



Solent Local Enterprise Partnership
Meeting of the Board to consider Getting Building Fund, Solent Prosperity Fund and Local
Growth Deal retained schemes to be held via video conference on Friday 17 July 2020
09:00 to 10:00

Item	Title	Time
1.	Welcome and Introduction and note of meeting held on 22 May 2020	09:00 - 09:10
2.	Matters arising and declarations of interest	09:10 – 09:15
3.	Local Growth Fund update to include: <ul style="list-style-type: none">• LGF review progress update• SPF full business case proposals for Southsea Flood defence scheme and ABP Shore power• Getting Building Fund final proposal	09:15 – 09:55

Please note that the full board meeting will convene at 10.00 am

17.07.2020

Item 1

Draft notes of meeting held on Friday 22nd May 2020



**SOLENT
LOCAL
ENTERPRISE
PARTNERSHIP**

Solent Local Enterprise Partnership Meeting of the Board of Directors

Held on Friday 22 May 2020 at 9:00 - 10:00 convened electronically over video conference

Confidential meeting note - Meeting 1

Present	In Attendance
Brian Johnson (Chair)	Stuart Baker (LEP Executive)
Anne-Marie Mountifield	Steve Futter (LEP Executive)
Jo Sawford	Nicola Twiddy (LEP Executive)
SJ Hunt	James Fitzgerald - Portsmouth City Council (as the Accountable Body)
Rachael Randall	Lloyd Clark - Portsmouth City Council (as the Accountable Body)
Nick Loader	Peter Baulf - Portsmouth City Council (as the Accountable Body)
Chris Hammond	
Dave Stewart	Apologies
Toni Wotton (CLGU)	Kevin George
Will Jacobs (BEIS)	David Youngs
	Guests
	Andy Rumfitt - AECOM
	Matthew Budd - AECOM

Item		ACTION
1. Welcome and Introduction	Brian Johnson welcomed all to the meeting and explained the protocols which should be used for the duration of the Zoom call for votes and comments. Brian Johnson welcomed Will Jacobs to the meeting who will be working alongside Toni Wootton as the new Area Lead for the Solent LEP. Round table introductions took place.	
2. Apologies for Absence	Apologies were received from Kevin George and David Youngs.	
3. Notes of meeting held on 22 April 2020 for item 5c	The minutes for item 5c from the 22 April 2020 Board meeting were Agreed .	
4. Matters Arising and declarations of interest	There were no matters arising to note.	

	<p>The following declarations of interests were noted at the meeting:</p> <p><u>Nick Loader</u> One application to Solent Prosperity Fund (for noting only)</p> <p><u>Stuart Baker</u> Spouse works at Hampshire County Council in unrelated role to LEP Business.</p>	
5.	<p>Local Growth Deal (LGD) Funding Report <u>Consideration of SPF full business case applications</u></p> <p>Andy Rumfitt and Matthew Budd joined the meeting.</p> <p>An update was provided on the latest position of the Solent Prosperity Fund (SPF) and it was noted that Solent University - Warsash School of Maritime Science & Engineering (WSMSE): Safety Training Centre have withdrawn their application.</p> <p>Chris Hammond joined the meeting.</p> <p>The Board received a presentation on the 3 SPF full business cases by Andy Rumfitt from AECOM.</p> <p>Following a discussion on the business cases Andy Rumfitt and Matthew Budd left the meeting.</p> <p>The Board received a presentation on the LGD funding allocation scenarios for the remainder of the LGD programme, noting that the LEP are awaiting confirmation on the amount and timing of receipt of the final LGD funding (including the retained funding) for 2020/21.</p> <p>Board members Noted the update on the four projects invited by the LEP Board to develop Full Businesses Cases; and</p> <ul style="list-style-type: none"> • Considered the independent expert due diligence reports at annexes 5.A1, 5.A2, and 5.A3; and • Considered the consultation summary for the University of Portsmouth CCIXR project and Agreed it for publication; and • Agreed to invest up to £3,617,561 in the University of Portsmouth CCIXR project, subject to affordability, and • Agreed to continue support in principle the ABP Shore Power scheme and Southsea Flood defence scheme, subject to completion of the public consultation on both schemes and receiving confirmation on the amount and timing of receipt of the final allocation for the Local Growth Deal for 2020/21. • Delegated authority to the Executive, in agreement with the Chair, to write to HM Treasury to urge an early final investment decision on the Southsea Coastal Scheme and the release of the £10.25m Solent Growth Deal funding retained by DfT for M27 Junction 10, to enable the Southsea Coastal scheme to proceed; and • Agreed to the Executive working up proposals for an SME High Growth funding call to support economic recovery. <p><u>Retained schemes update</u> Board members Noted the update on the request of the LEP to recall the £10.25m Solent Growth Deal Funding retained by the Department for Transport (DfT).</p>	LEP Executive

