



Enterprise M3 Programme Management Group

16 July 2020, 10:00-12:00

Zoom Video Conference

MINUTES

Members Attending

James Cretney - Chair
Deborah Allen
Rob Carr
David Fletcher
Matt Furniss
Paul Millin
Kathy Slack
Lucille Thompson
Catherine Turner

EM3 Guests Attending

Rachel Barker
Rob Dunford
Kevin Travers
Lee Danson
Geoff Wells
Justine Davie

Apologies

Dave Axam
Rob Humby
Mike D’Alton

Guests Attending

Rob Leenderts – NGIS
Dave Happy - NGIS

1. Welcome and Introductions

1.1 James Cretney welcomed everyone to the meeting. James advised the Group that Dave Axam was currently unwell and it was expected he would not be available for Enterprise M3 duties for a few weeks. The Group wished Dave well for a speedy recovery.

2. Minutes of last meeting and matters arising

2.1 The minutes of the meetings held on 14 May and 30 June 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
Matt Furniss, Paul Millin and Geoff Wells	Blackwater Valley Hotspot under Capital Programme update	Left the room during the decision making
David Fletcher, Matt Furniss, Paul Millin and Geoff Wells	Fibre Spine project in the Getting Building Fund under Capital Programme update	Left the room during the decision making
Lucille Thompson	Park, Ride and EV Charge in the Getting Building Fund under Capital Programme update	Left the room during the decision making
David Fletcher	Blackwater Valley Gold Grid Public Transport Corridor Hampshire Element	Left the room during the decision making

4. Digital Fibre Spine Project

- 4.1 Rob Dunford introduced the Digital Fibre Spine project which was being developed to support a step change in digital connectivity in the Enterprise M3 area. The work undertaken for the Local Industrial Strategy identified the poor mobile and broadband connectivity in parts of the area. The need for greatly enhanced digital infrastructure had been further highlighted during the current Covid-19 pandemic. The Digital Fibre Spine project had the potential to achieve a significant amount of benefit for a relatively small amount of funding.
- 4.2 Rob Leenderts and Dave Happy from NGIS gave a presentation on the Digital Fibre Spine Project. There were currently a number of different broadband connections available including basic, superfast and gigabit. The project would enable resilient connectivity, it was important to close the digital divide so that the whole area had fast, reliable connections. High productivity businesses required high speeds and the ability to transfer huge volumes of data.
- 4.3 The proposed route for the fibre spine was between Basingstoke and Guildford running through Hart, Surrey Heath, Rushmoor and Waverley. Detailed mapping of the route was being carried out to maximise the benefit to councils, businesses and potential operators. The detailed business plan setting out the scale of the opportunity for the area and the full funding package was scheduled for August which would be submitted to the Group for consideration. A partnership would be established across the relevant local authorities involved to move the project forward. Subject to procurement and planning, it was expected that the civil engineering expertise to lay the fibre and associated kit could begin in 2020 with the Network in place by end 2021.
- 4.4 It was expected that £4m funding would be required to deliver active services across the infrastructure and collaboration with all Council's was required for mutual benefit. The provision of an active layer would provide the ability to generate revenue schemes which would be drawn up with the local authorities. A local authority steering board would be established to enable the local authorities to take ownership of the project and manage the revenue scheme.
- 4.5 The Group discussed the project and requested whether the green sustainable benefits could be calculated and included in the analysis when bringing the business case forward for consideration. There would also be a number of innovation and digital technology benefits for businesses which would need to be captured. The project could provide a huge benefit to the area to retain business and attract new businesses to the area. The project also had the potential to be rolled out on a wider scale. The Group recognised the significance of the project and would look forward to receiving the full business case at its next meeting.

Action to be taken	By Whom	When
Capture the green, sustainable, innovation and digital technology benefits for the Digital Fibre Spine project and include in the business case put forward for consideration	NGIS/ Rob Dunford	August 2020

5. Capital Programme Update

- 5.1 Rachel Barker reported to the Group on the current position with the capital programme. Government's formal review of the 2020/21 programme had taken place, informal feedback had been positive and it was expected that the final third of funding would be received in August. Government guidance remained that the full LGF funding spend was required by 31 March 2021. The current forecast shows that the target spend was achievable.
- 5.2 There were some projects at risk of not being able to draw down their full LGF allocation in 2020/21 which were being closely monitored by the team. Basing View Living Lab had been delayed but was now due to be considered at the Basingstoke and Deane Council meeting on 16 July and if approved would be able to start work in October. Initial discussions with

Basingstoke and Deane Borough Council had been encouraging and it was hoped that the project would move to the amber category shortly. The North Downs Line project was to enable additional services to run on the North Downs Line. Negotiations were at the point with Network Rail to agree the clauses in agreement, and it was hoped these would be concluded the following week. Once the agreement had been signed work would proceed quickly.

