Enterprise M3 Programme Management Group

12 November 2020

Terms of Reference – Item 4

Programme Management Group members are asked to:

AGREE the Programme Management Group membership changes as highlighted in the Terms of Reference.

NOTE that the representatives for the Surrey local authority member vacancy and Hampshire senior officer vacancy will be sought at the Joint Leaders Board on 19 November.

1. Introduction

1.1 The role of the Programme Management Group (PMG) will be to oversee Enterprise M3's domestic funding programme, encompassing both the LGF and the GEF and direct funding for the Enterprise M3 Growth Hub. The PMG also plays a key role in ensuring the LEP's European Structural and Investment Funding (ESIF) is aligned with domestic funding.

1.2 Following agreement by the Enterprise M3 Board on 29 March 2018, the PMG has decision making powers for projects that are seeking a funding contribution of less than £3m from Enterprise M3. Projects seeking a larger funding contribution must be approved by the Enterprise M3 Board. For the avoidance of doubt, the Enterprise M3 Board has overall responsibility for the contract management of the Growth Hub.

Role

1.3 Using the Enterprise M3 Strategic Economic Plan (SEP), emerging Local Industrial Strategy and Growth Deal as a guide, the group will approve projects and/or make recommendations to the Board about the allocation of funds across a range of projects within this programme of activity. These recommendations will be based upon the following three criteria:

- Fit with the priorities set out in Enterprise M3 Strategic Economic Plan and other economic strategies;
- Deliverability of the proposal to the specified budget and timescale;
- Economic outcomes that will result from the delivery of the proposal and Value for Money.

1.4 The PMG may approve projects seeking a funding contribution of less than £3m from Enterprise M3 and also will make recommendations to the Enterprise M3 Board on projects with a funding contribution from Enterprise M3 which exceeds £3m. In carrying out these functions, it is proposed that the PMG will undertake the following roles:

- Review potential bids for future rounds of the LGF and GEF and agree the relatively priority of such proposals, providing recommendations to the Board where projects exceed PMG's financial delegation.
- Review due diligence and other assessments of LGF and GEF projects.
- Approve individual schemes, investment decision making and the release of funding, including scrutiny of individual business cases for any projects seeking contributions from Enterprise M3 of less than £3m.
- Provide recommendations to the Board on individual scheme approvals, investment decision-making and the release of funding, including scrutiny of individual business cases for any project seeking contributions from Enterprise M3 exceeding £3m;

- Promote development of a pipeline of reserve projects, along with aspirational projects to attract funding in future years;
- Play a role in overseeing the impact evaluation of the LGF and GEF programmes, and consider which new schemes should be recognised as of particular strategic importance and therefore be subject to an independent impact evaluation;
- Assess scheme cost increases, taking decisions on cost increases of more than 10% and less than 20% of a scheme's total LGF/GEF budget, and to make recommendations to the Board around any increases greater than this or where the increase exceeds £3m;
- Ensure the Local Growth Fund and Growing Enterprise Fund are effectively aligned with other sources of funding, including EU funds and the Enterprise M3 Growth Hub, and are used to derive effective value for public funds;
- Ensure that the way in which PMG operates meets the requirements set out in the Enterprise M3 Assurance Framework and the National Assurance Framework.
- Regularly review its operation to ensure that it remains fit for purpose; and
- Carry out any other relevant functions as required and agreed by the Enterprise M3 Board.

2. Membership

2.1 The following membership is proposed:

3 x Private Sector Enterprise M3 Board member (1 to chair)

2 x Local Authority Member (Leader/Deputy Leader/Senior Portfolio Holder)

2 x Local Authority Chief Executive/Senior Officer

1 x Homes England representative

1 x Accountable Body representative

1 x LEP Chief Executive

Additional members for transport-related items:

2 x Highways Authority Transport Lead Members

1 x Private Sector Chair of Enterprise M3 Transport Action Group

2.2 Guests can be invited at the discretion of the Chair.

2.3 The table below gives details of the members of the Programme Management Group:

Representing	**Selection Methodology**	**Date of first meeting**	**Member**
3 x Private Sector Board member	Enterprise M3 Board to select at Board Meeting	January 2019 (re-appointed Jan 2021) November 2014 (re-appointed Sept 2019) January 2021	Debbie Allen, (Chair) Dave Axam Stacey King
2 x Local Authority Member	To be selected by Enterprise M3 Joint Leaders' Board (Leader or Deputy Leader).	March 2020	Lucille Thompson, Winchester City Council *Surrey Rep Vacant*
2 x Local Authority Senior Officer	To be selected by Enterprise M3 Joint Leaders' Board	January 2021 November 2020	~~David Fletcher~~, Hampshire County Council Paul Millin, Surrey County Council

