

JOINT LEADERS BOARD

Enterprise M3 Joint Leaders Board

Notes of the meeting of the Joint Leaders Board held on 21st January, via Zoom.

Attendees:	
Cllr Rob Humby (Cllr Humby)	Hampshire County Council (<i>Chair</i>)
Cllr Keith Mans (KM)	Hampshire County Council
Stuart Jarvis (SJ)	Hampshire County Council
Kathy Slack (KS)	Enterprise M3
Stephen Martin (SM)	Enterprise M3
Cllr Ken Rhatigan (KR)	Basingstoke and Deane Borough Council
Russell O'Keefe (RO)	Basingstoke and Deane Borough Council
Cllr Joss Bigmore (JB)	Guildford Borough Council
James Whiteman (JWh)	Guildford Borough Council
Daryl Phillips (DP)	Hart District Council
Cllr Nick Prescott (NP)	Runnymede Borough Council
Paul Turrell (PT)	Runnymede Borough Council
Cllr Ken Muschamp (KM)	Rushmoor Borough Council
Paul Shackley (PS)	Rushmoor Borough Council
Hannah Wyatt (HW)	Surrey County Council (<i>Minutes</i>)
Cllr Alan McClafferty	Surrey Heath Borough Council
Tim Pashen (TP)	Surrey Heath Borough Council
Cllr Phil North (PN)	Test Valley Borough Council
Andy Ferrier (AF)	Test Valley Borough Council
Cllr John Ward (JW)	Waverley Borough Council
Tom Horwood (TH)	Waverley Borough Council
Cllr Lucille Thompson (LT)	Winchester City Council
Laura Taylor (LT)	Winchester City Council
Ayesha Azad (AA)	Woking Borough Council
Ray Morgan (RM)	Woking Borough Council
Cllr David Neighbour (DN)	Hart District Council
Daniel Mouawed (DM)	Spelthorne Borough Council
Clare Chester (CC)	East Hants District Council

Apologies:	
Richard Millard (RM)	East Hants District Council
Joanna Killian (JK)	Surrey County Council
Cllr Colin Kemp (CK)	Surrey County Council
John Coughlin (JC)	Hampshire County Council
Cllr David Clifford	Rushmoor Borough Council
Dave Axam	Enterprise M3
Cllr Julie Butler (JB)	East Hants District Council
Gill Kneller (GK)	East Hants District Council
Patricia Hughes (PH)	Hart District Council
Cllr Stuart Selleck (SS)	Elmbridge Borough Council
Rob Moran (RM)	Elmbridge Borough Council

1. Welcome & Introductions (Chair)

Cllr Humby welcomed the Board and explained the shorter session to update on key issues, whilst recognising everyone's currently demanding diaries. Apologies were announced.

2. Minutes of the last JLB meeting and Scrutiny meeting- 19 November 2020 (Chair)

Noted correction to November JLB Minutes for spelling of new EM3 Board Director *Daniel Ruiz* and his former business *Zenzic*. Minutes for the November Scrutiny meeting circulated for review and information; these will not be adopted until the next Scrutiny meeting in November 2021.

3. Enterprise M3 update – (Kathy Slack and Stephen Martin)

Government position on recovery/ LEP Focus /MP Engagement:

3.1 KS introduced EM3's new Director of Operations Stephen Martin. KS explained they'd hoped to be able to update on the government's Levelling Up Fund prospectus by now, but that this has been delayed. Work is on-going however and KS highlighted a meeting with members of the Transport Action Group Executive team (including two highways authorities, TAG and Daniel Ruiz) where smart mobility was discussed and a wider conversation on place.

3.2 Noted LEP annual performance review; EM3 submitted answers to series of questions this week. Explained gradings are now 'met/ not met' instead of former gradings like good/ excellent etc.

3.3 Focus has been on supporting businesses through Covid-19 impact and more recently on leaving the EU and end of transition. Aware of pressure on local authorities in regard to various grants and LEP is working closely with Economic Development Officers in shaping those offers and to make sure businesses are aware of what's available.