- 5.3 The work on the Regional Cyber Security Centre was unlikely to start on site until much later in the year. The project had been allocated £5m LGF but Royal Holloway was currently unable to provide match-funding due to the impact of the Covid-19 pandemic. They were unable to take forward at the current time as there was no alternative match-funding available. A new proposal has been submitted which was a new project rather than a change to the existing project therefore it was recommended that the funding be removed for the Regional Cyber Security Centre and made available for reallocation. Royal Holloway would be welcome to submit the new proposal for consideration from any future funding allocation. The Group agreed that from a governance point of view they could not agree to the funding being used for a new project. The Group agreed that the funding allocation for the Royal Cyber Security Centre be withdrawn and made available for reallocation.
- 5.4 Guildford Borough Council (GBC) had previously advised the LEP that they were unlikely to be able to deliver the Blackwater Valley Hotspots project. However, since initial discussions Guildford had been working with Surrey County Council (SCC) to see if they could help deliver the project. Both SCC and GBC confirmed they were now jointly able to deliver the project, the majority of the spend would be achieved in 20/21 with a maximum of £500k rolled forward to 21/22 which could be met using loan repayments. SCC agreed that if the £1.465m spend was not achieved in 20/21 SCC/GBC would pick up the spend in 21/22. The Group agreed to the funding proposal and that a maximum £500k spend be rolled forward to 2021/22 to be met from loan repayments.
- 5.5 The Getting Building Fund (GBF) had been launched and Enterprise M3 had been allocated £13.3m. The funding had to be spent by Jan 2022 and Government could potentially clawback funding if it was not spent. Government advised that LGF and GBF were to be treated as separate funds and not an extension of funding for current projects. The list of projects submitted for the GBF had to be signed off by the Chair and Accountable body by 17 July. The Group was asked to sign off the list for submission which was circulated. The projects would be brought to the Group individually for approval for funding once due diligence had been completed. The projects recommended to be included were digital skills work, digital fibre spine, creative tech growth booster, park, ride and EV charge and building greener future programme.
- 5.6 There were a number of projects not currently proposed to be taken forward which included space and satellite incubator, future workspace, Surrey Heath 5G, regional battery storage, active travel programme. These projects would continue to be developed to form the project pipeline for any future funding opportunities. The Hampshire broadband scheme was not being progressed as Government's view was that the proposal was not a strong fit with the aims of the GBF.
- 5.7 The Group discussed the proposed projects for the GBF and agreed that digital skills work, digital fibre spine, creative tech growth booster, park, ride and EV charge and building greener future programme be included in the final list submitted to Government.

Action to be taken	By Whom	When
Progress a Deed of Variation for the Blackwater Valley Hotspot project	Kevin Travers	August 2020
Advise Royal Holloway that funding for the Regional Cyber Security Centre was being withdrawn as the project could no longer delivery by 31 March 2021	Deborah Wyatt	17 July 2020

Include digital skills work, digital fibre spine, creative tech growth booster, park, ride and EV charge and building greener future programme in the final GBF list submitted to Government	Rachel Barker	17 July 2020
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6. Capital Projects for Consideration

a) Blackwater Valley Gold Grid – Public Transport Corridor – Hampshire Element

- 6.1 The Group received a report on an application from Hampshire County Council for a £1.28m capital grant to fund the Blackwater Valley Gold Grid – Public Transport Corridor – Hampshire Element. In November 2018 the Board approved £4.5m capital grant allocation in principle for the Blackwater Valley Gold Grid – Public Transport Corridor – Strategic Case and the full business case for the elements of the scheme to be delivered by Surrey County Council. It was agreed that the detailed business case for the Hampshire elements of the scheme would be submitted to PMG to consider. The scheme aimed to improve bus journey time reliability and passenger perception by addressing the pinch points along the Stagecoach Gold Route 1 between Frimley and North Camp that cause delays to the bus service. The project was part of a wider package of LEP funded improvements to enhance linkages between Farnborough, Aldershot and Camberley.
- 6.2 AECOM reviewed the business case and raised comments and questions with the scheme promotor which had been responded to in both writing and through dialogue. Overall it was considered that Hampshire County Council had put together a good and full business case. Some further work had been requested in relation to cost estimates but it was not considered to be an impediment to recommending the scheme for funding approval. The Group was advised that Covid-19 would impact on the outcomes of the project in that they would be achieved but over a longer period.
- 6.3 The Group discussed the project and agreed to approve £1.28m capital grant funding for Hampshire County Council for the Blackwater Valley Gold Grid Public Transport Hampshire project.

