

Enterprise M3 Joint Leaders' Board

Notes of meeting of the Joint Leaders' Board held on Thursday 18 January 2018 at
TAG, Farnborough Airport

Present:

Cllr Clive Sanders	Basingstoke and Deane Borough Council (Chair)
Rebecca Emmett	Basingstoke and Deane Borough Council
Cllr Paul Spooner	Guildford Borough Council
Chris Burchell	Guildford Borough Council
Cllr Roy Perry	Hampshire County Council
Stuart Jarvis	Hampshire County Council
Cllr David Neighbour	Hart District Council
Katie Bailey	Hart District Council
Cllr Jeremy Heron	New Forest District Council
Cllr Ken Muschamp	Rushmoor Borough Council
Paul Shackley	Rushmoor Borough Council
Cllr Tony Harman	Spelthorne Borough Council
Daniel Mouawad	Spelthorne Borough Council
Roger Tetstall	Test Valley Borough Council
Cllr Julia Potts	Waverley Borough Council
Tom Horwood	Waverley Borough Council (Chief Executive) and East Hampshire District Council (Executive Director)
Cllr Caroline Horrill	Winchester City Council
Laura Taylor	Winchester City Council
Cllr David Bittleston	Woking Borough Council
Ray Morgan	Woking Borough Council
Kathy Slack	Enterprise M3
Rachel Barker	Enterprise M3
Dr Mike Short	Telefonica
Michael Buckley	

Apologies:

Cllr Ferris Cowper	East Hants District Council
Cllr Richard Miller	East Hants District Council
Councillor Rob Moran	Elmbridge Borough Council
Cllr Matt Furnis	Guildford Borough Council
Cllr Keith Manns	Hampshire County Council
Daryl Phillips	Hart District Council
Cllr David Clifford	Rushmoor Borough Council
Karen Edwards	Rushmoor Borough Council
Cllr Nick Prescott	Runnymede Borough Council
Paul Turrell	Runnymede Borough Council
Rachel Raynaud	Runnymede Borough Council
Cllr Ian Harvey	Spelthorne Borough Council

Terry Collier	Spelthorne Borough Council
Cllr David Hodge	Surrey County Council
Cllr John Furey	Surrey County Council
Kevin Lloyd	Surrey County Council
Cllr Phil North	Test Valley Borough Council

1. Introductions and Apologies for Absence

Cllr Sanders welcomed attendees to the meeting and wished to pass on thanks to TAG for hosting the meeting. Introductions were made and apologies were noted as above.

2. Welcome from Cllr Ken Muschamp, Deputy Leader of Rushmoor Borough Council

Cllr Ken Muschamp presented a video which provided the following main facts and figures about the borough of Rushmoor and which evidenced how the borough punches above its weight.

- Formed in 1974 with the amalgamation of Farnborough and Aldershot, named after Rushmoor Arena.
- Population of 100,000 in 395 square kilometres
- 70% green space
- 8000 residents per square kilometre
- Very urban congested, 39,000 homes which will rise to 40,000 in the next 3-4 years
- Smallest borough in Hampshire and within the LEP area
- 4,000 businesses, producing 51,000 jobs
- 36 schools, four senior and two outstanding colleges – a sixth form and Technical College
- Two arts and theatre venues
- A ski slope
- Business flight airport
- An exhibition centre which LEP contributed significantly

Cllr Muschamp said the borough supported international trade and aims to make more of its aeronautical background. UK 2012 is promoting The Place Project Farnborough and the more support it can provide the better.

3. Minutes of the Previous Meeting

The minutes of the meeting held on 16 November 2017 were agreed.

4. Heathrow Light Rail Scheme

Daniel Mouawad of Spelthorne Borough Council provided a presentation on The London Air Transit System, an orbital light rapid transport system. The scheme is not supported or funded by the LEP and Daniel explained it is time to start promoting actively growth of our airport, which supports the statement that the success of EM3 economy in Hampshire and Surrey depends heavily on strong links to Heathrow economy which cannot be realised without additional capacity.

