



Driving prosperity in the M3 corridor

**Enterprise M3 Board  
23 July 2014, 2.00 – 5.00pm  
Board Room, TAG, Farnborough Airport, Farnborough, GU14 6XA**

**MINUTES**

**Attending**

Geoff French - Chair  
Tim Colman  
Peter Cowen  
Ken Crookes  
Kate Dean  
Zoe Gray  
Stephen Mansbridge  
Peter Martin  
Laura Pelling  
Christine Slaymaker  
Chris Tinker  
Rowena Robson  
Andrew Lloyd  
Simon Matthews  
Brandon O'Reilly  
Alison Porter  
Kathy Slack  
Rachel Barker  
Tom Hinchcliffe  
Justine Davie

**Apologies**

Amanda Brooks  
Moirra Gibson  
Andrew Hughes  
Keith Mans  
Malcolm Parry  
Louise Punter  
Clive Sanders

**1. Welcome and Introductions**

1.1 Geoff French welcomed everyone to the meeting.

**2. Welcome from TAG, Farnborough Airport**

2.1 Brandon O'Reilly, CEO, TAG Farnborough welcomed the Board to Farnborough Airport. TAG acquired Farnborough Airport at the end of the 1990's from the Ministry of Defence for development as a business aviation airport. Farnborough was well known for the Farnborough Airshow and the agreement included the continuation of the Airshow every 2-years.

2.2 TAG had been working closely with educational institutions to help inspire young people in the area. Work was also being carried out with community groups to address environmental issues and concerns raised. The main concern was noise and a plan had been developed to create a quiet flying programme to reduce the impact of noise on the community. It was estimated that over 4,000 jobs around the country were reliant on Farnborough airport.

2.3 Geoff French thanked Brandon O'Reilly on behalf of the Board for hosting the meeting at TAG.

### 3. Minutes of the previous meeting & matters arising

3.1 The minutes of the previous meeting were agreed and the actions noted. It was noted that despite several attempts to obtain the 5G slides from the presentation to the Board in May they had still not been provided. Kathy Slack would speak to Rahim Tafazolli to try to get a copy of the slides made available. The Board requested a further update on the progress of the 5G project at a future Board meeting.

Action to be taken	By Whom	When
Copy of the 5G slides from the presentation to the Board in March to be circulated	Kathy Slack	September 2014
An update on the 5G project to be provided to the Board	Kathy Slack	September 2014

### 4. Growth Deal –

4.1 Kathy Slack explained to the Board the content of the Enterprise M3 Growth Deal. Enterprise M3 had secured £118m from the Government's Local Growth Fund to support economic growth in the area. The Deal included £6m for Innovation and Enterprise, £13m for Skills, £10m for Housing and £88m for Transport and Infrastructure. Greg Clark and Geoff French signed the Enterprise M3 Growth Deal at the Farnborough International Airshow which was the first one in the Country to be signed.

4.2 The Deal awarded £35m in 2015/16 and £83.1m for 2016 onwards. Enterprise M3 had been awarded maximum flexibility over the funds as the Strategic Economic Plan was of a high quality and Enterprise M3 was seen as a high performing LEP. All of the £35m would be made available up front for 2015/16 and a performance report was only required annually.

4.3 It was reported that the £6m Innovation and Enterprise funding would provide £5m for the 5G Innovation Centre in Guildford and £1m for the Growth Hub. Several other LEPs in the Greater Thames Valley Six grouping had also received funding for 5G activity and a meeting was being set up with LEPs to agree activities to be taken forward.

4.4 Issues were raised around Enterprise M3 and partners capacity to deliver the 2015/16 projects and work on the 2016/17 proposals simultaneously. Discussions were taking place with partners and work was being carried out to put together a plan of what was needed to be in place to meet the deadlines. Conversations were underway with Hampshire County Council around providing some programme management support using one of their framework consultants.

4.5 Kathy Slack reported that there was considerable debate over how funding was allocated by Government. BIS explained that Enterprise M3 was viewed as a highly regarded LEP and had submitted a strong Strategic Economic Plan and suite of projects. As a result Enterprise M3 had been awarded more than the straight allocation based on per capita. BIS advised that that the competitive 2015/16 element should be looked at not just the overall allocation. Only half the money available had been allocated and there was still £6.6bn available. The focus on the next round would be pipeline projects ready to implement.

