

Solent Freeport Consortium Ltd (SFCL) Finance, Resources and Audit Committee (FRAC) Meeting Note

Date: Monday 28 November 2022
Time: 16:00 - 17:00
Venue: MS Teams

Present	In attendance
Anne-Marie Mountifield - Senior Responsible Officer	Nicola Twiddy - LEP Executive
Alan Bethune - New Forest District Council	Richard Jones - LEP Executive
Derek Pretty - Eastleigh Borough Council	
Edward Heron - NFDC - FRAC Chair	
James Fitzgerald - Accountable Body	
Kimberley Churchill - Havant Borough Council	Guests
Malcolm Coe - Havant Borough Council	Lewis Atter - KPMG
Richard Parkinson - Solent Gateway	Kirsten Saguil - KPMG
Apologies	
No apologies were received	

Agenda Item	Notes	Action
1.	<p>Introductions and apologies for Absence Edward Heron welcomed all to the Solent Freeport Consortium Ltd (SFCL) Finance, Resources and Audit Committee (FRAC) meeting.</p> <p>There were no apologies to note.</p>	
2.	<p>Notes of the last meeting on 20 September 2022, matters arising and declarations of interest</p> <p>The notes of the meeting on 20 September 2022 were agreed.</p> <p><u>Matters Arising</u> All matters arising will be covered at the meeting today. The MOU will be covered under item 3 and the membership fees under item 5.</p> <p><u>Declarations of Interest</u></p> <ul style="list-style-type: none"> - Solent LEP Executive in relation to servicing requirements and charging for the freeport. - Anne-Marie Mountifield in relation to items on SEED capital funding. - James Fitzgerald in relation to items on SEED capital funding. 	

<p>3.</p>	<p>Implementation Plan review and status update to include review of HM Government draft Memorandum of Understanding (MOU) The paper was taken as read and an update was given on the monitoring and evaluation (M&E) process. The first M&E report has been returned to Government. The Operations and Delivery Committee will be set up in early 2023 and they will oversee the M&E process.</p> <p><u>MOU</u> The following was highlighted:</p> <ul style="list-style-type: none"> • The Full Business Case & Annexes form part of the MOU as appendix 1. • Principles of 'no detriment' for Local Authorities has been imbedded within the MOU to be properly explored with DLUCH as set out in section 1.1.8 b. • Section 1.1.8b also sets out a requirement to submit the Retained Rates Investment Plan (referred to as “the business rates strategy”) for approval prior to any SEED Capital being released. <p>All council consideration dates are now known, with the last date being 20 December, meaning it is possible for the MOU to be submitted to Government prior to Christmas.</p> <p>Finance, Resources and Audit Committee Members:</p> <ul style="list-style-type: none"> • Reviewed the implementation plan and provide any advice on it ahead of providing an updated plan to the Board for their meeting in December 2022. • Noted the update on monitoring and evaluation for the freeport. • Noted the update on the final draft HM Government MOU in Annexe B and SEED capital spend profile in Annexe C. • Noted the update on the timeline for Council and SFCL Board approval of the MOU. 	
<p>4.</p>	<p>Retained Rates Investment Plan Lewis Atter and Kirsten Saguil gave a presentation on the Retained Rates Investment Plan and the skeleton plan was reviewed.</p> <p>The Retained Rates Investment Committee will considered the full draft plan at their meeting on 9 December and the SFCL Board will be considered it for approval at the Board meeting on 14 December.</p> <p>The Finance, Resources and Audit Committee Members:</p> <ul style="list-style-type: none"> • Noted the update provided. 	
<p>5.</p>	<p>Finance Update The Finance Paper was taken as read and a summary of the paper was provided. Key points covered were the member and associate member fee contributions.</p> <p>Alan Bethune left the meeting (17:05)</p> <p>It was also advised that the balance of the capacity funding available from Government has been requested so it is received by the end of the financial year 2022/23.</p>	<p>Executive/AB</p>

	<p>Derek Pretty left the meeting (17:09)</p> <p>Finance, Resources and Audit Committee Members:</p> <ul style="list-style-type: none"> • Endorsed the revised budget for 2022/23 of £1,058,947 as set out in Appendix A and the forecast budgets for the period between 2023/24 and 2025/26 as set out in Appendix B and Recommended them for approval by the Solent Freeport Consortium Limited (SFCL) Board on 14 December 2022. • Noted and Approved the budget updates in paragraphs 3.2 and 3.3. • Noted the risks surrounding partner funding contributions in paragraph 3.4 and Agreed to request short term cash flow support from the Accountable Body. • Noted the potential risk regarding rating authority contributions for 2023/24 as highlighted in paragraph 4.2 and Agreed that the Accountable Body undertakes steps to confirm the status of these contributions. • Considered and Agreed the corporate and strategic risk register at Appendix C. • Considered and Agreed the retained rates risk register at Appendix D. • Noted the update regarding the SEED capital funding programme provided at the meeting. 	<p>SFCL Board</p> <p>AB</p> <p>AB</p>
<p>6.</p>	<p>Any Other Business and date of next meeting</p> <p>There was no further business, so the meeting was closed.</p> <p>The next meeting is scheduled for 22 February 2023.</p>	

Meeting closed at 17:11