

Solent Local Enterprise Partnership Funding, Finance Performance Management Group (FFPMG)

Held on Friday 22nd June 2018 in the Executive meeting room, Portsmouth City Council – 8:00 am to 11:25 am

| Present | In Attendance |
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| Stuart Hill - Chair | Richard Jones |
| Anne-Marie Mountifield | Stuart Baker |
| Brian Johnson | Crispin Dick (item 4 only) |
| James Fitzgerald (deputising for Chris Ward) | Steve Futter |
| Keith Mans | Vicki Stone |
| Seán Woodward | Nicola Twiddy |
| In attendance from the LEP main board | Sophie Mallon |
| Kevin George (via telephone from 9.00 am) | Paul Somerset |
| Rachael Randall | |
| Gerald Vernon-Jackson | |
| Guests | Apologies |
| | Chris Ward |
| Item 4 - Solent Mitigation update | |
| David Hayward - Havant BC | |
| Jade Ellis - Havant BC | |
| Jonathan Evans - Southampton City Council | |
| Anna Parry - Portsmouth City Council | |
| Item 4 - Floating Bridge update | |
| Cllr Lora Peacey-Wilcox, Chairman, Isle of Wight Council, Medina Ward, and Mayor (acting) and Deputy Mayor of Cowes, Cowes Town Council | |
| Neil J Blues, retired Quality Assurance Manager (Engineer) | |
| Michael Douse, retired chartered engineer | |
| Cllr Peter Lloyd, Mayor of East Cowes, East Cowes Town Council | |
| Kirsten Xanthippe, Policy Consultant | |

| Item | Action |
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| 1. Introductions and apologies for absence The Chairman welcomed everyone to the meeting and asked FFPMG Members to agree to reschedule agenda items at the meeting to facilitate a deputation from stakeholders on the Isle of Wight in relation to the floating | |

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| | <p>bridge and a presentation from representatives leading the SRMP project. This was agreed.</p> <p>Apologies for absence received from Chris Ward.</p> <p>A short update was provided to FFPMG in relation to membership as follows:</p> <ul style="list-style-type: none"> • At the May Board meeting, the board agreed the appointment of Keith Mans as a P Director on FFPMG • Following the retirement of Nick Gross as B Director, the board will consider the appointment of Kevin George to FFPMG at the July Board Meeting • Following the resignation of Donna Jones as a LEP P Director, and the appointment of Gerald Vernon-Jackson as a P Director on the main LEP Board, the Board will consider the appointment of Gerald to FFPMG at the July Board Meeting <p>In advance of this an invitation was extended to all board members (following the May 2018 Board meeting) to attend FFPMG and the Chair welcomed Gerald Vernon-Jackson, Rachael Randall to the meeting and it was noted that Kevin George would join the meeting at 9.00 am</p> <p>Gerald Vernon-Jackson advised FFPMG he may need to leave the meeting at a number of intervals in response to an urgent matter currently being dealt with in his role as Leader of Portsmouth City Council.</p> | LEP Board |
| 2. | <p>Notes of the meeting held on 2nd February 2018</p> <p>The meeting notes from the meeting on 2nd February 2018 were agreed by the FFPMG and signed by the Chair.</p> <p>Matters Arising</p> <p>There were no matters arising.</p> <p>Declarations of Interest</p> <p><u>Seán Woodward</u></p> <p>Item 3 - Stubbington Bypass update Item 3 - Welborne and M27 Junction 10 update Item 4 – SRMP (as Chairman of PUSH) Item 4 - North Whiteley (for noting only) Item 4 – CETC (for noting only) Item 5 - One SME application to the Solent Growth Fund Item 6 – The Proposed Shared Prosperity Fund Item 7 - Finance Forecast and budget for 2018/19 in relation to the Proposed Shared Prosperity Fund</p> <p><u>Keith Mans</u></p> <p>Item 3 - Stubbington Bypass update Item 6 – The Proposed Shared Prosperity Fund Item 7 - Finance Forecast and budget for 2018/19 in relation to the Proposed Shared Prosperity Fund</p> <p><u>Gerald Vernon - Jackson</u></p> <p>Item 4 – SRMP (as Vice Chair for PUSH)</p> <p><u>Rachael Randall</u></p> | |

