

Enterprise M3 Programme Management Group

10 September 2020, 10:00-12:00

Zoom Video Conference

DRAFT MINUTES

Members Attending

James Cretney - Chair
 Deborah Allen
 Dave Axa
 Rob Carr
 Rob Humby
 Paul Millin
 Lucille Thompson
 Catherine Turner

EM3 Guests Attending

Rachel Barker
 Sue Littlemore
 Jeannie Satchell
 Lee Danson
 Kevin Lloyd
 Jennie Pell
 Justine Davie

Apologies

Mike D'Alton
 David Fletcher
 Matt Furniss
 Kathy Slack

1. Welcome and Introductions

1.1 James Cretney welcomed everyone to the meeting. The Group was advised that two additional Programme Management Group meetings were being arranged. One would be held on 17 September and the second would be arranged in the week beginning 12 October.

2. Minutes of last meeting and matters arising

2.1 The minutes of the meetings held on 16 July 2020 were agreed and the actions noted.

3. Declaration of Interest

3.1 In addition to all interests previously declared, the following interests were noted:

Name	Interest	Declared Action
Dave Axa	EM3 Gigabit Town and Rural	Remained in the room as no decision was made
Rob Humby	Future Towns Mobility Demonstrator	Remained in the room as no decision was made
James Cretney, Rob Humby and Lucille Thompson	Clean Growth Pilot	Remained in the room as no decision was made on projects where they had a specific interest

4. Capital Programme Update

4.1 Rachel Barker reported to the Group on the current position with the capital programme. There had been a large amount of work carried out in the last 3-4 months getting the programme into a good place. The confidence on spend was increasing reflecting the fact that a number of projects had started back on site following delays due to Covid-19. The spend target remained that all of the Government allocation would be spent by 31 March 2021. Outputs had been reviewed in light of current events and although it was expected they would be realised it was likely there would be a delay. If the projects put forward on the agenda were agreed there

would be £1.7m available to allocate to new projects. Once Whitehill and Bordon Town Centre contract was signed the position would be that 90% of the funding allocation would be contracted. Past experience in managing the programme was that the position was likely to change therefore the team would be closely reviewing the projects to enable pipeline projects to be brought forward should any current projects slip or not require all of their allocated funding. Work would continue to review outstanding legal agreements with the aim for them all to be signed, an update on the position with contracts would be provided in November.

4.2 Early discussions had been held with Basingstoke and Deane Borough Council on potential funding support for the regeneration of Basing View, in particular Grosvenor House which was in substantial disrepair. Discussion had also been held with partners on potential opportunities for the creation of new co-working spaces across the Enterprise M3 area. Further details would be reported to the November PMG meeting.

4.3 The Group was advised that an additional £101k had been agreed to progress the RHS Wisley Centre of Excellence which had experienced cost increases arising from Covid-19 project delays. Following concerns raised at the last meeting with the North Downs Line project the legal agreement was signed and the project would now progress with spend being achieved in 2020/21 to unlock the ability for three trains per hour to operate on the line. The Group was advised at the last meeting that the Royal Holloway Regional Cyber Security Centre would not be proceeding as originally planned. Discussions with Royal Holloway had been positive and it had been agreed that £430k Local Growth Fund would not be subject to repayment as it formed a standalone project to support an incubation space within the University premises.

4.4 Getting Building Fund

4.5 The Group received a report on the progress of the Getting Building Fund programme. It was highlighted that the grant offer letter from Government had not yet been received therefore contracts could not yet be signed for any projects. However, there had been good progress made on each of the projects. The Digital Skills project was being delivered by a consortium to advance the digital estate of six further education colleges. Jeannie Satchell was working with the colleges and it was expected that the funding request would be brought to the additional PMG meeting in October. A separate item was on the agenda for an update on the Gigabit EM3 Town and Rural project which was progressing at speed. A report on the Creative Tech Growth Booster was also on agenda for consideration. The Park, Ride and EV Charge project was already in the pipeline and had been through diligence and approval but could not be finalised until the grant offer letter for the GBF had been received. An update on the Clean Growth Programme was on the agenda for consideration for funding approval.

4.6 The Group discussed the progress and acknowledged the delay in receiving the grant offer letter. There was a request for the project detail for the GBF projects be summarised in a RAG report as currently provided for the LGF projects in future.