	It was noted that this would be reviewed again at the next board meeting in July which would include consideration of the consultation responses for the ABP Shore Power scheme and the Southsea Flood defence scheme and an update on LGD funding.	
6.	Any other business and meeting close No other business, meeting was closed.	

Meeting closed at 09:58

DRAFT

17.07.2020

Item 3

Local Growth Fund Update

Item Number: 3 (Meeting 1)
Item Title: Local Growth Deal Update
Meeting Date: 17th July 2020
Purpose: For Information and Decision

Confidential information has been removed from this report.

Information defined as exempt in Part 1 of Schedule 12A to the Local Government Act 1972 has been removed from this report including:

Information relating to an individual, and/or relating to the financial or business affairs of a particular person

1. Draft Resolution

Board members are asked to:

- **Consider** and **Agree** the updated due diligence report for the Southsea Coastal Scheme Project and **Delegate Authority** to the Executive and Accountable Body to finalise.
- **Consider** and **Agree** the updated due diligence report for the ABP Shore Power Project and **Delegate Authority** to the Executive and Accountable Body to finalise.
- **Note** the update on the M27 Junction 10 Quarterly Monitoring Report (QMR) and **Agree** the QMR for submission to DfT.
- **Note** the update on the Local Growth Deal (LGD) Review.
- **Consider** and **Agree** the Getting Building Fund proposal and **Delegate Authority** to the Executive and Chair to finalise for submission to Government.

2. Overview

This paper updates the Board on:

- the two Solent Prosperity Fund (SPF) Large Projects (ABP Shore Power and Portsmouth City Council Southsea Coastal Scheme) that have been invited by the Board to respond to the due diligence recommendations on their Full Business Cases (FBCs);
- The quarter one, Quarterly Monitoring Report (QMR) for the M27 Junction 10 Project.
- The Local Growth Deal Review 2020/21
- The Getting Building Fund

3. Update on Solent Prosperity Fund Large Projects and Programmes Applications

At the LEP Board meeting on the 22nd May 2020, the Board agreed to award funding to the University of Portsmouth Centre for Creative and Immersive XR. A funding agreement has since been executed for this project. In addition, the Board agreed to invite two projects (ABP - Shore Power and Portsmouth City Council - Southsea Coastal Scheme) to respond to the due diligence recommendations. Both projects have taken up this opportunity and the updated due diligence reports are provided in annexes A (ABP Shore Power) and B (Southsea Coastal Scheme).

The Full Business Cases for each project along with the responses to the due diligence recommendations are provided for the board.

The 12 week consultations for both projects conclude on the 28th July 2020, and any Board decision to award funding would need to be subject to satisfactory conclusion of these consultations and subject to affordability, given that the LEP continues to await the final third of its 2020/21 Local Growth Deal allocation and the return of the £10.25m Local Growth Deal funding that is retained by DfT.

4. Retained Schemes Update

The Solent Growth Deal identified two projects as "retained", whereby the LEPs Local Growth Deal allocation is retained by DfT until such point a Full Business Case is approved by DfT. The two projects are Stubbington Bypass (covered in Item 5a of meeting 2) and M27 Junction 10.

The LEP is required to submit quarterly monitoring reports for its retained schemes to DfT. The first of these for 2020/21 is due for submission on 17th July 2020, and for the M27 J10 is attached as annexe D for consideration and agreement to submit.

5. Local Growth Fund (LGF) Review 2020-21

As previously advised, in confirming LGF allocations this year, Government are looking to balance a wider set of issues than previously. Government have stated that timely and impactful investment decisions are crucial to stimulating local economies, creating jobs and setting our areas up for the best possible re-start and recovery from the Covid 19 crisis. Whilst the Solent LEP board have continued to proactively manage the LGF capital programme, there is a concern that some LEPs might be unable to spend their full allocations before March 2021.