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| | <p>Item 4 - Floating Bridge (for noting only)</p> <p><u>Kevin George</u> Item 4 - Floating Bridge (for noting only)</p> <p><u>Chris Ward</u> Item 4 - Floating Bridge (It was noted that James Fitzgerald was representing Portsmouth City Council as the Accountable Body for Solent LEP)</p> | |
| 7. | <p>Finance forecast year end update</p> <p>FFPMG were provided with an update on the final outturn position of all the LEP funds to the end of the 2017/18 financial year (31 March 2018) against the final revised budget.</p> <p>FFPMG members:</p> <ul style="list-style-type: none"> (i) Endorsed the final outturn for 2017/18 of £9,577,052 and the sources of funding called upon and recommended this for approval by the LEP Board on 13th July 2018. (ii) Endorsed the revised budget for 2018/19 of £46,872,240 and the forecast budget for the period 2019/20 to 2021/22 and recommended this for approval by the LEP Board on 13th July 2018 which included: <ul style="list-style-type: none"> • The latest position of the Local Growth Deal Fund noting the challenges around future delivery. • The re-profiling and budget movements. • The current position of the Growing Places Fund. • The initial recommended funding sources for the creation of the new Solent Shared Prosperity Fund. (iii) Considered the options to create the new Solent Shared Prosperity Fund and recommended that this be taken to the LEP Board on 13th July for determination. (iv) Considered the creation of a draft core operational budget for the year 2021/22 and agreed to provide advice to the Board accordingly. (v) Considered the removal of the £3m Growing Places Loan allocation for the Solent Accelerated Housing Project and agreed to provide advice to the Board accordingly. (vi) Noted the Corporate and Strategic Risk Register (vii) Noted the latest forecast position on the Local Growth Deal programme particularly taking into account the risks highlighted. (viii) Noted the high level LGD Risk Matrix for the Local Growth Programme. | |
| 6. | <p>Solent LEP Investment Funding - Presentation on funding call</p> <p>Gerald Vernon-Jackson left the meeting.</p> <p>Seán Woodward provided a brief update on the M27 Junction 10 Scheme and then withdrew from the meeting before the item was considered.</p> <p>Keith Mans declared an interest in this item and withdrew from the meeting.</p> | |

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| | <p>FFPMG were provided with an update of the work in progress on the development of a Solent LEP Investment Fund (The Solent Shared Prosperity Fund) and a short discussion took place on the fund, the timing of the proposed call and the key focus.</p> <p>A presentation on the proposed development of the fund was provided to FFPMG.</p> <p>Gerald Vernon-Jackson returned to the meeting.</p> <p>Kevin George dialled into the meeting.</p> <p>FFPMG members:</p> <ul style="list-style-type: none"> • Noted the update; • Considered the options for the proposed Solent Shared Prosperity Fund and recommended that this be taken to Board in July for further consideration and determination; and • Agreed to consider the business case eligibility template and provide advice to the Executive so that a final draft guidance document may be shared with the LEP Board in July. | Executive |
| 8. | <p>Internal Audit update</p> <p>Keith Mans and Seán Woodward returned to the meeting</p> <p>FFPMG members noted the update and agreed the proposed actions of the findings of the IT Infrastructure review.</p> <p>Gerald Vernon-Jackson left the meeting.</p> <p>A short discussion took place in relation to GDPR training for Board members and it was advised that the Executive would propose to the Board a training session take place at the Board Strategy Day.</p> <p>Following the conclusion of this item Keith Mans left the meeting.</p> | Executive |
| 5. | <p>Solent Growth Fund and update from Business Support Investment Panel</p> <p>Gerald Vernon-Jackson returned to the meeting.</p> <p>FFPMG members were provided with an update to the Solent Growth Fund and considered the recommendations from the Business Support Investment Panel which took place on the 14th June 2018. They</p> <ul style="list-style-type: none"> • Noted the update in relation to the Solent Growth Fund progress report; and • Considered the recommendations from the Business Support Investment Panel in December 2017, and agreed that the application for consideration would need to provide further detail in the application before it could progress; and • Considered the recommendations from the Business Support Investment Panel in February and March 2018 and the due diligence reports and agreed the recommendations for actions in the due | |