Action to be taken	By Whom	When
Progress Blackwater Valley Gold Grid Public Transport Corridor Hampshire Element project to contract	Kevin Travers	August 2020

b) Whitehill and Bordon Town Centre

- 6.4 The Group received a report on an application from Whitehill and Bordon Regeneration Company (WBRC) for £4.8m capital grant funding against a total cost of £20.9m for the Whitehill and Bordon Town Centre scheme. Funding was available to be allocated using unallocated LGF, the project was ready to start delivery and would be complete by March 2021. There would be a condition included in the legal agreement for the spend to be achieved by 31 March 2021.
- 6.5 In March 2020 PMG considered a revised Expression of Interest for Whitehill & Bordon new town centre and there had been no substantial change to the project since previously considered. The capital grant would go towards funding the new public realm of the town centre including town squares, a town park and a car park. Some 1,193 sqm of business floorspace in the form of the Makers Market, an indoor and outdoor market, would be provided which would support local businesses, host events and bolster the activities of local community groups. The project also included the provision of fibre broadband in the town centre. The public realm project was part of Phase 1a of a £20.9m project for the overall redevelopment and regeneration of Whitehill and Bordon town centre project. There were three phases in the regeneration scheme.

- 6.6 AECOM reviewed the business case and all comments and questions raised had been addressed both in writing and through dialogue. The overall assessment was that WBRC had put together an excellent and robust business case. The applicant had been asked to ensure the scheme was Covid compliant and this would continue as a requirement in projects going forward. The case remained strong and robust taking into account the Covid-19 assessment.
- 6.7 The Group discussed the project and agreed that the report to Board should include more reference to the sustainable and green elements. It was requested that some metrics on these areas be included in the paper submitted to the Board. It was also felt that Whitehill and Bordon should be a showcase for a green town as a significant amount of funding had been allocated for a number of projects in the town. There was some discussion on the office space provision and that the applicants would need to consider flexible working space in relation to the green agenda. It was confirmed that this information would also be included in the Board paper.
- 6.8 The Group agreed to recommend to Board to enter into a legal agreement with Whitehill and Bordon Regeneration Company to deliver the Whitehill and Bordon Town Centre scheme and approve £4.8m capital grant funding, with the requirement that the funding be spent in full in 20/21.

Action to be taken	By Whom	When
Include information in Board paper on green and sustainable metrics and flexible workspace	Kevin Travers	30 July 2020
Recommend to Board to enter into a legal agreement with Whitehill and Bordon Regeneration Company to deliver the Whitehill and Bordon Town Centre scheme and approve £4.8m capital grant funding	Kevin Travers	30 July 2020

7. LEP Update on Recent Developments

- 7.1 Kathy Slack advised the Group that a Kickstarting Tourism fund had been announced which needed to be run through an ERDF project. It was expected that it would take a couple of months to start as it was a complicated process and would take significant administration to set up. The work was being carried out jointly with Growth Hubs and a group of four LEPs. It was anticipated that demand would be huge which could involve a substantial amount of work to manage.
- 7.2 There was expected to be further money available for business support but this was yet to be formally announced. The business support scheme would not require match funding and would enable businesses to talk to professional advisors. The Careers Enterprise Company work had changed and they had been working more online which had been more productive.
- 7.3 Further funding was available for Peer to Peer Networks, bringing together 11 business leaders to learn from peers and provide coaching. Enterprise M3 would be aiming to target the Peer to Peer Network at particular sectors. It was positive to receive the additional funding, however it was recognised there was a need to ensure the LEP had the capacity to deliver.
- 7.4 There had been some positive news that unemployment in the EM3 area had fallen, which was not reflective of rest of country. There had been a substantial amount of work carried out on economic intelligence, recovery and renewal planning.
- 7.5 A new campaign had been launched for leaving the EU “UK’s new start - Let’s get going” – “Check, Change, Go”. BEIS were worried that businesses aware the UK was leaving the EU at the end December but had not been doing anything extra to prepare. EM3 would be ramping up the message and would be organising some webinars.

7.6 The group of six Southern LEPs (South East, Coast to Capital, Hertfordshire, Solent, Thames Valley Berkshire and Enterprise M3) had been established as Catalyst South and were working together to be a stronger voice for businesses. The LEPs would also work closely with local authority colleagues as there was a strong message that funding would be going North and also to work on devolution and the recovery white paper.

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 It was agreed that there needed to be a discussion on whether the Group continue to meet online or in person going forward and how often meetings should be held. Programme Management Group and Board members would be canvassed to gauge how members feel about meeting in person.

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

- Thursday 10 September 2020 – 10am-1pm – Rushmoor BC, Farnborough
- Thursday 12 November 2020 – 10am-1pm – Hampshire CC, Winchester
- Thursday 14 January 2021 – 10am-1pm – TBC
- Thursday 11 March 2021 – 10am-1pm – Rushmoor BC, Farnborough