

JOINT LEADERS BOARD

Enterprise M3 Joint Leaders Board

Notes of the meeting of the Joint Leaders Board held on 18th November, via Zoom.

Attendees:	
Cllr Joss Bigmore (Cllr Bigmore)	Guildford Borough Council (<i>Chair</i>)
Kathy Slack (KS)	Enterprise M3
Stephen Martin (SM)	Enterprise M3
Michael Queen (MQ)	Enterprise M3
Cllr Keith Mans (KM)	Hampshire County Council
Cllr Ken Rhatigan (KR)	Basingstoke and Deane Borough Council
Cllr Jan Harwood (JH)	Guildford Borough Council
Cllr Chris Sadler (CS)	Elmbridge 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
Neil Cutler	Winchester City Council
Laura Taylor (LT)	Winchester City Council
Cllr Dave Neighbour (DN)	Hart District Council
Daryl Phillips (DP)	Hart District Council
Terry Collier	Spelthorne Borough Council
Cllr Lawrence Nichols LN)	Spelthorne Borough Council
Ayesha Azad (AA)	Woking Borough Council
Paul Turrell (PT)	Runnymede Borough Council
Gill Kneller (GK)	East Hants District Council
Apologies:	
Cllr Rob Humby (Cllr Humby)	Hampshire County Council (<i>Chair</i>)
Cllr Lucille Thompson (LT)	Winchester City Council
Cllr Nick Prescott (NP)	Runnymede Borough Council
Richard Botham	Winchester City Council
Stuart Jarvis (SJ)	Hampshire County Council
Russell O'Keefe (RO)	Basingstoke and Deane Borough Council
Tom Horwood (TH)	Waverley Borough Council
Paul Shackley (PS)	Rushmoor Borough Council
Cllr David Clifford (DC)	Rushmoor Borough Council
James Whiteman (JWh)	Guildford Borough Council
Daniel Mouawed (DM)	Spelthorne Borough Council
Cllr Lawrence Nichols	Spelthorne Borough Council
Julie Fisher (JF)	Woking Borough Council
Damian Roberts (DR)	Surrey Heath Borough 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 (23 Sept) –

Cllr Bigmore welcomed the board and explained he was chairing on behalf of Cllr Humby who had to give apologies for this session. Cllr Bigmore announced for information that Tom Horwood will be the Joint CEO of Guildford Borough Council and Waverley Borough Council from the 3rd December.

Apologies were announced, and the minutes of the last meeting held on 23rd September 2021 were approved.

2. Budget & Spending Review: Reflections

2.1 KS highlighted no direct update on the LEP review or funding within the Spending Review so awaiting further clarity from BEIS on funding to business support and growth hubs, and support to the LEPs. Noted the Levelling Up bids and Community Renewal bids had very low success results for EM3 area, partly due to some LAs holding off bidding until later tranche but noted challenge on future investment into the area as demonstrated by these results and need to carefully consider what we bid for in future, and how we support one another to be successful.

2.2 MQ reiterated need to be creative and innovate in attracting future inward investment into region, whether from government or the private investment. For example, the UK government is likely to join Japan and the US in creating a new global platform that links satellites, 6G and cyber security. Each country would put in £2b and there would likely be a UK centre. Our region could make a strong case for investment in our area for this. However, it would require a collective approach and strong partnership working including the LEP, LAs, Royal Holloway, University of Surrey, and the University of Southampton, together with local corporates.

3. LEP Review and Update

3.1 MQ noted lack of clarity in LEP Review and the challenge this period of uncertainty has on EM3 and staff members. Confirmed results of LEP Review now expected more likely in the new year. Noted some neighbouring LEPs have gone through redundancy consultation process and seen staff leaving.

3.2 KS discussed the proactive work of the LEP with the Board about setting business aims for the future; highlighting the successful year the EM3 has had with business engagement, leading sector groups, lining up with CBR and securing money for sector hub, with all this against the backdrop of a global pandemic. KS reiterated EM3's strong funding position and in particular the future capital funding stream of £30m over the next 10 years. KS explained it would be unlikely that the LEP could become fully self-sustaining; however, there are income streams and funds to which they could prepare bids for but noted the value and importance of contributions from the LAs and FE sector.

3.3 KS discussed the LEP working closely with LAs to understand what they would like from a EM3 growth hub. The LEP's future aims include interest in working with LAs to establish venture funds, and drawing further businesses into the region, though KS noted limitation with some of this before confirmation of government policy.

3.4 Cllr Bigmore queried possible future scenarios and KS confirmed the LEP are looking at these scenarios, such as a combination of scaling back and working with partners to secure funding. KS noted reasonably confident on funding for growth hubs, though concern government will direct more to levelling up areas up north. Core funding to each LEP is £0.5m and government could also reduce this. If policy does change EM3 could instead position themselves as a business-facing organisation behind growth hubs.