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| | <p>diligence reports that would need to be completed by applicants prior to providing a decision on the proposals; and</p> <ul style="list-style-type: none"> • <u>Noted</u> the update in relation to Natural Enterprise Isle of Wight Rural SME Fund; and • <u>Noted</u> the update regarding the Small Business Programme (ERDF) and <u>Considered</u> the status update <p>Seán Woodward declared an interest in one of the applications under consideration following the June 2018 Business Support Investment Panel meeting and left the meeting room whilst an update was given on this project. FFPMG then</p> <ul style="list-style-type: none"> • <u>Considered</u> the recommendations from the Business Support Investment Panel in June 2018 and agreed that this application was ineligible. <p>Seán Woodward returned to the meeting and FFPMG</p> <ul style="list-style-type: none"> • <u>Considered</u> the remaining recommendations from the Business Support Investment Panel in June 2018 and agreed that 1 further application was ineligible and 2 would proceed to due diligence. <p>Gerald Vernon-Jackson left the meeting.</p> | |
| 4. | <p>Local growth programme update</p> <p>FFPMG took the update on the legacy programmes as read.</p> <p><u>North Whiteley</u> FFPMG noted the AECOM initial review of the North Whiteley Business Case and discussed the position of the project within the project pipeline. It was agreed that the North Whiteley Consortium be invited to attend the next Board meeting to provide an update on the scheme.</p> <p>Gerald Vernon- Jackson returned to the meeting.</p> <p>Crispin Dick arrived for the meeting.</p> <p><u>Floating Bridge</u></p> <p>Gerald Vernon-Jackson left the meeting.</p> <p>FFPMG received a delegation from the Isle of Wight and Cllr. Lora Peacey-Wilcox Deputy Mayor of Cowes made a representation on behalf of a stakeholder group of local residents who had significant concerns in relation to the Isle of Wight's delivery of the floating bridge.</p> <p>A question was raised in relation to any public consultation the LEP plans to undertake and its visibility. The Executive advised that in accordance with the LEP assurance framework all full business cases seeking local growth deal investment are subject to public consultation and this spans a 12-week period. In relation to this project the LEP is expecting to receive an updated business case and would therefore undertake a consultation upon the receipt of this. It was expected to be submitted in the Autumn.</p> | Executive |

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| | <p>In addition, it was advised that consultations were published to the Solent LEP website, through wider representation organisations and via social media platforms. The LEP also held a database of contacts that had signed up to receive newsletter updates and would be notified when a public consultation was taking place.</p> <p>The FFPMG Chairman thanked the delegation and they withdrew from the meeting.</p> <p>Crispin Dick left the meeting.</p> <p>Confidential information has been removed. Information defined as exempt in Part 1 of Schedule 12A to the Local Government Act 1972 has been removed including information relating to an individual and/or relating to the financial or business affairs of a particular person.</p> <p>FFPMG noted the update in relation to the Floating Bridge project.</p> <p><u>Solent Recreation Mitigation project</u></p> <p>FFPMG received a presentation from Anna Parry, Partnership Manger, Portsmouth City Council and David Hayward, Planning Policy Manager at Havant Borough Council who provided an overview on sites currently supported, this included projects that had been delivered and those that were due to start in September 2018.</p> <p>FFPMG were advised that the Itchen Valley Country Park was no longer able to be progressed and requested FFPMG to consider varying the funding agreement to bring forward a newly identified mitigation site on Hayling Island.</p> <p>FFPMG members noted the update in relation to the Solent Recreation Mitigation project and agreed the recommendation to provide advice to the LEP Board at their meeting in July 2018 to the agree a variation to the funding agreement to reflect this change</p> <p><u>Saab SeaEye</u> FFPMG noted the independent Progress Monitoring Review of the Saab SeaEye project and considered the position of the project within the project pipeline.</p> <p><u>Fareham College CTEC</u></p> <p>Seán Woodward asked for his interest to be noted for this item.</p> <p>FFPMG noted the update on the scheme.</p> | LEP Board to consider |
| 3. | <p>Local Growth Deal Retained schemes</p> <p><u>M27 Junction 10 (Welborne)</u></p> <p>Seán Woodward declared his interest in this item.</p> | |

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| | <p>Seán provided a brief update to FFPMG members and then withdrew from the meeting.</p> <p>A short update was provided to FFPMG members on the progress with the M27 Junction 10 retained LGD scheme.</p> <p>It was noted that the second meeting of the M27 Junction 10 Steering Group scheduled for 5th June 2018 had been cancelled and has been re-arranged for 7th August 2018.</p> <p>Following a discussion, FFPMG members noted the update.</p> <p><u>Stubbington Bypass</u> FFPMG members were provided with an update on the scheme.</p> | |
| 9. | <p>Any other Business</p> <p>FFPMG members agreed to reschedule the next FFPMG meeting for week commencing 10 September 2018 and the Executive team would be in contact to canvass an alternative date.</p> | Executive |

Meeting closed at 11:25