3.4 Noted Spelthorne MP Kwasi Kwarteng now Secretary of State at the Department for Business, Energy and Industrial Strategy. Spelthorne is one of the most disadvantaged areas within the EM3; the area includes Heathrow and its impact on their workforce, the film production unit at Shepperton, and BP is also a significant employer. These industries are all facing challenges, but there are also opportunities to be had so Kwasi's appointment and knowledge of the area is useful, although noted that an MP needs to be careful in their local area and not seen to favour it unfairly. The Secretary has said his focus is recovery and growth, and that he is interested in trade relations and Brexit.

Catalyst South:

3.5 Catalyst South is the strategic alliance of six Local Enterprise Partnerships (Coast to Capital, Enterprise M3, Hertfordshire, South East, Solent and Thames Valley Berkshire) and the Chairs and CEOs work together to share good practice and to articulate a united voice to government. Also noted EM3 liaising with the Leaders Forum group (made up of the counties that surround London) and Transport for the South East. Discussed work needed on southern case to present to government a strong voice on opportunities and growth but also those areas of deprivation (which would fit within the levelling up criteria).

3.6 Highlighted work to likely take place around screen and film production (London and Heathrow are attractive sites) but also noted large film studios within LEP and Catalyst South area. Also looking at London and effect for surrounding area in terms of people's commute pattern changing and likely increase of workers moving out of London now there is more remote working - the opportunities and challenges this presents.

Business and Economic Recovery:

3.7 EM3 Board agreed focus would be on Covid-19 recovery; working closely with businesses and noted work on trade, inward investment, and innovation and skills. Highlighted success in December of funding for the space and satellite hub. Also discussed several key virtual events from now until March where expect to engage with 600/700 SMEs.

3.8 Also highlighted work on innovation centres; where workers in future would do mix of office, working from home and local hub- no 'return to normal' ways of working expected following pandemic. EM3 driving

work on Smart Mobility and Active Travel related to these changes to working and the Highstreet. As the local growth fund comes to end in March and unsure about capital programmes the LEP keen to work closely with LAs and private sector to bring in investment to local area.

3.9 KM discussed need to highlight areas of deprivation in south to government. Discussed government's plan for number of Freeports across country – a lot would likely be in the north but proposal being put forward on the Nursling industrial estate in Southampton. Agreed this was an exciting scheme which would pull together different taxation and customs areas, and then Southampton could be used as centre for wider regeneration programme. Expressed feeling that it had good chance and would provide opportunity for more inward investment. KS confirmed EM3 fully supportive of this proposal. They are also working closely with Heathrow and partners on their Associated Freeports proposal and an innovation zone proposal.

3.10 Noted work on fibre spine which will hopefully bring revenue into area; supporting regeneration, employment and business development opportunities and will update further on this at the March board. These sort of initiatives, at this large scale will entail more of the EM3's work going forward. Cllr Humby noted joint up working needed on green and sustainable recovery, as well as place, to make sure there is no duplication and need for businesses to be included on this journey.

UK transition and Covid-19 recovery support to business:

3.11 Discussed EM3 Growth Hub being brought in-house from March in recognition of huge work it's doing on Covid-19 recovery and EU transition. Brought in additional advisors and working in cluster with SOLENT, C2C and Thames Valley Berkshire to pool resources and expertise. They have procured work on surveying businesses on their current status and will share these with Board when complete. LEP also holding expert seminars (along with KMPG) to answer specialist business enquiries – these will be recorded and will be followed up with 1 to 1 advice. Enquiries to LEP on end of EU transition relatively low at the moment but expecting this to pick up in next week or so. Those involved in export documentation are getting a lot of enquiries, however.

