

**Enterprise M3 Programme Management Group**

**12 November 2020 – 10:00-13:00**

**Zoom Video Conference**

**MINUTES**

**Members Attending**

James Cretney - Chair  
Deborah Allen  
Dave Axa  
Claire Burnett  
David Fletcher  
Matt Furniss  
Rob Humby  
Paul Millin  
Kathy Slack  
Lucille Thompson

**EM3 Guests Attending**

Lee Danson  
Kevin Lloyd  
Fiona McMurray  
Jordan Tame  
Kevin Travers  
Geoff Wells

**Apologies**

Rob Carr  
Mike D'Alton

**Observers**

Joy Carter – University of Winchester  
Stephen Martin – Enterprise M3

**1. Welcome and Introductions**

- 1.1 James Cretney welcomed everyone to the meeting. It was noted that Joy Carter was joining the meeting as an observer following an interest from the Enterprise M3 Board in observing PMG meetings.
- 1.2 Stephen Martin was introduced to the Group as the new Director – Operations formally joining Enterprise M3 on the 30 November 2020.
- 1.3 The minutes of the previous meeting were reviewed, the minutes were approved and all actions were noted as complete or appearing on the agenda of the meeting.

**2. Minutes of last meeting and matters arising**

- 2.1 The minutes of the meetings held on 10 and 17 September, and 15 October 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:

<b>Name</b>	<b>Interest</b>	<b>Declared Action</b>
Deborah Allen and Claire Burnett	Programme Management Group Terms of Reference	Left the room during the decision making
Rob Humby and David Fletcher	Capital Programme Update	Left the room during the decision making
Paul Millin, Matt Furniss and Geoff Wells	Contract Review	Left the room during the decision making
Rob Humby and Lucille Thompson	Future Workspace Programme	Remained in the room as no decision was made on projects where they had a specific interest

#### 4. Programme Management Group Terms of Reference

- 4.1 The Group were given an overview of the Programme Management Group's Terms of Reference and noted the upcoming changes to the Group's membership following James Cretney's departure at the end of November 2020 and David Fletcher's departure at the end of December 2020. Nominations for the Local Authority representatives were noted as being sought at the 19 November Joint Leaders Board Meeting.
- 4.2 The Group agreed the appointment of Claire Burnett as the Homes England representative and Stacey King as a Private Sector Board member to replace James Cretney to the Enterprise M3 Programme Management Group. The Group noted the appointment of Deborah Allen as Chair of the PMG from November 2020.

Action to be taken	By Whom	When
Update the Programme Management Group Terms of Reference with the membership appointments agreed and publish on the Enterprise M3 website	Jordan Tame	November 2020

#### 5. Capital Programme Update and Contract Review

##### a) Capital Programme Update

- 5.1 The Group received an update on the progress in delivering the capital programme. Since the last PMG a further five contracts were agreed and £10m of LGF claims received and processed to date in line with previous years Q2 position. Work would be ongoing to increase spend in Q3 and Q4.
- 5.2 An update was provided on the Fleet Town Centre Recovery Scheme. Hart District Council had advised the LEP that the pedestrianisation works would be removed and Fleet Road reopened to traffic. The Group were advised that discussions with Hart District Council officers was ongoing and there was potential for a revised scheme to be delivered. The Group were not asked to make a decision on this item at the meeting.
- 5.3 Lee Danson gave an overview of the digital platform which was being developed to complement high street and town centre shopping working. The proposal would provide an enhanced marketing platform to be available for market traders, pop-up premises and click and collect services, the Group was asked to delegate authority to the Chief Executive for expenditure of £10k. It was raised that Enterprise M3 should explore the existing platforms and see if a local platform could be utilised. The Group approved the recommendation and delegated authority was awarded to the Chief Executive for this project.
- 5.4 An update was provided on the available funding amount of the Local Growth Fund. Table 2 within the paper set out the current position. There was £2m left unallocated following decisions on Royal Holloway, Winchester Science Centre and the Future Workspaces Programme. It was highlighted that the LEP were at a critical point in terms of new projects as due to Government deadlines it would be difficult to bring forward pipeline projects and achieve spend.
- 5.5 Government had advised the LEP to utilise freedoms and flexibilities to ensure that Enterprise M3 reached its spend targets. An update on this position would be brought to the meeting in January 2021. Enterprise M3 would continue to work closely with its Accountable Body and its local authority partners to ensure the programme was delivered.
- 5.6 It was noted that there were many projects with a green RAG rating, but it was questioned how the amber and red RAG projects were progressing. It was noted that the team would be working closely with the project sponsors in reducing the risk and ensuring that the projects were delivered. The projects with an amber RAG rating were noted as all being approved but not yet contracted but the team was confident that these projects would be delivered and following contracting the status would be updated to a green RAG rating. It was noted that the amber

projects were also not as time critical as spend was scheduled to be drawn down against loans repayments in future years.