Action to be taken	By Whom	When
Provide an update on the current position with contracts to be signed	Lee Danson	12 November 2020
Report on opportunities for the creation of new co-working spaces in the Enterprise M3 area	Lee Danson	12 November 2020
Summarise the GBF project progress in a RAG report for future meetings	Lee Danson	12 November 2020

5. Gigabit EM3 Town and Rural project

5.1 Kevin Lloyd updated the Group on the progress of the Gigabit EM3 Town and Rural project. The remit for the project had been agreed by the LEP Board at the meeting on 30 July. Progress on the project had proceeded at pace, detailed mapping of the route had been

completed and the detailed business case prepared. A new steering group had been established, comprising representatives from the eight local authority areas included in the fibre spine route. The steering group would be meeting on 14 September to consider the business case which had also been submitted to AECOM for due diligence analysis.

- 5.2 An additional PMG meeting had been scheduled for 17 September where the business case would be considered. The proposal would then be considered by the Board on 24 September. The Group was asked to raise any specific issues they would like addressed in advance of the 17 September meeting.
- 5.3 The Group discussed the proposal and raised some issues to be considered in advance. The soft dig work was raised and although was generally considered easier and cheaper than a hard dig it was highlighted that issues could still arise, particularly around the interface with utilities which had underground infrastructure. The potential for extending the route down as far as Winchester was raised. The immediate focus was on the route as currently proposed but once that had been addressed, the potential for an extension to the route could be considered. The tight timescales were raised as a concern and it was recognised that delays in decision making, particularly around the delivery vehicle and procurement, could have a significant impact. It was agreed that speed of decision making was critical. The Group was asked to send any questions to Kevin Lloyd in advance of the 17 September meeting.

6. Capital Projects for Consideration

a) Brockenhurst College - Digitalisation

- 6.1 The Group received a report on an application from Brockenhurst College for £100k capital grant from the Local Growth Fund to support further digitising of Brockenhurst College. The total cost of the scheme was £210k. The project would deliver much needed investment in IT equipment and associated software to enable the development of remote/blended teaching and learning capability and also safeguard the growing engineering provision. The investment would enable the College to purchase 316 computers and mobile devices. It would also enable the College to develop a new and more flexible timetable would reduce the requirement for staff and students to be onsite five days per week.
- 6.2 The project was reviewed by the team due to the low level of funding and comments and questions were raised with the College which were all responded to satisfactorily.
- 6.3 The Group discussed the proposal and requested that Brockenhurst be asked to use the same platform as used for the Pathway to the Virtual Campus programme if possible, this would be followed up. The Group agreed to approve £100k grant funding from the Local Growth Fund for Brockenhurst College Digitalisation project.

Action to be taken	By Whom	When
Proceed the Brockenhurst College Digitalisation project to contract	Jeannie Satchell	October 2020

b) Future Towns Mobility Demonstrator

- 6.4 The Group received a report on an application from the University of Southampton for £960k from the Local Growth Fund for a Future Towns Mobility Demonstrator pilot project. The project was an extension to the Future Towns Innovation Hub project which had been approved for £2.96m funding. The pilot would be introduced in Basingstoke with the aim to drive footfall into the town centre and encourage sustainable transport use. Successful interventions could then be rolled out and deployed in other towns in the Enterprise M3 area, where appropriate.
- 6.5 The pilot project is composed of three schemes:

- rapid road space re-allocation (S1) – assess the effectiveness of reallocation of road space using temporary structures to permit more use of active travel
- implementation of a micro-mobility pilot (S2) – e-bike and e-scooter leasing scheme offering mid to long term rentals
- development of the Smart Shopper app (S3) – use digital technology to enable return to the high street by avoiding over crowding and excessive queuing in retail, hospitality and recreation establishments.

6.6 Learning on the levels of success of the schemes would be shared with other town centres in the Enterprise M3 area. Due diligence had been undertaken internally by the Enterprise M3 team and AECOM. The AECOM report raised some issues which the University of Southampton had responded to satisfactorily.

6.7 The Group discussed the project and raised concerns, in particular regarding the e-scooter leasing scheme and that the required safety measures would be put in place. The Group were advised that as this was a pilot, close monitoring and evaluation would be carried out. The amount of match funding provided for the pilot project was raised and a breakdown of the match was requested. The Group was advised that the project was an extension to the Future Towns Innovation Hub which had significant match funding as was a £10.3m project.

