

## **Enterprise M3 Joint Leaders Board**

Notes of a meeting of the Joint Leaders Board held on Thursday 22 November 2018  
at Waverley Borough Council

### **Present:**

|                          |   |
|--------------------------|---|
| Councillor Clive Sanders | Basingstoke & Deane Borough Council (Chair)   |
| Mel Barrett              | Basingstoke & Deane Borough Council           |
| Andrea Rich              | Basingstoke & Deane Borough Council (Minutes) |
| Dave Axam                | Enterprise M3 Board Chair                     |
| Sally Agass              | Enterprise M3                                 |
| Kathy Slack              | Enterprise M3                                 |
| Cllr Stuart Selleck      | Elmbridge Borough Council                     |
| Rob Moran                | Elmbridge Borough Council                     |
| Cllr Paul Spooner        | Guildford Borough Council                     |
| James Whiteman           | 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                         |
| Daryl Phillips           | Hart District Council                         |
| Cllr Michael Harris      | New Forest District Council                   |
| Cllr Nick Prescott       | Runnymede Borough Council                     |
| Rachel Raynaud           | Runnymede Borough Council                     |
| Cllr David Clifford      | Rushmoor Borough Council                      |
| Paul Shackley            | Rushmoor Borough Council                      |
| Tim Mills                | Rushmoor Borough Council                      |
| Cllr Tony Harman         | Spelthorne Borough Council                    |
| Daniel Mouawad           | Spelthorne Borough Council                    |
| Cllr John Fury           | Surrey County Council                         |
| Roger Tetstall           | Test Valley Borough Council                   |
| Cllr Phil North          | Test Valley Borough Council                   |
| Roger Tetstall           | Test Valley Borough Council                   |
| Cllr Julia Potts         | Waverley Borough Council                      |
| Tom Horwood              | Waverley Borough Council                      |
| Cllr Caroline Horrill    | Winchester City Council                       |
| Laura Taylor             | Winchester City Council                       |
| Cllr David Bittleston    | Woking Borough Council                        |
| Douglas Spinks           | Woking Borough Council                        |

### **Apologies were submitted from:**

|                      |                             |
|----------------------|-----------------------------|
| Cllr Richard Millard | East Hants District Council |
| Sandy Hopkins        | East Hants District Council |
| Cllr Keith Manns     | Hampshire Council           |
| Cllr Barry Rickman   | New Forest District Council |
| Paul Turrell         | Runnymede Borough Council   |
| Karen Edwards        | Rushmoor Borough Council    |

Terry Collier  
Ian Harvey  
Cllr David Hodge  
Joanna Killan  
Ray Morgan

Spelthorne Borough Council  
Spelthorne Borough Council  
Surrey County Council  
Surrey County Council  
Woking Borough Council

## **1 Introductions and apologies for Absence**

- 1.1 Councillor Sanders welcomed everyone to the meeting, apologies were noted and he thanked Councillor Julia Potts for hosting the meeting.

## **2 Welcome from Councillor Julia Potts, Leader of Waverley Borough Council**

- 2.1 Councillor Julia Potts provided the meeting with top liners for Waverley:
- Large rural borough skirting Guildford and Farnham, covering 345 square miles. The borough comprises 29 Wards, 21 Parishes and 59 councillors, including 50 Conservative and 7 opposition councillors. Communications within the borough can be challenging at times to ensure engagement with all the town and parish wards.
  - Work is continuing on the Local Plan, with an increased housing number requirement of 590 homes per year, work will then be taking place on the Local Plan review
  - Waverley Borough Council has been subject to several applications for judicial review and eight have been refused overall. Cllr Potts explained the high costs associated with this, however the longer term bigger picture was the focus.
- 2.2 Tom Horwood explained that Waverley Borough Council has a new Economic Development Strategy and they now have a Portfolio Holder for Economic Development. The Waverley Business Awards promote all aspects of local industry, commerce and employment. Tom provided an update on the following Waverley projects:
- Dunsfold Park is championing tourism in Waverley. This was an exemplar development, containing mixed use, within which is planned 1800 homes and work was now commencing. The Council is applying for Garden Village Status for this site and expectations are that it will be a self-sustaining community hub, with its own infrastructure.
  - Brightwells Yard, Farnham which has been pump primed to undertake enabling works with a loan from the LEP. The scheme started in 2000 and has now commenced some 18 years later.

