding in 2018: <ul style="list-style-type: none"> <li>o Solent Test Tank and Engineering Centre for the Development of Marine Robotics: Saab Seaeye Ltd; and</li> <li>o Digital and Creative Innovation Centre - Southampton Solent University; and</li> <li>o Kelda Technology be moved to the Solent Growth fund</li> </ul> </li> <li>- <b>Noted</b> that the funding requests from the eligible applications exceeded the total funding available; and</li> <li>- <b>Agreed</b> to invite the three applications to final due diligence to inform a final prioritisation of schemes; and</li> <li>- <b>Noted</b> that the following projects were considered for further development, but were not yet ready to be considered: <ul style="list-style-type: none"> <li>o Global Rotor Design and Prototype Test Facility – GE &amp; Blade Dynamics</li> <li>o Biomedical Informatics Centre and Innovation Space – University of Southampton</li> </ul> </li> </ul> <p>A discussion took place on these applications and the Board proposed that they be invited to undergo full due diligence by AECOM and if eligible they would form part of our approved pipeline of projects that would be considered should further funding become available.</p> <p>Sir Christopher Snowden and Dave Stewart returned to the meeting.</p>	<p><b>Executive</b></p> <p><b>Executive</b></p> <p><b>Executive</b></p>
<p><b>8b</b></p>	<p><b>Funding call for the Solent Skills and Productivity Investment Fund</b></p> <p>Donna Jones and James Fitzgerald declared an interest in this item. Donna Jones provide the Board with an update on the Southsea Flood protection scheme and then she left the meeting room with James Fitzgerald before this item was discussed.</p> <p>A presentation was provided to Board members from AECOM which summarised applications received that had been reviewed and assessed.</p>	



	<p>Board Members were advised that the paper would be taken as read.</p> <p>Seven applications were received in total including four skills projects and three discrete projects. The sum total of all application grant requests was £32.7m, which exceeded the funding available of £12.5m. In terms of the applications received, three were from public sector bodies and four from academic institutions.</p> <p>Board members:</p> <ul style="list-style-type: none"> <li>• <b>Considered</b> the recommendations set out by AECOM and their presentation at the Board meeting and <b>agreed</b> to award funding, in principle, to the following projects, subject to resolution of the actions identified by AECOM and satisfactory conclusion of the 12-week consultation exercise: <ul style="list-style-type: none"> <li>- Civil Engineering Training Centre - Fareham College</li> <li>- Warsash School of Maritime Science and Engineering - Southampton Solent University</li> </ul> </li> <li>• <b>Delegated</b> authority to the LEP Executive and the Accountable Body to take forward the funding agreements, subject to the resolution of all issues set out in the AECOM report.</li> </ul> <p>Board members noted that a funding residual of £2,207,011 remains unallocated and will be considered at the next board meeting.</p>	<p><b>Executive</b></p> <p><b>Board</b></p>
<p><b>9.</b></p>	<p><b>Any Other Business</b> There was no other business</p>	

**Meeting closed at 11:55**