

**Enterprise M3 Programme Management Group**

**15 October 2020**

**Covid 19 Fund – Item 5**

Programme Management Group is asked to:

**AGREE:** Agree the use of the remaining capital to revenue pot for Covid 19 recovery purposes

**NOTE:** the £222k approved via delegated authority of the Chief Executive

**AGREE:** to allocate £680k to support the new projects and activities identified in this report

**1. Background**

- 1.1. In 2017/18 Enterprise M3 transferred £3m from the Local Growth Fund into a “Capital to Revenue Fund”, which could be used to support scheme development, design advancement, skills and career improvement and business support. This scheme is overseen by the Programme Management Group (PMG), with operational management delegated to the Chief Executive. At the start of 2020/21, the remaining balance was £1m.
- 1.2. In May 2020, PMG agreed funding of £77,450 to cover recovery activity including market analysis and gathering business intelligence (provided by Business South, Athey Consulting EC Linking, Metro Dynamics, EMSI).
- 1.3. PMG are asked to note the use of a further £222k for the following expenditure, already approved by authority delegated to the Chief Executive:
  - Market analysis and gathering business intelligence:
    - £20k (Surrey and Hants Chambers)
    - £14k (Insight Survey in partnership with Thames Valley LEP)
  - Fibre Spine research - £67.2k
  - Recovery project for rural businesses for Hampshire Fare - £4.5k
  - Business South - £19k
  - ERDF bankroll cover - £3.5k
  - Stakeholder engagement (Recovery Action Plan) - £10k
  - Additional programme support - £83.3k
- 1.4. The remaining fund stands at just over £700.5k. We have considered a range of projects that will address the impact of COVID 19 and support activities in our Revive and Renew Plan putting ourselves in a better position to consider the longer-term impacts of the pandemic. We have particularly looked at proposals that can deliver within 12-18 months and are easy to deliver with a relatively low level of risk. Proposals are geared towards areas where there is a current gap (no other agency/organisation is delivering this currently).
- 1.5. This table summarises the short list of projects and the funding requested.

Project		Covid Fund (£)	Comments
1.	Gigabit EM3 refinement of business case	250,000	Already approved by Board. Repayment expected from the GBF or potentially from partners
2.	Pipeline of active travel schemes	200,000	Scalable, match funding from LAs is being sought

Project		Covid Fund (£)	Comments
3.	Future Workspace project (research)	25,000	Will work alongside LAs but will explore future demands of business and users on workforce space for the future. Could underpin a future call for innovative use of space/incubators.
4.	Income Generation strategy	30,000	This proposal is for work to explore how the LEP might draw in additional funds to both support the organisation and projects.
5.	Electric Vehicle charging	170	Match of £60k (SBRI funding) what is this
6.	Screen Skills pilot	5,000	Project that is matching people from aviation sector with those of the creative sector. It is a cross LEP proposal working with Bucks and Shepperton and Pinewood as two of the creative companies. DWP are proving the funding for the project and have asked that we put in a small element to promote the project to potential applicants DWP funding of £82.5k
		<b>680,000</b>	

## 2. Covid 19 Fund Proposals

2.1. The following section summarises the proposals and how they will address the impacts of Covid 19 on the region.

<b>1. Gigabit EM3</b>	£250k
-----------------------	-------

2.2. The development of the Management and the financial case for the **Gigabit EM3** project. The funding will provide immediate support to the project to address the two areas of concern within the business case. The allocation of this funding has already been approved by the Board. These costs have all been included in the calculations for the whole project and can/should be recovered from the GBF when/if we get to the point of the board signing off on the project.

<b>2. Pipeline of active travel schemes</b>	£200k (scalable) potential match funding from LAs
---	---

2.3. Development of the **future programme of active travel and sustainable transport schemes**, to enable the swift delivery of a future capital programme. This work will be carried out in conjunction with LAs as we build together a pipeline of capital infrastructure schemes. Match funding would be sought from the local authorities. This piece of work will:

- Develop a pipeline of active travel and sustainable transport infrastructure projects to support economic growth across the Enterprise M3 Area;
- Reduce the risk to scheme promoters which results in feasibility studies not being carried out;
- Support investment in project development at an early stage to develop a pipeline of projects able to apply for full project funding when external bidding rounds become available; and
- Ensure that projects are in the best possible position to secure external funding due to good quality feasibility work being carried out, aligning the scheme to the LIS and RRAP.