6.8 It was agreed that a breakdown of the match funding would be reported to the 17 September PMG meeting to enable a decision to be made on the allocation of funding.

Action to be taken	By Whom	When
Provide a breakdown of match funding for the Future Towns Mobility Demonstrator pilot project to the 17 September meeting	Sue Littlemore	17 September 2020

c) Creative Tech Growth Booster

6.9 The Group received a report on an application from Royal Holloway for £900k from the Getting Building Fund to support the Creative Tech Growth Booster project. The aim of the project would be to extend the state-of-the-art technology base at the University embedding it within the research and development and technical support team of StoryFutures Academy. The StoryFutures Academy was a national centre of excellence delivering training in immersive technology and immersive storytelling to ensure the UK creative workforce were the most skilled in the world in the use of virtual reality, augmented reality and mixed reality. The funding would deliver three work packages covering diversification, innovation and productivity and would enable work and value to be derived quickly.

6.10 Due diligence had been carried out by AECOM and further details were requested on the cost benefit analysis and clarification on outputs to which Royal Holloway responded satisfactorily. It was highlighted that this project could not be contracted until the grant offer letter for the Getting Building Fund was received from Government.

6.11 The Group discussed the project and questioned what costs the £500k match funding would cover. It was agreed that a breakdown of the match funding would be reported to the 17 September PMG meeting to enable a decision to be made on the allocation of funding.

Action to be taken	By Whom	When
Provide a breakdown of match funding for the Creative Tech Growth Booster project to the 17 September meeting	Sue Littlemore	17 September 2020

d) Clean Growth Pilot Programme

- 6.12 The Group received a report on the Clean Growth Pilot Programme and the applications received with the objective to invest in renewable energy generation on public buildings and innovative decarbonisation of transport and buildings. As part of the Getting Building Fund submission £65k was allocated for a Clean Growth Pilot Programme and it was proposed that a further £135k be allocated from the Local Growth Fund, totalling £200k. The Group agreed that £135k of Local Growth Fund be allocated to the Clean Growth Pilot Programme.
- 6.13 Six applications were received from five organisations with a total project value of £746k with a grant request of £449k. The applications were reviewed independently by two Enterprise M3 team members which were then assessed jointly with a third team member.
- 6.14 Two proposals were felt to be innovative and demonstrated the ability to scale up and commercialise which were submitted by Clear Blue Energy Ltd and PowerQuad. Both were smart heating type projects with the aim to decarbonise buildings through more efficient use of energy. A further group of projects involved renewable energy and low carbon heating installation.
- 6.15 Clear Blue Energy sought £131k Getting Building Fund grant of a total project cost of £257k. The project would develop and demonstrate a software platform which would act as a virtual power plant. The Group discussed the Clear Blue Energy proposal and agreed to approve £131k grant from the Clean Growth Pilot Programme funding.
- 6.16 The PowerQuad project was seeking £41k and which was 100% funding with no match provided. The project was a pilot demonstrator project which would develop software and install PowerQuad's current battery storage in part of BASE Bordon. The project was scalable and the next stage would be to make BASE the UK's first fully battery storage powered office. The Group discussed the project but there was concern over the lack of match funding provided. It was agreed that discussions would be held with PowerQuad to agree a level of match funding and that the Chief Executive be given delegated authority to agree the funding subject to a satisfactory level of match funding being identified.
- 6.17 The Board was advised that there would be approximately £30k left of the £200k following approval of the Clear Blue Energy and PowerQuad proposals which was insufficient to fund the other projects. An additional £250k would be required to take forward the remaining projects. The Group was advised that all projects had associated benefits and were all deliverable in 2020/21. It was suggested that if all the remaining projects could provide 50% match funding the amount of additional funding required would reduce. It was therefore agreed that discussions would be held with the applicants to secure 50% match funding and that the Chief Executive be given delegated authority to approve the funding, up to £100k, for the project if 50% match funding was identified. If the applicant was unable to secure 50% match funding but it was felt the project should be considered, or if the funding request was over £100k, the proposal would be brought back to PMG for approval. The Group agreed that the additional funding would be provided from the Local Growth Fund.
- 6.18 It was acknowledged that these projects could not be contracted until the grant offer letter for the Getting Building Fund was received from Government.