On this basis government have initially paid 2/3 of our LGF allocation (£6,168,457) for FY2020-21 in May 2020 and there is a balance of £3,084,229 which is indicative. This has been followed by a period of joint working and review on contractual commitments and likely spend over the remainder of the year. We have completed the review process and submitted an update on 17 June which confirms that contracted activity for the LGF received is 99.3 % and we cannot proceed with any further activity until the final element of the allocation is released.

We are continuing to work with Government on this and there is a shared view that timely and impactful investment decisions are crucial to stimulating our area and both projects are important in creating jobs and setting our area up for the best possible re-start and recovery from the Covid 19 crisis. A further update on the LGF review will be provided at the meeting.

6. Getting Building Fund

Board members will know that all LEPs and Mayoral Combined Authorities received a letter from the Secretary of State for Housing Communities and Local Government, the Rt. Hon. Robert Jenrick MP, providing notification of an opportunity to submit proposals for highly mature capital projects. In response to a call for projects, the LEP received a total of 68 proposals with a combined project value of £924,990,011, seeking a funding contribution of £314,277,628.

Of these, 11 projects with a combined project cost of £277,050,286 and a funding request for £48,176,000 were identified as having the strongest fit with the criteria set by the Secretary of State and this set of projects was submitted for consideration by Government on the 18th June 2020.

The LEP received notification from Simon Clarke MP (Minister for Regional Growth and Local Government) on 1st July 2020, that the LEP had secured up to £15.9m from the Getting Building Fund. The letter advises that Government would like to agree a final suite of projects by 17th July 2020.

Given the affordability envelope the LEP has been working with the project leads to consider opportunities to scale down the LEP funding contribution in order to ensure the full allocation of £15.9m can be deployed to stimulate as much economic activity as possible. At the time of writing these discussions are ongoing and a presentation will be provided at the meeting to update Board members and recommend a final suite of projects.

7. Legal Implications

There are no specific matters requiring legal comment, suffice to say that there exists relevant delegations to implement and ratify the proposed decisions. Portsmouth City Council's sec 151 Officer is in effect the Chief Finance Officer to the LEP and retains the appropriate range of powers to act as delegated to him from Portsmouth City Council.

8. Equality impact assessment

An EIA has been prepared in relation to the Solent Prosperity Fund and this is provided at Annexe C, and it is considered that there are no negative impacts on groups identified in the EIA.

9. Financial comments from the S151 Officer of the Accountable Body

The ability to fund the remaining two pipeline projects set out in this report relies on the LEP receiving the full final year's local growth deal allocation and the return of the LGD funding retained by the DfT.

The Accountable Body will continue to set out the range of affordable scenarios available to the LEP Board at each meeting to ensure that all final funding decisions remain affordable and in line with the criteria of the Local Growth Deal.

The full detail on the current position of the overall Local Growth Deal programme can be found in the financial appendices under item 5 of the meeting two agenda.

When the LEP receives the formal grant offer letter for the £15.9m Getting Building Fund allocation the Accountable Body will provide advice to the Board as to its defrayal requirements.

10. Decision Summary

Board members are asked to:

- **Consider** and **Agree** the updated due diligence report for the Southsea Coastal Scheme and **Delegate Authority** to the Executive and Accountable Body to finalise.
- **Consider** and **Agree** the updated due diligence report for the ABP Shore Power Project and **Delegate Authority** to the Executive and Accountable Body to finalise.
- **Note** the update on the M27 Junction 10 Quarterly Monitoring Report (QMR) and **Agree** the QMR for submission to DfT.
- **Note** the update on the Local Growth Deal (LGD) Review.

- **Consider** and **Agree** Getting Building proposal and **Delegate Authority** to the Executive and Chair to finalise for submission to Government.

Annexe A - Due Diligence report on Shore Power scheme

A confidential report will be considered at the meeting

Annexe B - Due Diligence report on Southsea Flood Defence scheme

A confidential report will be considered at the meeting

Equality Impact Assessment

Preliminary assessment form 2018

The preliminary impact assessment is a quick and easy screening process. It should:

- identify those policies, projects, services, functions or strategies which require a full EIA by looking at:
 - negative, positive or no impact on any of the equality groups
 - How are going to mitigate or remove any potential negative impacts
 - opportunity to promote equality for the equality groups
 - data / feedback
- prioritise if and when a full EIA should be completed
- justify reasons for why a full EIA is not going to be completed

Directorate:

Solent LEP

Service, function:

Solent LEP

Title of policy, service, function, project or strategy (new or old) :

Solent Prosperity Fund - Large Project and Programme Component

Type of policy, service, function, project or strategy:

- Existing
- New / proposed
- Changed

Q1 - What is the aim of your policy, service, function, project or strategy?