- 4.6 Kathy Slack drew attention to the work by Regeneris who had carried out an analysis of Growth Deal allocations on a per capita basis and Enterprise M3 had been rated in the bottom 10 in the Country. The Board was disappointed that the allocation was not higher and felt that it should better reflect the GVA of the area.
- 4.7 The Board thanked the team for their hard work and recognised the support provided by BIS Local in the Local Growth Deal discussions.

Action to be taken	By Whom	When
Copy of slides to be circulated with the minutes.	Justine Davie	August 2014

## 5. Farnborough Growth Town and Aldershot Step Up Town

- 5.1 Andrew Lloyd, Chief Executive, Rushmoor Borough Council, gave a presentation to the Board on Farnborough and Aldershot which were identified as a growth town and step-up town in the Strategic Economic Plan. Rushmoor was home to a number of major businesses including Fluor, BMW Group, Qinetiq and BAE Systems.
- 5.2 Rushmoor's population was at 95,000, provided over 40,000 jobs and had an unemployment rate of just 1.3%. However, educational attainment in Rushmoor was poor and was rated second lowest in the County and was 11% lower than the national average. Rushmoor was committed to improving educational attainment across the Borough and raising the aspirations of young people.
- 5.3 The demand for housing in Rushmoor was high with the private rented sector being over-subscribed. There was a requirement for 9,822 dwellings between 2011-2032. It was important that the Special Protection Area status was addressed to enable the housing requirement to be met.
- 5.4 There was some redevelopment taking place in both Aldershot and Farnborough town centres to improve the towns' viability. Rushmoor's aim was to develop Farnborough as a sci-tech growth town and an international centre of excellence for knowledge based production and services. The Growing Enterprise Fund money for Activation Aldershot would further improve Aldershot town centre and provide a link to the new Wellesley development on the Ministry of Defence land. Rushmoor was committed to partnership working and welcomed the opportunities provided in Enterprise M3's Strategic Economic Plan and Growth Deal.

Action to be taken	By Whom	When
Copy of slides to be circulated with the minutes.	Justine Davie	August 2014

## 6. Local Enterprise Partnership Network

- 6.1 Alison Porter, CEO of the LEP Network updated the Board on the current work being carried out. Visits had been made to half of the LEPs in the country and the main issues raised had been the Growth Deal, EU funding and skills. The Network was gathering together issues that were unable to be resolved locally and was forming a co-ordinated response. The Board raised the issue of the potential future change to LEP boundaries and how the Network would be responding. There was currently no information as it was likely to be dependent on the outcome of the General Election but the Network was aware and would be ready to react if necessary.

## 7. Digital Connectivity Task and Finish Group

- 7.1 Simon Matthews attended the meeting to provide details on the work of the Digital Connectivity Task and Finish Group which was led by Peter Cowen as the Board member. The Group had set objectives, drawn up a proposition and identified milestones. The objectives were to act as an advocate to support the availability of superfast broadband to all businesses by identifying the gaps not being covered by Hampshire or Surrey County Councils; support the installation of open access fibre connectivity in new housing developments; and, support the availability of mobile connectivity across all technologies and platforms. The Group would also engage with the 5G test-bed and incubation space programmes and contribute to the overarching jobs, homes and commercial floorspace outputs. The membership of the Group included representation from the Enterprise Action Group and the Rural Action Group, Surrey County Council and Hampshire County Council.
- 7.2 The Board supported the objectives and interventions but requested further detail on the priorities and potential costs involved. There could be a role for the Growth Hub with the business education/signposting and there could be opportunities for work through the Growing Enterprise Fund and Growth Deal.

Action to be taken	By Whom	When
The Task and Finish Group to include more detail on the priorities and potential costs.	Peter Cowen/ Simon Matthews	September 2014

## 8. Joint Leaders Board Update

- 8.1 Ken Crookes advised the Board that the Leaders Board had met on 21 July and he had been appointed as the Chair for the remainder of the municipal year. There had been a discussion on the Growth Hub which would be raised again in November. The Leaders Board discussed how they could better engage with the Enterprise M3 LEP and be kept informed of the work of the Action Groups. It was suggested that the Leaders Board should be used as the forum to lead on the duty to co-operate to help local authorities understand what was required from the Department for Communities and Local Government (DCLG).

## 9. European Structural and Investment Fund

- 9.1 The Board was informed that an EU Governance Task and Finish Group had been established to develop an interim governance structure for the EU funds. Zoe Gray had agreed to use her expertise in this area to lead the Group which would steer the development of an initial Annual Implementation Plan which needed to be submitted to Government by the end October. The Group would report back to the Board in September with details of the interim measures put in place and then a formal local sub-committee would be formed in the Autumn. Kathy Vuillaume had been appointed on a 3-month contract to provide additional EU expertise to support the development of the Annual Implementation Plan.

