

## JOINT LEADERS BOARD

### Enterprise M3 Joint Leaders Board

Notes of the meeting of the Joint Leaders Board held on 20<sup>th</sup> July, via Zoom.

<b>Attendees:</b>	
Cllr Rob Humby (Cllr Humby)	Hampshire County Council ( <i>Chair</i> )
Cllr Keith Mans (KM)	Hampshire County Council
Kathy Slack (KS)	Enterprise M3
Stephen Martin (SM)	Enterprise M3
Dave Axam (DA)	Enterprise M3
Michael Queen	Enterprise M3
Cllr Ken Rhatigan (KR)	Basingstoke and Deane Borough Council
Russell O'Keefe (RO)	Basingstoke and Deane Borough Council
Cllr Jan Harwood (JH)	Guildford Borough Council
Chris Burchell (subbing JWh)	Guildford Borough Council
Cllr Chris Sadler (CS)	Elmbridge Borough Council
Cllr Ken Muschamp (KM)	Rushmoor Borough Council
Cllr Natalie Bramhall	Surrey County Council
Hannah Wyatt (HW)	Surrey County Council ( <i>Minutes</i> )
Cllr Alan McClafferty (AMc)	Surrey Heath Borough Council
Damian Roberts (DR)	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
Cllr Lucille Thompson (LT)	Winchester City Council
Laura Taylor (LT)	Winchester City Council
Cllr David Neighbour (DN)	Hart District Council
Daniel Mouawed (DM)	Spelthorne Borough Council
Cllr Lawrence Nichols	Spelthorne Borough Council
Ayesha Azad (AA)	Woking Borough Council
Cllr Nick Prescott (NP)	Runnymede Borough Council
Paul Turrell (PT)	Runnymede Borough Council
Anne-Marie Mountfield	CEO Solent LEP ( <i>Guest</i> )
Richard Kenny	Hampshire County Council
Clare Chester (subbing for GK)	East Hants District Council
<b>Apologies:</b>	
Gill Kneller (GK)	East Hants District Council
Tom Horwood (TH)	Waverley Borough Council
Stuart Jarvis (SJ)	Hampshire County Council
Paul Shackley (PS)	Rushmoor Borough Council
Cllr David Clifford (DC)	Rushmoor Borough Council
James Whiteman (JWh)	Guildford Borough Council
Cllr Joss Bigmore (JB)	Guildford Borough Council
Julie Fisher (JF)	Woking Borough Council
Carolyn Williamson	Hampshire County Council
Daryl Phillips (DP)	Hart District Council
Patricia Hughes (PH)	Hart District Council
Richard Millard (RM)	East Hants District Council
Cllr Julie Butler (JB)	East Hants District Council
Rob Moran (RMO)	Elmbridge Borough Council

## **1. Apologies and Introductions, and Minutes of the last JLB meeting – 20 May (Chair)**

Cllr Humby welcomed the Board and apologies were announced. Cllr Humby highlighted that this session was Dave Axam's last meeting as Chair, and welcomed Michael Queen as the new, in-coming Chair of EM3.

MQ introduced himself and explained his background of 40+ years in the investment industry investing in SMEs globally, with a focus on mentoring and investing in entrepreneurial businesses over the last 10 years. MQ is also the Chair of the University of Surrey, and Elected National Chair of all UK Universities, and sits on several boards including Chairing the International Financial Services Group and sitting on the Thames Tideway Tunnel Board. MQ explained his passion for communication and organisation that helps facilitate businesses and LAs to work together to make most of opportunities, and he is excited to work in the EM3 area and utilise its unique characteristics and opportunities. KS confirmed introductions and 121s are being arranged for MQ to meet with members and relevant stakeholders.

The minutes of the last meeting held on 20 May were approved and confirmed completion of actions. PH highlighted the letter circulated on the Levelling Up Fund was tailored for his local area but that a meeting with his MP was being arranged as a result of the communication so contacting MPs on this issue is worthwhile.

