

JOINT LEADERS BOARD

Enterprise M3 Joint Leaders Board

Notes of the meeting of the Joint Leaders Board held on 20th May, via Zoom.

| Attendees: | |
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| 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 |
| Rob Dunford (RD) | Enterprise M3 |
| Dave Axaam (DA) | 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 |
| Chris Burchell (subbing JWh) | Guildford Borough Council |
| Daryl Phillips (DP) | Hart District Council |
| Paul Shackley (PS) | Rushmoor Borough Council |
| Cllr Ken Muschamp (KM) | Rushmoor Borough Council |
| Hannah Wyatt (HW) | Surrey County Council (<i>Minutes</i>) |
| Cllr Alan McClafferty (AMc) | Surrey Heath Borough Council |
| Cllr Phil North (PN) | Test Valley Borough Council |
| Andy Ferrier (AF) | Test Valley Borough Council |
| Cllr Paul Follows (PF) | Waverley Borough Council |
| Tom Horwood (TH) | Waverley Borough Council |
| Laura Taylor (LT) | Winchester City Council |
| Cllr David Neighbour (DN) | Hart District Council |
| Daniel Mouawed (DM) | Spelthorne Borough Council |
| Richard Millard (RM) | East Hants District Council |
| Gill Kneller (GK) | East Hants District Council |
| Apologies: | |
| John Coughlin (JC) | Hampshire County Council |
| Damian Roberts (DR) | Surrey Heath Borough Council |
| Paul Turrell (PT) | Runnymede Borough Council |
| Cllr David Clifford (DC) | Rushmoor Borough Council |
| James Whiteman (JWh) | Guildford Borough Council |
| Cllr Lucille Thompson (LT) | Winchester City Council |
| Patricia Hughes (PH) | Hart District Council |
| Ayesha Azad (AA) | Woking Borough Council |
| Julie Fisher (JF) | Woking Borough Council |
| Cllr Stuart Selleck (SS) | Elmbridge Borough Council |
| Joanna Killian (JK) | Surrey County Council |
| Rob Moran (RMO) | Elmbridge Borough Council |
| Cllr Julie Butler (JB) | East Hants District Council |
| Cllr Nick Prescott (NP) | Runnymede Borough Council |

1. Apologies & Minutes of the last JLB meeting – 18 March (Chair)

The Chair welcomed the Board, apologies were announced, and the minutes of the last meeting held on 18 March 2021 were approved.

2. LA Elections: Summary of results and any implications

2.1 Briefly discussed how not all LAs had held their Group or Council meetings following the recent elections but noted some changes and positions to be filled. Highlighted that Colin Kemp was not re-elected so a further vacancy on the EM3 Board (as well as the Surrey and Hampshire vacancies already mentioned), and a permanent Chair for the JLB needs to be agreed.

2.2 The applications for these vacancies will be circulated in advance, and then voted on at the July JLB meeting. The Surrey Board position to be confirmed by SCC but noted this still to go through the JLB. KS confirmed she was happy to meet or have calls with LAs to answer any queries on the LEP, particularly related to any recent changes.

The Chair highlighted Colin's contribution, hard work, and enthusiasm for the EM3 Board and JLB. These comments were supported by the group.

ACTION: Board agreed for a letter of thanks to be sent to Colin Kemp for his Chairmanship and contribution.

3. Bidding Update - Levelling Up Fund and Community Renewal Fund

3.1 LT and TH confirmed no bids received. The Chair welcomed comments and noted the differences for Surrey and Hampshire areas – Hampshire has the Solent area to south (which has lots of activity) and has the only area in priority category 2.

3.2 PN queried if any LAs either by themselves or in collaboration were preparing a bid and reiterated previous comments about difficulties due to our priority rankings effectively reducing likelihood of success. Suggested if any MP-lobbying or activities the JLB could do to support bids. Raised that we need to have joint voice to get attention from government and to receive funding opportunities. The Chair agreed with this need and welcomed thoughts of the board on how to take forward.

3.3 LT raised the short timescales which are also detrimental on putting together detailed bids by the first wave deadline. Noted South East Councils recent document on aspirations for South East (including smarter and greener transport, skills provision, growth) and queried if we should link in with them on this or invite to a future meeting for a joint agenda.

3.4 SJ confirmed some bids are being prepared in SE Hants but not within EM3 area. KR stated that we need to work collaboratively in what we bid central government for and confirmed he felt we would currently be rejected for any bids, due to the tier system and our area rankings.

3.5 KR raised that we should focus on the skills agenda and that there is a collaborative case and opportunity for Surrey and Hampshire on this. KM mentioned a recent EM3 presentation on future transport and mobility hubs, which was knowledgeable, but he felt it was still too early in terms of tangible project ideas and guidance.

3.6 KS noted LAs raising the issue on the difficulty of successful bids, and bidding being a resource-intensive activity, with very few bodies having this capacity, particularly when the success rate is low. KS thought collaborative ideas and bids around net zero and environment would be good to aim for. Highlighted that the LEP meet regularly with LA CEOs and need to focus on the areas we want to target. Noted the election results in south and conjectured whether lack of investment in the South had impact on voting.

3.7 DA explained we have previously been successful in receiving bids and funding so if we're not going to bid this time and there's a set of reasons it's stronger if we express this with one voice, to then help create an environment where we can be successful in future. Also, that we need to focus

on what makes us stand out (green agenda, digital, and skills). LAs need to lead this though and then the LEP can help with a compelling bid and driving forward.