Action to be take/n	By Whom	When
Proceed the Clear Blue Energy project to contract	Jennie Pell	Subject to receipt of grant offer
Proceed the PowerQuad project to contract, subject to approval from the Chief Executive that a sufficient level of match funding was provided	Jennie Pell	Subject to receipt of grant offer
Discuss with applicants the provision of 50% match funding to enable project to be funded	Jennie Pell	September 2020

Action to be take/n	By Whom	When
Consider projects for approval where 50% match funding was secured	Kathy Slack	September 2020

7. LEP Update on Recent Developments

- 7.1 Rachel Barker advised the Group that Simon Clarke MP had resigned from his post as Minister for Regional Growth and Local Government and replaced by Luke Hall MP, who was formerly the Parliamentary Under Secretary of State in MHCLG. Feedback would be sought from the Enterprise M3 Government lead to see if this was likely to impact on the LEP.
- 7.2 Sue Littlemore had been working on economic recovery and renewal plan and a Board workshop was being held on 28 September to take the plan forward. The plan had a focus on renewal identifying actions and interventions and picked up on the work carried out on the Local Industrial Strategy. The draft plan would be shared with stakeholders to provide an opportunity for feedback.
- 7.3 There had been a number of Government funding announcements over the summer. The Peer to Peer Network programme was being established for SME business owners. The LEP would be working with the Growth Hub and partners to delivery 18 hours of action learning support and one to one support to 8 cohorts. The programme would start at the beginning of October. The Tourism Kickstart scheme and SME grant scheme was launched on 15 September with overwhelming demand.
- 7.4 The Non-Exec Director recruitment was progressing well with 17 applications received which had been narrowed down to ten. These would now be going through shortlisting before the final interview process. There had been some staff recruitment within the Enterprise M3 team for a Senior Programme Manager which was a new post and a replacement for the Operations Director post. The recruitment for an Enterprise Zone and Commercial Property post and Head of Trade and Enterprise was also due to commence shortly.
- 7.5 Catalyst South work was progressing with the ministerial roundtable and lots of work to set out the clear strategic position of the South to Government in relation to economic recovery. The work put forward a common message and ensured the six LEPs were aligned. The LEP Network had been getting positive feedback from Government on the role of LEPs in recovery. The Devolution White Paper would be an important document which could result in a large change to local Government which was expected at the end September.

8. European Programme Update

- 8.1 The Group received and noted the update on the EU programme.

9. Forward Programme

- 9.1 The Group noted the current forward programme.

10. Any Other Business

- 10.1 The future Programme Management Group meetings would be held as follows:

- Thursday 17 September 2020 – 3.45pm-5.15pm
- Thursday 15 October 2020 – 9.30am-11.30pm
- Thursday 12 November 2020 – 10am-1pm
- Thursday 14 January 2021 – 10am-1pm
- Thursday 11 March 2021 – 10am-1pm

Enterprise M3 Programme Management Group

17 September 2020, 15:45-17:15

Zoom Video Conference

DRAFT MINUTES

Members Attending

James Cretney - Chair
Deborah Allen
Dave Axam
Rob Carr
David Fletcher
Matt Furniss
Rob Humby
Paul Millin
Kathy Slack
Lucille Thompson

EM3 Guests Attending

Rob Dunford
Lee Danson
Sue Littlemore
Geoff Wells
Justine Davie

Dave Happy – NGIS
Rob Leenderts - NGIS
Toby Treacher – NGIS

Apologies

Mike D'Alton
Catherine Turner

1. Welcome and Introductions

1.1 James Cretney welcomed everyone to the meeting.

2. Declaration of Interest

2.1 In addition to all interests previously declared, the following interests were noted:

Name	Interest	Declared Action
Dave Axam, David Fletcher, Matt Furniss, Rob Humby, Paul Millin and Geoff Wells	EM3 Gigabit Town and Rural	Left the room during the decision making

Note: Matt Furniss left the meeting before the decision making

3. Future Towns Mobility Demonstrator

3.1 The Group received an update report on the Future Towns Mobility Demonstrator project which had been discussed in detail at the PMG meeting held on 10 September. At that meeting a breakdown of the match funding was requested to enable a decision to be made on the allocation of funding.