## **2. Surrey and Hampshire Nominations**

2.1 LT explained currently no nominations received for the Surrey and Hampshire district representative positions available on the EM3 Board. The JLB agreed to carry this item over and enable councils to nominate relevant Cabinet Members to take this role, in addition to any nominations for Leaders. If a Cabinet Member is nominated to the Board on behalf of districts in a county, they would be encouraged to attend JLB in addition to the Leader of the relevant council. KS highlighted championing diversity for the board and the government mandate of 50% women on the board (roughly 40/45% at the moment).

**ACTION: KS agreed for conversations with individuals interested in these role and to send them role description as needed.**

2.2 LT welcomed Cllr Natalie Bramhall as the new SCC representative on EM3 Board. NB explained she is a twin hatter – both a Borough and County Councillor within Reigate and Banstead and has been a Councillor for over 22 years. She has been on the SCC Cabinet since 2018, with her portfolio during that time covering property, greener futures and climate change, and now holding economic development and property.

## **3. Election of the Chair for the JLB**

PN proposed Cllr Humby as permanent Chair of the JLB and highlighted Cllr Humby experience – having been interim Chair since September 2020, whilst also sitting on the EM3 Board and being Deputy Leader of Hampshire CC, with his portfolio including economy and transport. KM seconded this proposal. No other nominations were received and the Board unanimously agreed to elect Cllr Humby as Chair.

## **4. Solent Freeport: Opportunities for Surrounding Area**

4.1 Anne-Marie presented slides on these opportunities and explained the Freeport is one of the streams that supports the government's levelling up agenda, which looks at reducing economic inequality, promoting global trade and positioning the UK post-Brexit, as well as climate change and net zero.

4.2 Anne-Marie highlighted economic intelligence which recorded the economy and trade within the Solent area as starting to recover and improve from April/May 2021. Business activity and exports look promising, though noted lag in advance manufacturing in construction, and the hospitality area struggling to fill vacancies. Unemployment levels are coming down but there are areas in Solent which

are behind the national average: Isle of Wight, South Hampton, Gosport, Portsmouth, and Havant. These areas historically have high levels of economic inactivity, low wages, and economic challenges.

4.3 Anne-Marie explained challenges in Solent area around investment, although there has been improvement on housing sales, and consumer and business confidence, investment levels have dropped, and it is unlikely to see returns for some time. This is where the Freeport agenda comes in to address these inequalities, focusing on areas left behind compared to the UK average for jobs and regeneration. It has an important part to play in economic recovery of the region and there are government incentives designed to accelerate this recovery and tackle performance issues.

4.4. In the March Budget 8 Freeports were selected to move forward with their proposals, with a view to confirming the designation of these Freeports in the Autumn Statement. The government specified the area mustn't be more than 45km wide (though it is recognised it will provide benefits far beyond this boundary). Estimated the Freeport area will attract at least £2b of new investment and it is forecast to create 52,000 new jobs (with an estimated 26,000 in the Solent area). Thereby estimating half of these jobs will be created elsewhere, particularly within the automotive industry. This will enable us to capitalise on our strengths in the competitive global market and invest in the future with forecast to deliver a £3.5b GVA uplift. Highlighted innovation and skills and ensuring jobs generated by the freeport will be available to people in the local area, and that the Freeport will be a hub of innovation, including for net zero targets and acceleration, and environmental technologies and decarbonisation.

4.5 Anne-Marie discussed tax sites and customs sites; with tax sites able to offer business rates relief and other incentives to support capital investment, such as capital gains tax relief (up to 100%), stamp duty, land tax relief and skills and employment relief (N.I relief – up to first £25k for each employee). Looking at possible rates relief offered to incentivise green growth and help businesses reach their net zero goals. Ambition to allow local area to retain benefits of local growth by retaining business rates so they can be reinvested in the area – which could be significant amount. Whereas designated custom sites will help enable tariff-free movement of goods, both export and import. Noted some categories of goods will be prohibited from entering the Freeport and security will be upheld - working with HMRC and Border Police to ensure this.

4.6 Anne-Marie highlighted the quick pace and timeline (detailed below) and there is pipeline of initial projects with potential to deliver in 22/23.