The Solent area is an internationally recognised key economic hub comprising the Isle of Wight, the two cities of Portsmouth and Southampton, the New Forest and a constellation of large towns along the M27 corridor and the Solent waterway. Improving productivity and competitiveness in the Solent delivers wider benefits for the UK and requires targeted and sustained investment in both our businesses and our infrastructure. In response, the Solent LEP has established the Solent Prosperity Fund (SPF), with capital funding available between 2018/19 to 2021/22 for capital projects and programmes that support the Solent economy being fit for the future by helping businesses create better, higher-paying for all and investing in the skills, industries and infrastructure of the future and helping shape a prosperous Solent. The Fund was re-launched in April 2019, and is now closed. At its May 2020 meeting the Board invited two projects to respond to the due diligence recommendations.

Q2 - Who is this policy, service, function, project or strategy going to benefit or have a detrimental effect on and how?

The fund aims to level out opportunity for all. It aims to encourage new public infrastructure and skills infrastructure projects which will have a public benefit for all, and also support commercial initiatives, which will support economic prosperity for all in the Solent and beyond.

Q3 - Thinking about each group below, does, or could the policy, service, function, project or strategy have a negative impact on members of the equality groups below?

Group	Negative	Positive / no impact	Unclear
Age	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Disability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Race	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sex	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gender reassignment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sexual orientation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Religion or belief	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Pregnancy and maternity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Marriage & civil partnership	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other excluded groups	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Note: Other excluded groups examples includes, Homeless, rough sleeper and unpaid carers. Many forms of exclusion are linked to financial disadvantage. How will this change affect people on low incomes, in financial crisis or living in areas of greater deprivation?

If the answer is "negative" or "unclear" consider doing a full EIA

If there are any potential negative impacts on any of the protected characteristics, What have you put in place to mitigate or remove the negative impacts/barriers?

N/A

Q4 - Does, or could the policy, service, function, project or strategy help to promote equality for members of the equality groups? e.g. A new service has been created for people with a disability to help them gain employment this would mean that this helps promote equality for the protected characteristic of disability only.

Group	Yes	No	Unclear
Age	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Disability	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Race	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sex	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Gender reassignment	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sexual orientation	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Religion or belief	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Pregnancy or maternity	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Marriage & civil partnership	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other excluded groups	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

If the answer is "no" or "unclear" consider doing a full EIA

Q5 - Do you have any feedback data from the equality groups that influences, affects or shapes this policy, service, function, project or strategy?

Please add in the text boxes below what feedback / meetings you have attended for each specific protected characteristic

Group	Positive or negative feedback
Age	N/A
Disability	N/A
Race	N/A
Sex	N/A
Gender reassignment	N/A
Sexual orientation	N/A
Religion or belief	N/A
Pregnancy and maternity	N/A
Marriage & civil partnership	N/A
Other excluded groups	N/A

Q6 - Using the assessments in questions 3, 4 and 5 should a full assessment be carried out on this policy, service, function or strategy?

yes No

PCC staff-If you have to complete a full EIA please contact the Equalities and diversity team if you require help Tel: 023 9283 4789 or email: equalities@portsmouthcc.gov.uk

CCG staff-If you have to complete a full EIA please email: sehccg.equalityanddiveristy@nhs.net if you require help

Q7 - How have you come to this decision? Summarise your findings and conclusion below

The Solent Prosperity Fund is a competitive fund that was open to all groups and organisations.

Q8 - Who was involved in the EIA?

Stuart Baker

This EIA has been approved by: Richard Jones

Contact number:

023 9268 8676

Date:

6th July 2020

PCC staff-Please email a copy of your completed EIA to the Equality and diversity team. We will contact you with any comments or queries about your preliminary EIA.

Telephone: 023 9283 4789, Email: equalities@portsmouthcc.gov.uk

CCG staff-Please email a copy of your completed EIA to the Equality lead who will contact you with any comments or queries about your preliminary . Email: sehccg.equalityanddiversity@nhs.net

Annexe D – Quarterly Monitoring Report for M27 Junction 10

A confidential report will be considered at the meeting