- Memorial Hall, Farnham: a £3.5M refurbishment has taken place to extend the hall. This is a new community hub offering new premises and also included within the site is a day centre.
  - Brightwells: A £900K income generator with Surrey County Council
- 2.3 Councillor Sanders wished to congratulate Sandy Hopkins (in her absence) in securing her new role as Chief Executive at Southampton City Council.

### **3 Minutes of the last meeting**

- 3.1 The minutes of the meeting held on 19 September 2018 were approved.

### **4 Local Enterprise Partnership Review Update – Dave Axam and Kathy Slack**

- 4.1 A joint EM3 and Solent LEP letter has been submitted to Government expressing our intention to the removal of the split districts by agreeing New Forest District would join Solent and the remaining three districts including East Hants, Winchester and Test Valley would be included in the EM3 area. Cllr Perry made a consistent statement regarding the HCC favoured position was to merge the two LEPs and he will continue to articulate this to Government. The EM3 Implementation Plan was submitted to Government on 31 October setting out our progress on LEP Review recommendations. We are well ahead of the game and it is disappointing we have had no response from government to date.
- 4.2 Since the last Joint Leaders' Board the Strategic Economic Plan (SEP) has been published. This is a template to 2030 identifying areas to invest and drive economic growth through. EM3 has produced an Annual report on activities, successes and financial outturn for the past year. Additionally we are required to produce a Delivery Plan which is a forward looking plan that articulates our planned programme of work and impact targets that will deliver our objectives. An Annual Conversation with Government will take place on 9 January 2019. This will determine the LEP's ratings on Governance, Strategy and Delivery in March 2019. Last year we were rated exceptional, exceptional and good – we are setting out to be exceptional in all three areas next year.
- Governance: this is in good shape, however there is work needed to do, in particular on incorporation by end March 2019. Not only does the LEP have to look at how it operates, the Joint Leaders' Board (JLB) needs to review its Terms of Reference. The intention is to incorporate the EM3 as a Company Limited by Guarantee on the basis of 20 Directors who are also the Members of this company. Further guidance will be provided on the role, responsibilities and possible liabilities of the new Board Directors in the new company once further legal advice has been received. This will be contained in a draft Memorandum and Articles for the Enterprise M3 Ltd and will be shared with the JLB at the next meeting. Draft guidance has been shared on the Assurance Framework, work is taking place to review and amend our Framework in line with

best practice from the latest guidance. This matter will incorporate the EM3's proposed new scrutiny arrangements where options were discussed and agreed later on this agenda.

- Strategy: We now have an SEP in place which is a signpost to Government of what our Local Industrial Strategy (LIS) will look like. The LIS is produced with Government so when funding is available we are well placed to maximise this. Assistance from the EM3 Board to provide evidence of data collection will further enhance this area.
- Delivery: taking forward a view that all funding allocated has been spent in the previous year. Some schemes may falter but other areas may compensate for this. Our spend profile is good, however this does not include all the funding – some has not been spent and will roll over into the next year which will smooth out our capital spend profile. The Programme Management Board have reviewed the Prospectus for Funding which it anticipates will be published in December 2018 or January 2019. It calls for funding on clean growth and the EM3 JLB is requested to use the SEP where the LEP may want to bring in schemes into those areas of funding. Engagement is taking place with MPs, in particular Kit Malthouse who has provided a strong steer in two areas:
  - from a housing prospective to come through with corridors and funding – this requires further exploration.
  - Industries within our area – work with counties on advanced areas referenced in the SEP. We have wonderful pockets of innovation and future growth, the Board is asked to bring intelligence to the LEP to assist in those areas growing.

4.3 The Government has also recommended that LEPs should have a more diverse Board and by 2023 should have 50% female representation on the Board, 33% by 2021. The JLB debated this issue in detail, it said that there is a difference in the two sectors and local government does not function like this, it operates on an ability and selection process. Members of the Board are appointed democratically not through a business process, they are servants of the people who elect them, therefore representation on the EM3 Board is arrived in that way. Dave Axam said that greater diversity delivers better decisions and his view is that it is a business statement/direction of travel and a principle to embrace as an organisation. There was discussion amongst the JLB in embracing all diversity/protected groups. It advised that diversity is explored and the Terms of Reference for the EM3 Leaders Board are reviewed to incorporate options and that these options are subsequently tested with Government.