- 5.7 An update was provided on the Brighton Hill Roundabout project which had been reported on at the previous PMG meeting. The proposed scheme could not be delivered in full and Kevin Travers had been working closely with Hampshire County Council to bring forward a revised scheme which provided good outputs with a good Benefit Cost Ratio. The cost estimates had been reviewed and the revised scheme could be delivered for £19.3m (£1.6m less than the original cost), and the LEP would reduce its funding amount from £13m to £11.65m. The Group discussed the project and agreed to the revised funding amount of £11.65m for the Brighton Hill Roundabout scheme.

Action to be taken	By Whom	When
Proceed with the Digital Platform Project with the Chief Executive having delegated Authority to approve £10k following receipt of a business case	Kevin Lloyd	14 January 2020
Proceed with a Deed of Variation for the Brighton Hill Roundabout Scheme	Kevin Travers	14 January 2020

#### b) Contract Review

- 5.8 Lee Danson provided the Group with an update on progress of contracts over the 2020/21 financial year. There had been 26 contracts to complete following approvals from the Board and PMG for a combined value of £23.1m. Nine contracts had been signed and a further five had been issued and were awaiting signatures. The 14 contracts complete or about to be completed had a value of £15.3m (66% of 2020/21 contract value). The Group were informed of the 12 outstanding contracts with the individual details provided within the paper.
- 5.9 The Surrey EV Chargepoint Pilot project was discussed and it was noted that due to issues around the MAAS element of the scheme, progress had been slow since August 2020. Kevin Travers informed the Group that the project issue had now been resolved and was confident that the project could now move forward. He recommended a deadline of contract agreement by 30 November 2020.
- 5.10 The Group agreed the recommendation for the Surrey EV project to be withdrawn if the contract was not agreed by 30 November 2020.

Action to be taken	By Whom	When
Proceed the Surrey EV Chargepoint Pilot Project to contract, if contract agreed by 30 <sup>th</sup> November. If not agreed by 30 <sup>th</sup> November withdraw scheme from the programme.	Kevin Travers	30 November 2020

#### 6. Getting Building Fund

- 6.1 The Group received a report on the progress in delivering the Getting Building Fund. The guidance from Government was that Enterprise M3 needed to achieve 50% (£6.5m) spend in 2020/21. Lee Danson highlighted that Enterprise M3 were confident in achieving the £6.5m following recent discussions and ongoing work with the project sponsors.
- 6.2 The contracts for 8 out of 10 GBF projects were progressing well and were anticipated to be signed by 30 November 2020.

#### 7. Gigabit EM3 Town and Rural Project

- 7.1 Kevin Lloyd introduced himself and gave an update on the Gigabit EM3 project and its ongoing progress.
- 7.2 At the previous meeting it was agreed that further work to de-risk the project was needed before the £4.5m GBF could be approved. This entailed detailed assessment and design work to be

carried out on the route as well as an options analysis of the potential delivery vehicle. The Board approved the allocation of £250k for this work to be undertaken.

- 7.3 Procurement had taken longer than originally anticipated however it was now well underway and was expected to be let later in November 2020. The work should be completed in February 2021 which was later than planned but should not have a major effect on the overall project timeline of spending by 31 March 2022. It was noted that the Local Authority Steering Group had been deferred until the information from the preparatory work became available.
- 7.4 The Group remained very supportive of the project but asked for an update be brought to the Board on the timescales and project deliverability. Rob Dunford and Kevin Lloyd were working closely with partners and other organisations who had delivered similar schemes to understand the different options and follow best practice. They were also exploring options should the spend profile, timeline or project elements change to ensure delivery of the project.

## 8. Brooklands College Proposal

- 8.1 Kathy Slack gave an update on the proposal from Brooklands College, it was noted that this was a confidential paper.
- 8.2 The Group discussed the proposal, benefits and outcomes and subsequent development and requested that the team speak to Elmbridge Borough Council about future plans. The Group requested that the College was encouraged to incorporate clean growth and digital aspects into their planning and that the possibility of incubation facilities for business be explored. Claire Burnett offered support for the project and would liaise with Kathy Slack to discuss options.
- 8.3 The Group agreed to approve LGF loan funding and delegated authority to the Chair of the PMG to provide final sign off on the project following confirmation of costs.