4.7 Cllr Humby thanked Anne-Marie and highlighted the importance of working together to make sure we make the most of opportunities for the local area and beyond. KM emphasised benefit of cluster effect and if we could be at forefront of green aviation Southampton airport could take advantage of the first zero carbon air travel. Anne-Marie agreed with these points and that the Freeport offers chance to test-bed innovation in aviation and the government are supportive of this, with local MPs Steve Brine and Paul Holmes keen to act as advocates.

4.8 KM raised that we need to encourage large, foreign companies to come into the Freeport and new investment, opposed to substitution and companies using the free taxation. Anne-Marie confirmed as part of their work and business case they have to demonstrate an approach to reduce risk of this displacement. KM highlighted that Rushmoor are twinned with Dayton, Ohio and Resko in Poland, both

major aerospace research areas, and Rushmoor would be happy to make relevant introductions and connections with these twinned towns.

4.9 KS queried whether any relaxations with money and investments for Freeport and if they can be used outside the area if it benefits the Freeport itself. Anne-Marie explained some of those tax incentives (capital gains tax, stamp duty, land tax, NI) are only available within designated site. When it comes to local release and business rates it depends as it's a property evaluation piece specific to the site. With Local Growth proceeds LAs are looking at themes (like green growth and innovation) and Anne-Marie thinks priority will be in first instance to reinvest the growth proceeds in infrastructure to unlock sites to allow delivery of growth proceeds to wider area.

4.10 PN raised concerns about displacement as already noted and queried the private sector's involvement. Anne-Marie explained the University of Southampton, Solent University and Portsmouth University have come together and nominated as innovation lead Professor Vice-Chancellor Bob Nickle from Portsmouth and he is working with his counterparts to bring forward an innovation offer, which includes reaching out to specialisms within disciplines that then feedback into Freeport. Confirmed on-going engagement with universities is very important, and reaching wider to adjacent universities would be valuable.

4.11 Anne-Marie highlighted the Solent Freeport is one of the more complex Freeports out of the 8 chosen by government due to its geography, the three commercial ports involved, the global container terminal, the ExxonMobil facility and also the airport sites. As such the LEP is bringing together this private sector coalition to work with LA partners. They have all committed significant investment and committed start-up funding from their own resources so are fully involved and engaged. Cllr Humby thanked Anne-Marie for her time and suggested an update on the site to come to a future board meeting.

## **5. EM3 Update**

5.1 DA discussed the recent successful EM3 AGM which looked at recovery and focused on the future. He also highlighted the annual report ([Enterprise M3 Annual Reports 2013 - 2021 | EM3](#)) and raised the importance of collaboration and information-sharing, and the JLB being a successful example of this. The LEP review hasn't moved forward since the last JLB meeting and the LEP network are pushing MCHLG, BEIS and the Treasury for clarity and confirmation - unlikely to receive before the summer recess. However, DA also discussed a recent space sector roundtable he chaired with Amanda Soloway, the Minister for Science, Research, and Innovation, who mentioned the importance of Levelling-Up in her opening.

5.2 KS discussed the annual report and highlighted the full spend and use off putting out in loans, allowing the £25m capital programme this year, and going into the future. KS raised how we come together and utilise this money to best effect; making sure we duplicate what others are already doing. KS explained the capital funds and revenue have been used to invest in areas such as learning for businesses, sponsoring co-working hubs, and economic intelligence. KS noted we will have to be creative and innovative to continue with these type of programmes and schemes (as unlikely to get through Levelling Up and Community Renewal fund).

5.3 KS mentioned a recent Airport & Towns event; there are 6 airports across our area, and these are important contributors to the economy of these towns. They have been hit hard by unemployment and aren't recovering as fast as rest of country. Some airports are owned by LAs and we need to carefully look at the future of these towns (for us Spelthorne, Runnymede, and reaching out to Elmbridge). Government reps did join the event.

## **6. Closing remarks**

Cllr Humby closed the session and mentioned it would be useful for a short survey for members to gather thoughts on future remote/ face to face/ hybrid meetings. Cllr Humby thanked Dave Axam for his time as LEP Chair; for his commitment, energy and for working hard to drive forward the LEP agenda.

**Dates of future meetings:**

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