4.4 Work has commenced on the Local Industrial Strategy which it is anticipated will have a number of major elements and the LEP will work with local authorities on this. Government is keen that the LIS is co-developed with government and the LEP is waiting to hear back on how this will work. In the meantime the LEP is starting work on shaping priorities with the aim of having a series of priorities agreed by Spring. The JLB referred to looking at

generic areas and the clustering and developing of those things around technology, this will be brought out more in the LIS. Cllr Horrill referred to the role of the Transport for South East in developing its Terms of Reference so they are linked and embedded into the LIS.

**5      Nomination of an officer from Surrey local authorities (county or district) to sit on Programme Management Group to replace Kevin Lloyd**

- 5.1      The JLB agreed that Paul Millen Head of Service for Transport at Surrey County Council would become the member officer representing Surrey county and districts and replacing Kevin Lloyd on the Programme Management Group.

**6      Scrutiny of Enterprises M3 Activities by the Joint Leaders' Board**

- 6.1      Laura Taylor presented a report which had been produced in conjunction with Tom Horwood (as part of a JLB sub group assigned with this task), on proposals and a recommendation for revised scrutiny arrangements of the Enterprise M3 in line with the LEP Review paper "Strengthening Local Enterprise Partnerships" published on 28 July 2018. The review paper states: "External scrutiny and expert oversight, including participating in relevant local authority scrutiny panel enquiries to ensure effective and appropriate democratic scrutiny of their investment decisions".
- 6.2      The JLB agreed the two recommendations within the report:
- 6.2.1      That, on at least an annual basis, a meeting of the JLB will meet as a scrutiny panel dedicated to scrutinizing aspects of Enterprise M3. This will take place before the Annual Conversation.
- 6.2.2      That a review of the Terms of Reference of the JLB is carried out, in line with the guidance expected from Government on the Assurance Framework, to include the additional scrutiny role as contained within the report. The JLB requested the addition of diversity within the Terms of Reference which requires further exploration. In this respect it was agreed that a small diversity working group be set up including: Cllr Clive Sanders, Cllr Julia Potts, Cllr Phil North, Sally Agass and Tim Jackson (The LEP's diversity Champion and board member) to explore this further. ACTION

**7      Enterprise M3 Update**

- 7.1      EM3 is in a good position with project delivery and spending commitments. Particular interest will be paid to the Prospectus for Funding which it is anticipated will be published in December 2018 or January 2019. Details will be sent to JLB . ACTION
- 7.2      Directors report for September:
- Deborah Allen BaE Systems will be joining the Programme Management Group

- Linda Cheung – Cube Social, will Chair EZ Programme Steering Group in 2019
- Tim Jackson – Principal Sparsholt College – will join the Nominations Committee and will be the EM3 Diversity Champion

#### EM3 Team Update

- Rob Dunford – Assistant Director Business Delivery joining LEP end of January. Previously Dorset LEP
- Chris Quintana – has returned from long term absence but is back on a partial basis until his treatment has finished in February
- Rachel Baker – Assistant Director Operations returns from maternity leave in Mid-January. Sally Agass will stay on to continue with the work on Incorporation.
- Maternity cover for Sarah Carter has been secured.

7.3 An outline of new Local Growth Fund Prospectus seeking projects was given.

7.3.1 The Programme Management Group had met the previous week and discussed the Annual conversation being judged on spend. EM3 spend was projected at 99% thanks to all of the local authorities support on delivery. Overall the roll over for next year was £28.2m and the new Prospectus for Funding will allocate against this fund. The Prospectus is more specific on the type of projects, these are larger projects between £1-5m, being specific in line with the LIS and against SEP priorities. Loans are being encouraged as a priority rather than grants.

7.4 EM3 has procured communication services through an agency called White Label who commenced two months ago and which has provided more visible presence of EM3 within various media. Edition 1 of the newsletter has been issued which celebrates events. The 2<sup>nd</sup> Edition is about to be issued and is encouraging stories from the LEP to put forward – i.e. launching of big projects/project milestones. The agency is looking to procure a new website which it is hoped will be launched at the AGM in 2019. It was agreed that the newsletter would be distributed to each authorities:  
Leader/CX/Economic Development Team/Communications Team. ACTION

7.5 Tom Horwood explained that he was producing a case study for the District Council's Network on how district councils can work with LEPs – as the good relationships are proven with the EM3 LEP. The LEP has agreed the approach to the case study to keep up the profile which is seen from all tiers of government and LEPs. Tom will circulate the case study for comment.  
ACTION

## 8 **Date of Next Meeting**

- 8.1 24 January 2019, 10am – 1pm to be held at Basingstoke and Deane Borough Council.