Spelthorne Borough Council is a big supporter of Heathrow expansion, 6.9% of the workforce are employed directly at the airport servicing international cargo, intertwined with economy it supports the wider area reaching into the LEP area.

A southern light rail scheme to Heathrow would support the Governments desire for Heathrow to deliver a modal shift by increasing the share of passengers accessing the airport via sustainable transport to at least 50% by 2030 and a 25% reduction in the number of staff car trips to Heathrow by 2030. It would be affordable and deliverable, fitting in with the draft Airports National Policy Statement four principles against which the Secretary of State will assess Heathrow airport's development application: infrastructure; costs; pollution; and accessibility to put the scheme forward.

The Light rail solution has been used in many parts of the world has proven success over several decades and it can be proven it would be the right solution here.

Daniel explained that phase 1 would be a proposed route from Staines to London Heathrow at high speed which would carry people, cargo and luggage 24 hours a day with access to interchanges around the M25. It would be high frequency (6 minute intervals), passenger capacity of 14.6 million per annum and the greatest connectivity , SW network, Elmsleigh Interchange (buses), M25 Park and Ride, London Heathrow Transport interchange (rail and bus. Indicative economics of operation project there will be a return on investment achieved within 30 years.

Daniel said he wished to take this forward in the knowledge he had a supporting standpoint of the LEP. A sustainable solution which supports business, economy, residents and quality of life.

Kathy Slack said that this is the type of scheme which the LEP Group need to start thinking about. The Heathrow expansion will not be realised unless we reduce car usage and is supportive of anything providing service access. Kathy was keen to find out more about how much private sector investment can be brought into this.

Overall the meeting was supportive of this scheme being given further consideration.

5. Developing an Industrial Strategy for our Area

Kathy Slack provided an update further to the Government's published Industrial Strategy White Paper on 27 November 2017, which sets out the Government's new approach to how businesses can work together to increase the productivity of our economy, position the UK as a leader in the global technological revolution, and create shared prosperity for all communities.

Local areas will be asked to develop Local Industrial Strategies to support the development of places and to align with the national strategy. In areas that do not have a Combined Authority, LEPs have been tasked with producing these strategies. Government has emphasised the critical and continuing role of LEPs and this firmly establishes EM3 LEP at the heart of identifying actions needed to boost productivity, earning power and competitiveness in the local economy.

Kathy explained that Strategic Economic Plan (SEP) is being updated and that we are going to produce one document – the Industrial Strategy. It will provide a vision of the big impactful interventions. Prior to the publication of the White Paper, a consultation paper was issued on our emerging Local Industrial Strategy, to test a set of priorities that had been identified and developed through discussions with the Board, Action Groups and other stakeholders. Consultation responses have been received and there is strong recognition of what is being done.

Next steps to develop the Local Industrial Strategy will be to:

- Align with the national Industrial Strategy and other Government policy
- Set out a series of key actions and investments – we plan to seek expressions of interests from partners for the development of an impressive and impactful pipeline of major projects.
- Develop a compelling economic proposition that sits behind this pipeline.

Work will be undertaken with Leaders of the Board to encourage expressions of interest to knock on private investors and government doors. The Leaders' Board can assist with government MP contacts.

Cllr Sanders said that in the broadest sense, there should be communication on cross district infrastructure projects and those projects which impact on a wider area. Currently there are 85 projects being dealt with and processes require review as there are only a handful of projects that we can take forward.

The following areas were raised by the meeting:

- Loss of office to residential space. Enterprise Zones are attracting new investment, they should not be poaching from nearby areas. These two aspects need picking up, a continuing dialogue that it's not just about housing but jobs too.
- The need for greater Inward investment from those with money.
- Concerns about loss of talent should EU nationals return to EU. Importance of non nationals involved in workforce highlighted.

- Digital infrastructure connectivity – cannot set a target of high technology, we have to embrace new technology/infrastructure/people who know how to use it.

6. Governance and Transparency Update

The EM3 Board papers for the next meeting will include a reminder update on how the EM3 Board is set up.