3.12 Highlighted in the monthly EM3 newsletter the recent news on the animal health Tech sector which includes over 200 companies in the LEP area. We secured a high potential opportunity last year which is an acknowledgement from government that we have a specialist sector within this area; this can then be used to go overseas and secure inward investment. Particularly relevant as this sector studies the transfer of viruses between animals and humans. Noted event tomorrow bringing together this sector, along with the satellite and space sector – these niche sectors make LEP area strong and give opportunity for growth, increase jobs and skills, and draw in inward investment.

3.13 Noted recruitment for Head of Trade and Enterprise who is due to start at the beginning of April. This is in recognition of this critical area and feeding into government our strength in exports and our focus in drawing in investors around key sector strengths. There is concern however that some businesses abandoning EU as they see it as too challenging but at the same time some businesses are looking at other new markets.

3.14 Raised recent KMPG report on town centres and noted the 10 retail town centres they think will be most impacted (by people working from home and not shopping in highstreets etc.) include Guildford and Basingstoke, and 7 of the 10 are towns within the South East. However, the very reason our economy is faring better than others is our workforce's mobility and being able to work from home. Felt this item will be good for future debate about places as a whole.

ACTION: KS to circulate the KMPG report on town centres, as well as economic intelligence slides from January EM3 Board meeting.

3.15 Cllr Nick Prescott raised a KMPG report on unitaries and local government reform, and that key thing within Surrey is joint working on Covid-19 recovery, and the green and digital agendas (particular post-Brexit) to achieve our goals. Group agreed joined up working needed and to share information and maintain good communication.

ACTION: NP to circulate the KMPG report on local government reform.

Latest position on Capital Funds:

3.16 SM confirmed focus on maximising delivery and expenditure in this current financial year. LEP in overall good position; expecting to meet or exceed output targets for this year (with possible exception on the jobs target - which has been most impacted by Covid). Noted delays to some projects due to Covid-19 and agreed with accountable bodies on freedoms and flexibilities which will enable LEP to meet objective to spend at least £48m of Local Growth fund in this financial year, and to provide support some of the delayed projects so they can complete beyond the financial year. This is helped by some previous LGF support which has been in the form of loans and when those repayments come back the LEP has discretion to use these beyond this financial year.

3.17 Overall the allocation of funding to projects uses the entire available funding, including those loan repayments (currently £0.6m unallocated). However, a few projects have question marks as to whether they can spend on the funding allocated to them, this means potentially some of that funding to come back to the LEP and a slightly larger pot available for use next financial year, which the LEP would have broad discretion on how it could be used.

3.18 EM3 looking at potential future funds (like the Levelling Up Fund) and currently reviewing the pipeline of early stage project ideas which the LEP has monitored through continued dialogue with LAs and other partners so in good position to respond as soon as opportunities arise. Noted the Getting Building Fund is in good place and all but one project contracted and profiled to meet requirement from central government to spend 50% of the GBF allocation this year. The one project not currently contracted is the Gigabit EM3 (fibre spine) however detailed project design work being done to enable a decision on this in March. SM noted need to maintain good project delivery discipline into next year and beyond – project monitoring, reporting, evaluation etc.

Advertising of a new chair for Enterprise M3:

3.19 SM briefed on launch of recruitment for the new Chair for EM3 Board and aim to advertise this position by the end of January, with view for interviews to then take place in April. Proposed Cllr Humby to be on interview panel and this was agreed. SM explained the LEP is looking for an effective business leader who lives or works in EM3 area and will able to play an important ambassador role, and critical role in building strong relationships and partnerships with stakeholders. LEP invited group to bring role to attention of anyone they thought suitable. Position is approximately 4 days per months, with a remuneration of £20k.

4. Closing remarks

Cllr Humby thanked the attendees for joining and updated that he had been in contact with Cllr Kemp who was doing well and looked forward to his return to chairing the JLB Board when possible.

Dates of future meetings:

18-Mar-21	virtual
20-May-21	TBC
22-July-21	TBC
23-Sept-21	TBC
18-Nov-21	TBC
20-Jan-22	TBC
24-March-22	TBC