1 x Homes England representative	HCA representative to continue role on PMG	November 2020	Claire Burnett, Homes England
1 x Accountable Body representative	This should be someone able to act on behalf of the s151 Officer of the Accountable Body. To be nominated by the Accountable Body.	November 2014	Rob Carr, Hampshire County Council
1 x LEP Chief Executive	N/A	N/A	Kathy Slack, Enterprise M3
2 x Local Authority Transport Lead Members	To be nominated by the highway authorities	January 2019 May 2016	Cllr Matt Furniss, Surrey County Council Cllr Rob Humby, Hampshire County Council
Private Sector Chairman of LEP Transport Action Group	N/A	September 2015	Mike D'Alton, WSP

2.4 The Enterprise M3 Joint Leaders Board has responsibility for selecting both the local authority member and senior officer representation. Those selected will represent the views of county and district level local authorities across the whole Enterprise M3 area. Members and Officers do not need to be from the same Local Authority but should be able to work together to represent the views of the sector. Local Authority Transport Lead members are nominated by each Highway Authority.

Term of Office

2.5 Once individuals have been agreed as being members of the Programme Management Group, they will serve the Group for an initial two-year period before membership is reviewed. Thereafter the membership is reviewed every two years, with the exception of the Local Authority Transport Lead Members, Accountable Body Representative, Transport Action Group Chair and LEP Chief Executive who will attend for as long as they remain in this role.

Criteria for Nomination

2.6 The following criteria should be considered when nominating individuals to sit on the PMG: The nominee should:

- Have sufficient time to undertake their role.
- Be empowered to speak on behalf of their organisation, and also at a strategic level around issues affecting their wider area of expertise. The nominee should be recognised by peers as a valid representative. They should have access to a wider network relevant to the Enterprise M3 area, be willing to work with peers and report back, and should be recognised by them as a valid representative.
- Understand local investment priorities and have knowledge of local conditions, needs and opportunities, including but not limited to the Enterprise M3 Strategic Economic Plan, emerging Local Industrial Strategy, Growth Deal and European Structural & Investment Fund Strategy.
- Understand the strategic context for investment decisions and be able to analyse and challenge proposals. Should be able to assess linkages to other funding sources and opportunities to maximise delivery and value for money.
- In the case of the accountable body representative, they should be the s151 officer or another senior officer with authority to act on their behalf.

3. Frequency of Meetings and Quorum

3.1 PMG meetings will generally take place every other month and will precede Enterprise M3 Board meetings to enable PMG to make timely recommendations to the Board where required.

3.2 When necessary the Chair of the PMG can convene extraordinary meetings.

3.3 A meeting will not be quorate unless three PMG members are present and should include at least one Enterprise M3 Board Member and one Local Authority representative in attendance.

3.4 Decisions will be taken by consensus, where the PMG is unable to reach consensus, the chair may judge a majority decision on an item or refer a decision to the Enterprise M3 Board.

3.5 Minutes will be taken for all PMG meetings, clearly indicating the recommendations made to the Enterprise M3 Board. As the PMG is decision-making, papers and minutes from meetings will be published on the Enterprise M3 website.

4. Links to Other Governance

4.1 In order to ensure that Enterprise M3 achieves the objectives set out within its Strategic Economic Plan and emerging Local Industrial Strategy, it is vital to align local investment. The PMG will work with other governance groups within Enterprise M3 to facilitate this.

4.2 The Programme Management Group will align closely with the European Management Group (EMG), which plays a similar role for European Structural and Investment (ESIF) funding. Due to conditions and constraints imposed by the European Commission around the governance of EU funds, it is not practical to use common governance to oversee the ESIF funding and the LGF funding. The intention is, however, to have common membership to the extent this is practical, with a nominated EMG representative sitting on the PMG to promote alignment and consistency in decision-making.

4.3 The PMG may decide to refer any project for approval to the Enterprise M3 Board, this decision can be taken either at the PMG meeting or in advance of a PMG meeting in light of the forward programme. The Board may also ‘call in’ any project in the forward programme for PMG. In order for the Board to 'call in’ a project, the support of three Board Members must be obtained and at least seven working day’s notice be given to the Assistant Director – Operations. In order to ensure strong communications between PMG and Board, a report on recent approvals from PMG and the latest position on LGF and GEF funds will be presented to each Board Meeting.

4.4 The Joint Leaders Board will nominate representatives to sit on the PMG as set out in Part 2. These representatives will report back to the Leaders Board regularly and will be expected to represent the views of all local authorities within the Enterprise M3 area.

5. Conflicts of Interest

5.1 Normal Enterprise M3 procedures around conflicts of interest will apply. PMG members will be asked to provide details of any relevant interests upon being admitted to the group, and conflicts of interest will be a standard item on the PMG agenda.

5.2 The PMG will hold a register of members’ interests, which will be reviewed regularly and will be published on the Enterprise M3 website. All PMG members will be asked to sign a Code of Conduct before attending their first meeting.

6. Review

6.1 The LEP shall review the effectiveness of the PMG on an ongoing basis to ensure it is fit for purpose.

6.2 A formal review shall take place in May 2021 and any necessary updates to the Terms of Reference will be made.