Cllr Sanders advised that the mechanism for replacing Cllr Cowper (East Hants representation) on the EM3 Board, whose first term comes to an end at the end of March, be made at the March EM3 Board meeting. Anyone wishing to be considered for the role should make contact with Cllr Cowper first [No I don't think this was said. Didn't Clive ask for nominations which could include a nomination from Cllr Cowper for a further term] and then pass on nominations to Cllr Sanders. Kathy Slack offered EM3 help in shaping a profile of the LA board member .

Kathy Slack highlighted that one of the things emerging out of the LEP review was a possibility that all LEPs will need to be incorporated and this will need to be considered. The Resources Finance and Audit Committee will look at the whole issue of governance and will be providing a paper to the Joint Leaders Board on its implications. Laura Taylor said this this Forum was very inclusive and welcoming it being retained even if there was an incorporated structure. Cllr Sanders will bring back a paper as soon as available.

Kathy explained that she was taking proposals to the EM3 Board for increasing organisational capacity and will bring agreed proposals to the next Joint Leaders Board meeting. In order to increase capacity, an income increase was required and a review was taking place of those that do provide money and how this could be enhanced. EM£ will be talking to LAs about an increase in contributions.

Kathy explained that the Government had agreed giving core funding for one year and a further two year funding for the Growth Hub.

7. Enterprise M3 Update

Mike Short provided an update on how the EM3 Board can be proactive on the international scene. This included:

- The need to step up conveying assets and opportunities for collaboration
- Improve University offer to attract investment
- Importance of the Farnborough exhibition centre to ensure investment is paying back and being used beyond aerospace/defence and into other areas
- Mike is attending the Mobile World Congress In Barcelona in his DIT capacity and will be focusing on how telecommunications is an enabler

Mike explained he was stepping down as Chair of the EM3 Board at the end of March as his new role as Chief Scientific Officer meant he was now a civil servant and therefore classified as being from the public rather than the private sector. Kathy explained that Mark would be remaining on the Board as Board members had co-

opted Mike onto the board. The LEP are advertising for a new chair and there are four vacancies for the private sector.

Enterprise M3 require assistance in attracting a high quality Chair who is particularly well networked into government/a key influencer who can get things done. The role would require 2 days' a week or more. Any nominations for this role or the four private sector roles are to be submitted to Rachel Barker and Kathy highlighted that there was a push on:

- Greater gender balance and a more diverse board
- More engagement from Surrey businesses

Two business support representatives had stood down and recruitment was now taking place for these positions.

Kathy Slack highlighted the key successes - £26M investment in Whitehill and Borden and a Business Innovation Centre will be coming soon.

Kathy is initiating a group, which will draw together intelligence about the the economy as part of an- “ eyes and ears” role expected by government. She will provide an update at next meeting.

Initial findings from the Evaluation of the Enterprise M3 Growth Hub Final report are positive and the Government have provided a further 2 years funding for growth hubs. A business plan will be produced including plans for scale up activity with businesses.

The Group referred to the recent liquidation of Carillion. Kathy said that the Secretary of State has advised that he wants to ensure that SME's are kept involved. The group discussed those mostly impacted which were sub-contractors and agreed that there should be an adopted practice as to how sub-contractors are treated. Ray Morgan said that his authority had a protocol for ensuring that sub-contractors are treated fairly, that he will provide for Kathy to circulate.

Rachel Barker referred to the Mary Ney review. An annual review meeting had taken place which had proven positive which looked into delivery, governance and strategy. EM3 are Ney compliant with governance and a raft of guidance will follow to ensure implementation. This is essential in building on what we already do. A paper will be submitted to the EM3 Board the following week with implementation by 28 February 2018. Following this there will be structural changes which we will need to review to ensure we are in line.

Kathy explained that she will be pulling together a list of big events which will incorporate the major EM3 activities to ensure there are no clashes. There are several events going forward which Kathy highlighted.

Date of Future Meetings

21 March 2018 - will be hosted in Guildford.
17 May – Hawk Conservatory, Hampshire
18 July – venue to be confirmed - Surrey
19 September – Hampshire County Council