## 10. Local Transport Body Update

- 10.1 Geoff French updated the Board on the role of the Local Transport Body (LTB). The funding previously under control of the LTB was now being allocated directly to the LEP through the Local Growth Fund. The Transport Action Group had been asked to review the role of the LTB and Transport Action Group and would report back to the next meeting of the LTB. It was important that the collaboration established between the County Councils and transport organisations through the LTB was not lost.

10.2 The Board proposed that the LTB should be a body that carried out a lobbying function at a high level. BIS confirmed that Network Rail and the Highways Agency would need to consider the LEP priorities when putting together their own schemes.

## 11. Programme Management

11.1 Tom Hinchcliffe provided some further information on the proposed programme management resource to support the delivery programme. A meeting had been held with AECOM who already had a framework agreement with Hampshire County Council and therefore could be appointed relatively quickly. The Board agreed that a business case should be prepared setting out the resource package and costs with delegated authority for approval given to Geoff French, Tim Colman and Clive Sanders

Action to be taken	By Whom	When
Business case to be prepared and agreed by Geoff French, Tim Colman and Clive Sanders.	Tom Hinchcliffe	August 2014

## 12. Executive Steering Group

12.1 The Board were informed that the Executive Steering Group had its initial scoping meeting on 2 July where the terms of reference were prepared. The Group was represented by two district authorities, Hampshire and Surrey County Councils as well as the Board Chair, Director and Project Manager. The Group agreed that an additional private sector member would be beneficial and proposed that one of the newly appointed Board members be asked to join the Group. The Group would meet ahead of each Board meeting.

12.2 The Board agreed to an additional private sector member joining the Group to be selected from one of the newly appointed Board members and approved the terms of reference.

Action to be taken	By Whom	When
A newly appointed Board member be asked to join the Executive Steering Group	Kathy Slack	September 2014

## 13. Board Recruitment

13.1 The Board was advised that the advert for the recruitment of new Board members would be going out at the end of July, a copy of the advert was circulated. Board membership had expired for six Board members. Tim Colman's membership had been agreed by Hampshire business support organisations and had been renewed for a further 3 years. It had been agreed that Malcolm Parry's appointment would be extended until May 2015. Louise Punter's appointment had been extended until September 2014 with a view to it being extended for a further 3 years once agreement had been secured from the Surrey business support organisations. Laura Pelling had advised that she would not be seeking renewal of her membership however was prepared to extend her current appointment until November 2014 until the new Board members were appointed. Peter Cowen and Kate Dean advised that they would be seeking to renew their appointments and therefore their current appointments had been extended until September 2014 and they would submit applications for renewal for a further 3 years.

13.2 The advert would be circulated to business organisations, local authorities and Members of Parliament to circulate to appropriate companies to seek applicants. The

Board was asked to circulate copies of the advert to any companies they knew would be interested and be an asset to the Board. It was important that the advert was pitched at the appropriate level within organisations and not passed down. There could be opportunities for applicants to join action groups if they were unsuccessful in their Board application.

Action to be taken	By Whom	When
Board members to circulate copies of the Board advert to appropriate companies	All	August 2014

#### **14. Directors Report**

14.1 The Director circulated a report to the Board which provided an update on the overall activities taking place across the Enterprise LEP team. Most of the recent work had been on the Growth Deal which would now turn to working on programme management, due diligence and governance and procurement systems.

14.2 A copy of the current structure of the Enterprise M3 team was circulated. There were currently two new posts being advertised one for skills and one for enterprise and innovation. Alan Elder had been appointed as Project Manager to lead the business support review pilot, the position was being funded by BIS.

14.3 Some accommodation had been offered to Enterprise M3 rent-free for 12 months in Bridge House, Guildford. This would provide a meeting room, cabinet space and drop-down space. This would be in addition to the accommodation provided at Hampshire County Council, Rushmoor Borough Council and Surrey County Council. Further details were being sought to clarify what was being made available.

14.4 There were a number of projects taking place under the innovation theme. The University of Surrey had appointed a project manager for the 5G project which would include a network of linked incubation centres linked to the 5G centre and technologies. The cyber security project was moving forward at Royal Holloway and it was possible that there could be an incubation centre set up in one of the Procter & Gamble buildings.