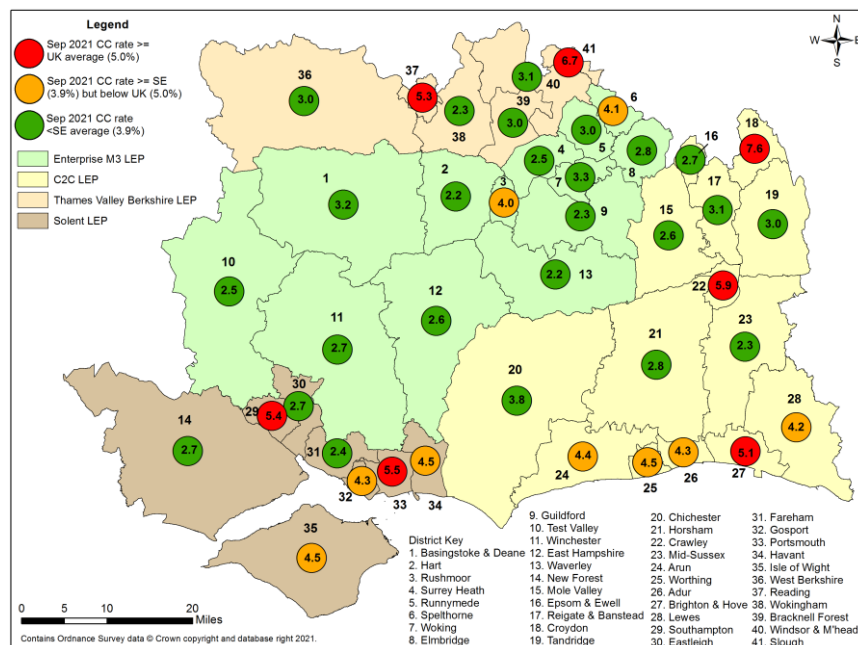
3.5 KS highlighted Gove's Parliamentary Private Secretary MP Angela Richardson who is supportive of EM3 and the w/c 22 November due at the launch of the care suite at Guildford College. The LEP has led on the development of these care suites in Oxford, Reading and now Guildford.

4. The Economy - Current trends and areas for focus

4.1 KS presented the monthly dashboard update which looks at economy, the labour market, and skills analysis, though noted this information could be promoted wider. Relatively modest impact from the pandemic on businesses in EM3 area but greater impact on micros (0-5 employees) and large companies (250+ employees). KS has asked for work to be done to understand which large companies have left the region, particularly as over 80% of the workforce is via large businesses.

4.2 UK economy expanded by 1.3% in Q3 (July, August, September) compared to 5.5% in Q2 with the largest contributors to growth in Q3 from hospitality, arts and recreation, and health sectors. The 2021 growth forecast at 6.5% (OBR) but there is growing evidence of a slowdown in spending and economic recovery in Q4. Inflation in the UK eased to 3.1% in September with OBR expecting 4.4% in Q2 2021, but BoE leaves the rates unchanged in November. KS mentioned that EM3, C2C, Solent, and Thames Valley Berkshire have all raised concerns on the impact of inflation on prices, the supply chain, and salaries.

4.3 KS discussed skills shortages and the need to look at how we train people, utilise technology and AI and look at new working models. There is significant impact of the pandemic on jobs in EM3 area but strong recovery in residents' employment. Unemployment fell across the EM3 in September but KS highlighted areas of unemployment along the coastal strip.



4.4 Noted the end of the furlough scheme did not have as much of an impact as originally expected. There is a strong demand for labour but increasingly challenging for employers in some sectors to recruit staff needed. Our region has a strong, high-valued innovation, digital, and knowledge-driven economy, supported by hospitality, arts and tourism service industries and it is these sectors that are struggling to recruit staff to. Also flagged rising demand for nurses, care, and sales occupations, as well as those with skills in finance and agile methodology. KS confirmed the Skills Advisory Panel are looking at these results carefully and planning work and support to address these areas.

5. Change of Secretariat to JLB

Confirmed secretary duties for the Joint Leader's Board to be undertaken by Hampshire County Council going forwards and no comments or objections raised.

6. Closing Remarks

Cllr Bigmore scoped the members for feedback on the meeting format and whether items of interest for future meetings. He noted one that has been discussed is agile working and how staff are trained and retained in a virtual world, as well as planning and the future of the high street and town centres.

KS suggested inviting commercial developers or retail specialists to discuss future working and innovation. MQ also discussed option of a deep dive each session on a specific LEP activity. KM requested Deputy Leaders to also be included in the LEP circulation list so they can be kept updated on work and meeting dates.

ACTION: KS to follow up on extending the mailing list and keeping partners up to date.

Dates of future meetings:

20-Jan-22	virtual
24-March-22	TBC
TBC- 19 May-22	TBC
TBC- 21 July-22	TBC
TBC – 15 Sept- 22	TBC
TBC- 17 Nov-22	TBC