Action to be taken	By Whom	When
Proceed the Brooklands College Project to contract following confirmation of costs and sign off from the Chair of PMG	Kathy Slack	14 January 2021

## 9. Future Workspace Programme

- 9.1 Kevin Travers gave an overview of the Programme. The Group were being asked to agree a new programme to support pilot projects to supply innovative and flexible workspaces within the Enterprise M3 area. It was noted that there were opportunities for this fund to be provided on a loan basis and at least two of the potential projects were likely to be loans.
- 9.2 The Group discussed the potential risks of ability to deliver the programme given the 31 March 2021 spending deadline. As the schemes progressed through planning these would become more apparent however with the information available at the meeting the risks were considered low and, at this stage, only the programme was being approved rather than individual projects.
- 9.3 Match funding levels were discussed and reflections were drawn to the Clean Growth Programme which requested 50% match funding from the projects. Kevin Travers highlighted that for the grants provided under the Programme this should not be an issue but that a more flexible approach would be needed for the loans provided. This was due to interest being applied and that ultimately the funding returned to the LEP to be utilised elsewhere.
- 9.4 Lee Danson highlighted that this was a pilot project and there was potential to provide further funding in future years if it was considered appropriate to do so.
- 9.5 Rob Humby declared an interest in the potential Andover/Incuhive project within the Programme and Lucille Thompson raised the links to the proposed Winchester scheme but as no decision was being made on individual projects, they remained in the room for the decision making.

- 9.6 The Group agreed broad parameters and allocation of £500k for the Pilot Programme and delegated authority to the Chief Executive for projects under £250k of LGF funding but any project over £250k of LGF funding would need to come back to the PMG for approval.

Action to be taken	By Whom	When
Proceed with the Future Workspaces Pilot Programme	Kevin Travers	14 January 2020

## 10. EZ<sup>3</sup> Enterprise Zone Update

- 10.1 Kathy Slack introduced Fiona McMurray to the Group and gave an update on the Enterprise Zone programme.
- 10.2 Enterprise M3 had a multi-site Enterprise Zone, each site has its own merits and opportunities and each had a particular specialism. A detailed overview of progress on each site was given to the Group.
- 10.3 Business Rates reduction had been successful particularly at Basing View and a proportion of the Business Rates Income Growth (BRIG) across all 3 sites was retained by the Enterprise M3 LEP over 25 years.
- 10.4 It was noted that substantial progress has been made on the Enterprise Zone Sites following the £13m investment by Enterprise M3 across the three sites with the costs to be re-couped through BRIG income. It was also highlighted that despite delays caused by normal construction processes, as well as additional issues related to COVID-19, that the £13m LGF expenditure would be fully utilised by 31 March 2021.

## 11. LEP Update on Recent Developments

- 11.1 Kathy Slack gave an update on recent developments. It was noted that there were plans circulating in the media to review the Green Book approach to spending and projects. This would move away from the existing way of reviewing projects and Enterprise M3 would stay up to date with the guidance as it emerged.
- 11.2 Positive progress was being made on moving the Enterprise M3 Growth Hub in-house. It was highlighted that Enterprise M3 were liaising with other LEPs and that a number of LEPs were following Enterprise M3's example. The Group were informed of the work completed to date on the Review and Renew Action Plan working with other LEPs and engaging with partners for feedback. The Plan had been published on the Enterprise M3 website available for anyone to view and read.
- 11.3 A number of announcements had been made in the media including the big pharmaceutical announcement of UCB acquiring a 19 hectare site in Windlesham and the news of the Gordon Murray Group plans for a 54 acre site also in Windlesham. Kathy Slack highlighted the work of the Enterprise M3 team on inward investments particularly in the space sector with NanoAvionics expanding its operations into Basingstoke. The Guildford Games Festival was also mentioned which demonstrated how Enterprise M3 worked with partners to promote the region.
- 11.4 There was discussion regarding the new Government Social Value model. This model would require public sector contracts to be assessed on Covid-19 impact on equality and levelling up. The overarching aim of which was to level the playing field for the UK's small businesses and start ups. The measures were due to come into effect from January 2021

## 12. European Programme Update

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

## 13. Forward Programme

- 13.1 The Group noted the current forward programme.

#### 14. **Any Other Business**

14.1 The meeting was James Cretney's last meeting as his term of office on the Enterprise M3 Board would finish at the end of November. The Group thanked James Cretney for his outstanding contribution to the Programme Management Group and as a Board Member.

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

- Thursday 14 January 2021 – 10am-1pm
- Thursday 11 March 2021 – 10am-1pm