3.8 PN raised the circuitous point of needing area to bid on, but then not wanting to bid because of likely rejection. Agreed with green agenda focus, as well as town centres and links into that. PN queried if the LEP should write to MPs and suggested perhaps individual Leaders for now to lobby them and raise issues with this bidding round. PN agreed on KS election point and therefore lobbying MPs (who want to keep seat) should be more effective than writing to central government.

ACTION: PN to write letter to his local MPs Kit Malthouse and Caroline Nokes; he will then share this with other Leaders as a template for them to send to their local MPs. To send to EM3 as well (so they can align with CEO discussions).

3.9 KS concluded that we should keep an eye out for any other funds and opportunities, and to bid on these collectively where possible. PF raised that MPs not focusing on funding in the south, despite the impact this has had on vote and their own strength within constituencies. Therefore, felt this tactic of writing to them wouldn't likely achieve results. Chair highlighted that the North have a stronger 'one voice' than we do in the south, but there is more of a drive now for this in South.

4. EM3 update

LEP Review and EM3 Future Vision

4.1 DA discussed review, positioned as an evolution of LEPs looking at: how they're formed, what their function is, and their geography. DA thinks LEPs will likely sit within BEIS and the focus will be more on the business side and less on place/ transport (which historically overlapped with LAs). Engagement is being led by LEP Network, which is stronger than previous review, and well-coordinated. Approach of EM3 is to be proactive and look at how they drive benefits, continue with collaboration, and increase economic growth, particularly post-Covid.

4.2 KS shared the 'Shaping our Vision' slides which contained more detail of the review, and comments from the Board and LA CEOs on how they see the future of the LEP and areas to focus on such as enabling change, promoting innovation, improving skills, business support and intelligence etc. KS highlighted the Digital Fibre Spine project which demonstrates collaborative working and support LEP provide, also working across boundaries.

4.3 LEP also sees themselves joining up more with Surrey Chambers, FSB and CBI. Noted LEP need to look at themselves critically though when it comes to accountability and governance arrangements, assurance there are right skills and talent represented, and for income generation. KS felt if any intel from LAs on funding or on central government communication could be shared this would be useful.

Capital Programme

4.4 SM shared some slides on overview for 20/21. In terms of year end position the LEP were pleased to spend the entire Local Growth Fund allocation by end of the funding period. This was with help from government's 'freedom and flexibilities' – which allowed some LA projects that experienced delays able to complete this year, thereby using the full fund and making sure maximum investment into the region.

4.5 SM discussed key delivery outputs; most targets hit or exceeded, though apprenticeships supported, commercial floorspace and jobs created/ safeguarded had slight shortfall – recognising some projects experienced delays due to Covid and some of these outputs will be met but taking place later than originally planned for. SM highlighted successful projects completed in 2021 such as the 5G Innovation Centre, RHS Wisley project delivering skills for horticultural sector, and the Whitehall and Borden new town centre.

4.6 SM detailed broad division of expenditure from Growth Fund and emphasised 49.4% being for transport which reflects their innovation, clean growth, and skills focus. Measured outputs from LGF projects (though these will continue to be measured up until 2025) include £726m invested in the region.

4.7 SM emphasised that though the Growth Funding period ended on 31st March the capital programme still has a substantial portfolio of projects still to complete – most within this current financial year. Also, there is the Getting Building Fund to deliver and complete. Looking at medium term there will be further trenches of loan repayments to LEP in the years ahead and conversations needed with LAs and partners on how these future pots of funding will be used.

Latest position on Economy

4.8 KS highlighted EM3 annual meeting on the 24th June and speaker on market and businesses opportunities for clean growth. KS also highlighted how our growth has been faster here than UK average and big increase on new orders (fastest pace recently since Dec 2013), with also a big upturn in consumer confidence. Did note however that the stamp duty change in September could affect residential property transaction growth.

4.9 EM3 region has 80% employment rate (which is where it was pre-pandemic) though skills shortages in hospitality and digital. Noted worrying trend of young people (aged 18-24) with unemployment rate of 6.6%, though this is lower than national average of 7.8% and may pick up over summer with hospitality and businesses. Also, small decrease in overall resident employment due to the decrease seen in self-employment.

4.10 KS flagged the recent Tech Nation report, which sets out where IT strengths reside in UK. It is globally recognised, and companies look at when deciding on where to invest. Usually only cities are included but this year Guildford is mentioned within it. JB thanked the LEP for their work on this initiative and support of Guildford tech.

4.11 DA highlighted our strong high-value business knowledge which will allow recovery of service economy when climate allows this. We need to continue to invest and attract those high growth sectors. Flagged that the nature and world of business has changed post-Covid, and we mustn't be complacent. DA also discussed the new Chair, the strong selection process and the high calibre of candidates shortlisted – LEP Chair to be announced in due course.

5. Closing remarks

The Chair highlighted the next July date being rescheduled and raised possibility of it being face to face (government guidelines allowing and attendees agreeing). KS noted this board works very effectively online, however benefits to in person and perhaps this could be on alternating dates/ once a year. Raised that hopefully the new LEP Chair will join the next date to be introduced.

Dates of future meetings:

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| *now 20-July-21 | virtual |
| 23-Sept-21 | TBC |
| 18-Nov-21 | TBC |
| 20-Jan-22 | TBC |
| 24-March-22 | TBC |