3.2 The Group was advised that partners responded quickly with details requested. The funding request for the Future Towns Mobility Demonstrator project was for £960k with match funding of £125k made up of £50k cash support and £75k in kind support for staff time on project management and procurement. The project was an extension of the Future Town Innovation Hub which combined had a total funding request of £3.82m with match funding of £7.425m, which provided 66% match funding of the total project cost.

3.3 The Group discussed the project and agreed to recommend to the Board to approve £960k grant funding from the Local Growth Fund for the Future Towns Mobility Demonstrator project.

Action to be taken	By Whom	When
Recommend to Board to approve £960k grant funding for the Future Towns Mobility Demonstrator project	Sue Littlemore	24 September 2020

4. Creative Tech Growth Booster

- 4.1 The Group received an update report on the Creative Tech Growth Booster project which had been discussed in detail at the PMG meeting held on 10 September. At that meeting a breakdown of the match funding was requested to enable a decision to be made on the allocation of funding.
- 4.2 The Group was advised that the funding request was for £900k of a total project cost of £1.4m with £510k match funding (36%) from StoryFutures and project partners. The match funding was a combination of cash funding and staff time. Confirmation was also provided that the project would run until March 2023 based on the current project but could be extended if further funding was identified.
- 4.3 The Group was satisfied with the responses provided and agreed to approve £900k grant funding from the Getting Building Fund. It was acknowledged that this project could not be contracted until the grant offer letter for the Getting Building Fund was received from Government.

Action to be taken	By Whom	When
Proceed the Creative Tech Growth Booster project to contract	Sue Littlemore	Subject to receipt of grant offer

5. Gigabit EM3 Town and Rural project

- 5.1 The Group received a report on the Gigabit EM3 Town and Rural proposal for consideration. Kathy Slack advised the Group that there had been a substantial amount of work carried out at incredible pace and there was a great deal of support for the project from local authority partners and Government. However, it was recognised that was a lot of work required to meet the funding deadline of January 2022. There were a number of issues still outstanding so at this meeting the Group were being asked to support grant funding of £4.5m from the Getting Building Fund in principle and release £250k to fund the detailed work required.
- 5.2 The Group received a presentation which provided an overview of the business case, set out the work carried out to date and highlighted the areas of work still to be completed. Due diligence had been completed on the Strategic and Economic case but further work was required on the Financial and Management case.
- 5.3 The presentation highlighted that there was a strong demand for the project as the current digital connectivity in much of the Enterprise M3 area was well below the national average. The proposed route from Basingstoke to Guildford was set out which had been carefully plotted to use as much soft dig on the route as possible and took in key sites along the route including hospitals, regional development sites, business parks, colleges and train stations. Details on the type of delivery vehicle that were being considered for the project were also set out. There were a number of significant outstanding issues that needed to be resolved before a decision could be made on the final funding approval. It was agreed that some initial funding would need to be released to enable that work to be carried out for a final funding request report to be brought to the November meeting.
- 5.4 The Group discussed the project in detail and raised a number of issues to be addressed regarding timescales and the preferred delivery vehicle. The Group acknowledged that the additional work was required before any decision could be made and it was important the work continued at pace to enable timely decisions to be made. The Group agreed to recommend to the Board to:
- Approve in principle £4.5m grant funding for the EM3 Gigabit Town and Rural project, requesting further detail on issues raised in the due diligence, on the suitable delivery vehicle and funding package and the associated milestones, for final approval to be sought at the Programme Management Group and Board in November;

- Agree to fund £250k, at risk, from the Covid-19 fund or Local Growth Fund, to enable work to start immediately to finalise the financial and management case; and,
- Note that funding was not currently able to be provided from the Getting Building Fund as formal confirmation was still awaited from Government on that funding, once confirmation was received the funding would be repaid.

Action to be taken	By Whom	When
Recommend to Board to approve in principle £4.5m grant funding for the Gigabit EM3 Town and Rural project	Rob Dunford	24 September 2020
Recommend to Board to approve £250k grant funding for the Gigabit EM3 Town and Rural project	Rob Dunford	24 September 2020
Submit final funding request report for the Gigabit EM3 Town and Rural project to November PMG meeting	Rob Dunford	12 November 2020

6. Any Other Business

6.1 The future Programme Management Group meetings would be held as follows:

- Thursday 15 October 2020 – 9.30am-11.30am
- Thursday 12 November 2020 – 10am-1pm
- Thursday 14 January 2021 – 10am-1pm
- Thursday 11 March 2021 – 10am-1pm