2.4. The criteria schemes brought forward as part of this work will be developed to ensure they address the key impacts of Covid-19. It is proposed the programme will be focused across three main areas and schemes will need to be able to demonstrate how they contribute to the following:

- **Recovery** – where COVID-19 has caused damage or delay to the transport system that needs to be addressed

- **Rebuilding** - retaining and building on where COVID-19 has driven change that we wish to accelerate and develop, such as for example in providing additional space for pedestrians in town centres
- **Reimagining** – where COVID-19 requires us to rethink the way we do things in the future

<b>3. Future Workspace project</b>	£25k
------------------------------------	------

- 2.5. The request for funding from the Covid 19 recovery fund is to support some market research/demand studies which can help to make the case for the **Future Workspaces opportunities**. This activity would be in direct response to an increase in the amount of home and remote working that has taken place in recent months. The project will ultimately provide workspaces in town centres for those who are able to work from home/remotely, providing an opportunity to work away from home but without having to travel significant distances to a more traditional offices. The creation of this space also has the potential to support town centre economies, with expenditure captured within local economies.
- 2.6. The initial phases of this work are being taken forward by the County Councils (led by HCC). We understand that Surrey have commissioned some work to develop business cases for individual propositions so that these projects are well-positioned to secure funding.

<b>4. Income Generation strategy</b>	£30k
--------------------------------------	------

- 2.7. Commission an expert consultancy to work with the LEP to develop an **income generation strategy** statement that takes on board the choices and implications and articulates the vision and what the LEP aims to achieve. Also produce an action plan that outlines a range of one-off or recurrent income streams, and a plan for implementing the strategy including actions, risks, benefits and timescales.
- 2.8. Business' reaction and Government's fiscal and monetary response to the Covid crisis is estimated to reduce the income to the LEP by around £2m over the next three years. Thus, in order to aid businesses in business recovery, we will need to fund activity with alternative/newly generated income.

<b>5. Electric Vehicle charging</b>	£170k
-------------------------------------	-------

- 2.9. A pilot to develop a new innovative approach to **electric vehicle charging**. This is the development phase of a project leading to pilot trials of the provision of autonomous, conductive electric vehicle charging. This phase would consist of the pre-build design, survey and adaptation and would lead the way to a series of closed and open trails at 3 locations (Enterprise, Thamesway and the University of Surrey).
- 2.10. This charging technology is completely hands-free, reducing disease transmission risks from handling vehicle chargers in public spaces and in the workplace. It supports social distancing by clearing public realm of charging infrastructure and improving walkability, particularly in streets where rows of houses do not have off street parking. This technology also has wider Covid-related benefits, being aligned with local and national government targets for clean transport.

<b>6. ScreenSkills pilot</b>	£5k
------------------------------	-----

- 2.11. A **ScreenSkills pilot** will introduce jobseekers in the Heathrow area with experience in the aviation industry to potential opportunities to use transferable skills, with support, to gain work within the film and television industry at Shepperton Studios. Activity will take place primarily online. This will be a second pilot (the first is taking place within Buckinghamshire LEP) which, if successful, could provide a model which could be adopted in other parts of the country and potentially across multiple sectors of the economy. EM3 LEP have been asked to support ScreenSkills and the DWP by:

- providing relevant information about local businesses, the local industrial strategy and the economic plan; and
- assisting with and financing local promotion to Surrey residents.

### 3. **Conclusions**

- 3.1. These projects represent a part of the LEPs response to support the region in response to Covid 19. These projects will complement the Supporting Town Centre Fund and the additional support the Growth Hub has provided and continues to provide.
- 3.2. The Programme Management Group is asked to agree to allocate £680k from the Capital to Revenue fund to support these projects.

Lee Danson, Aleks Bennett, Rachel Barker  
2 October 2020