#### **15. Communications Update**

15.1 The Board noted the recent communications activity relating to the Local Growth Deal, the Farnborough Airshow event, the MP's meeting and launching the Escalator Fund. An external public relations company had been brought in to help during the busy periods which had been of enormous benefit and would be used again in future when there were important messages that needed to be publicised.

#### **16. Growing Enterprise Fund**

Note: Peter Martin and Chris Tinker left the room during the discussion on Brightwells.

16.1 The Board received a paper summarising the progress of the Growing Enterprise Fund projects. The first repayment had been received from Farnborough International Ltd with further repayments to follow which would allow for a further round of the Growing Enterprise Fund to be launched. The Board agreed that a new round of the Growing Enterprise Fund should be launched in late September with new projects being considered at the November Board meeting.

16.2 Kate Dean advised the Board that the Fund Management Group had been working on confirming the Brightwells position with Crest Nicholson. The Group had met with Crest Nicholson to discuss the project's need for funding and the revised timetable for

delivery. Due to the delays it was proposed that an update on due diligence was commissioned. The Board agreed to a further extension being granted until the new round of Growing Enterprise Fund was launched, this would be subject to the outcome of the update on due diligence.

- 16.3 Progress was being made with the Activation Aldershot project and Rushmoor Borough Council had agreed to act in an accountable body role for the funding. The detailed agreement was being developed and would be subject to Enterprise M3's approvals procedure. The agreement was due with the Project Manager at the end of July. The Board agreed the Fund Management Group's proposed terms for the Activation Aldershot project.
- 16.4 A progress update to DCLG would need to be submitted by end July. The Board agreed for the update to be signed off by the Chair of the Fund Management Group.

Action to be taken	By Whom	When
A new round of Growing Enterprise Fund to be launched in late September	Rachel Barker	September 2014
Extension to be granted to Crest Nicholson up to launch of the new round of Growing Enterprise Fund	Rachel Barker	September 2014
Growing Enterprise Fund progress update to be submitted to DCLG	Rachel Barker	July 2014

## 17. Looking Forward

- 17.1 The Board discussed the views from the major political parties on the LEP roles and coverage. There was no clear formal view although it had been reported that all parties would retain LEPs although the size of the LEP and boundaries varied across parties. BIS reported that the Government would undertake an exercise in the New Year looking at issues to consider depending on the result of the General Election. Greg Clark had advised that he was keen to increase the allocation of funding for LEPs for future years.
- 17.2 Issues were being raised through Core Cities and the People and Places Board regarding devolution. A campaign was being raised by Core Cities to provide greater devolution to cities, details would be circulated to the Board.

Action to be taken	By Whom	When
Details on the Core Cities campaign on greater devolution to cities to be circulated to the Board.	Justine Davie	August 2014

## 18. Extension of Director Post

Note: All non-Board Members left the room for this item.

- 18.1 The Board agreed to the extension of the Directors post until March 2016 and for the Director to be authorised to agree the extension of other posts within the core team.
- 18.2 The Board agreed the establishment of a small Remuneration Committee made up of Geoff French, Tim Colman and Ken Crookes to discuss and agree the terms and conditions of the Director and other staff.

## 19. Employment and Skills Board Update

19.1 The Board noted the establishment of the Employment and Skills Board which had been renamed the Global Competitiveness through People (GCP) Board. Recommendations would be brought to the September Board meeting on the membership and remit of the GCP Board.

## 20. Forward Programme

20.1 The Board noted the forward programme for 2014/15.

## 21. Any Other Business

21.1 Geoff French advised the Board that Tony Curtis would be retiring as Chief Executive of Basingstoke and Deane Borough Council and would send a letter to thank him for his invaluable contribution to Enterprise M3.

Action to be taken	By Whom	When
A letter to be sent to Tony Curtis to thank him for his invaluable contribution to Enterprise M3	Geoff French	August 2014

21.2 Kate Dean requested that future agenda were separated into items for discussion and items for noting and that the items for noting were not discussed to allow more time for the important discussion items. It was agreed that the format of the agendas would be set out clearly defining the items for the discussion from the items for noting and that the number of agenda items were reduced.

Action to be taken	By Whom	When
Format of the agenda to be revised clearly defining items for discussion from the items for noting	Justine Davie	September 2014

21.3 The next Enterprise M3 Board meeting would take place from 2.00-5.00pm on 25 September, 2014 at the Skanska Offices, opposite HG Wells Centre, Church Street East, Woking, GU21 6HJ