

ENTERPRISE M3 JOINT LEADERS BOARD

Notes of a Special meeting of the Board held on Tuesday, 21st June 2016 in the Tichbourne Suite, Princes Hall, Aldershot, Hampshire at 1.30 p.m.

Present:

Cllr Clive Sanders	Leader, Basingstoke & Deane Borough Council (in the Chair)
Mel Barrett	Chief Executive, Basingstoke & Deane Borough Council
Cllr Dean Phillips	Cabinet Member, East Hampshire District Council
Dan Grindey	Economic Development, East Hampshire District Council
Cllr Paul Spooner	Leader, Guildford Borough Council
Sue Sturgeon	Managing Director, Guildford Borough Council
Cllr Roy Perry	Leader, Hampshire County Council
Stuart Jarvis	Director, Hampshire County Council
Cllr Stephen Parker	Leader, Hart District Council
Katie Bailey	Corporate Strategy, Hart District Council
Paul Turrell	Chief Executive, Runnymede Borough Council
Cllr David Clifford	Leader, Rushmoor Borough Council
Andrew Lloyd	Chief Executive, Rushmoor Borough Council
Heather Morgan	Regeneration Manager, Spelthorne Borough Council
Kevin Lloyd	Head of Economic Growth, Surrey County Council
Cllr Moira Gibson	Leader, Surrey Heath Borough Council
Karen Whelan	Chief Executive, Surrey Heath Borough Council
Cllr Ian Carr	Leader, Test Valley Borough Council
David Gleave	Economic Development, Test Valley Borough Council
Cllr Julia Potts	Leader, Waverley Borough Council
Cllr Stephen Godfrey	Leader, Winchester City Council
Simon Eden	Chief Executive, Winchester City Council
Ray Morgan	Chief Executive, Woking Borough Council

Guests:

Kathy Slack	Director, Enterprise M3
Tanja Aijo	Enterprise M3

Apologies for absence were submitted by councillors Peter Martin (Surrey County Council), Peter Waddell (Runnymede Borough Council) and John Kingsbury (Woking Borough Council).

1. LOCAL GROWTH FUND 3 – PROGRESS UPDATE –

- 1.1 The Joint Leaders Board considered Enterprise M3's confidential progress report on Local Growth Fund 3 (LGF3), which set out the latest position on the Government's expectations and priorities for Local Growth Funding and the

approach taken to developing the list of projects to be included in EM3's Growth Deal bid. A detailed list of projects was set out at Appendix 4.

- 1.2 In a presentation to the meeting, Kathy Slack explained EM3's approach to developing the draft Growth Deal and referred the meeting to the criteria set by the Government in Greg Clark's letter attached to the report at Appendix 1. She outlined the key LGF3 timelines and milestones and reported that a draft bid 'Snapshot' was required to be submitted by 24th June, with the final bid to be submitted by 28th July. It was noted that the Snapshot would contain the key strategic messages and top projects for the purposes of a challenge session with MPs in July. However, consultation and consideration on the overall Growth Deal bid would continue up until the final submission.
- 1.3 The Government had made it clear that there would be a strong emphasis on competition for funding and EM3's current plan was to bid for around £150m, which was three times EM3's pro rata national share. It was explained that this figure was based on the high number of businesses in the area for creating wealth and prosperity, and EM3's track record on project delivery.
- 1.4 The Joint Leaders Board made the point that EM3's approach should be to pursue the maximum possible funding for the area, and it was confirmed that a figure of around £150m capital funding represented an ambitious target in the context of what was potentially deliverable.
- 1.5 The Board was invited to consider further key strategic messages for emphasis within the Growth Deal and highlighted the need for investment in housing and infrastructure. This included the need to address traffic congestion particularly in the Guildford/Woking area, infrastructure to support and unlock housing development (which including broadband infrastructure for rural areas) and the acquisition of SANGS.
- 1.6 Continuing the presentation, Kathy Slack outlined the policy priorities for each of the strategic themes of Enterprise and Innovation, Skills, Housing and Infrastructure and Transport, and rural projects, and explained the 'general principles', agreed by the Enterprise M3 Board, which had been used to guide the assessment of projects to be included within the Growth Deal bid.
- 1.7 The Leaders Board noted that the general principles included prioritising those projects with a strong likelihood of deliverability and investment returns, and those which would unlock further opportunities for economic growth. Projects would also need to deliver against EM3's strategic priorities and the government's priorities around housing, transport and skills. There would also be a focus on building on current successes and the area's strengths – particularly those projects within the Enterprise and Innovation theme, which included 5G and digital.
- 1.8 In response to a question, it was confirmed that bids for projects which could not be delivered within the Growth Deal 3 period would be considered for future funding rounds and that significant strategic projects for potential future funding would be identified in the current Growth Deal document.
- 1.9 **The Board agreed** that it broadly supported the approach taken by EM3 to developing the Growth Deal bid and the basis for selecting projects.

Proposed projects

- 1.10 The Joint Leaders Board then considered Appendix 4 of the Report, which set out the proposed projects for Local Growth Fund 3 as allocated across each of the key themes in the EM3 Strategic Economic Plan, with a map to show the geographical spread.
- 1.11 Further to the government's ambitions to increase the supply of housing, there was some discussion as to whether the Growth Deal bid could be stronger within the housing theme. It was noted that Enterprise M3 could be pressed on the level of housing to be delivered from projects at the challenge session. Following on from this a Board Member referred to a large bid which had not been included on the provisional list and which could potentially deliver a very significant number of homes for Surrey. It was agreed that this would be followed up following the meeting.
- (Since the meeting EM3 has confirmed its intention to flag up, within the Growth Deal submission, schemes linked to transport corridors which had been highlighted in EM3's strategic transport study (albeit not for LGF funding). EM3 would be working with partners to develop those schemes and unlock the growth potential, including improving the A320 Corridor between Guildford and M25 Junction 11).
- 1.12 The Board discussed the possibility that there could be expressions of interests/draft bids for projects which had been submitted, which had not been successful, but with further details which could be shown to deliver or unlock new housing within a three-year period. **It was agreed that** councils be invited to draw attention to any projects which could unlock housing delivery - for further discussion with Enterprise M3.
- 1.13 The Board asked that feedback be provided to local authorities on the unsuccessful Expressions of Interest and draft bids for projects. It was noted that the timetable to achieve the draft bid had been extremely challenging, but that EM3 would give feedback following submission of the Snapshot.
- 1.14 In reflecting on the process, the Board acknowledged the volume of work, which had been achieved by EM3's project managers to understand and evaluate the draft bids. It was suggested that a future approach could be to develop a database of deliverable projects, managed by Enterprise M3, which could be allocated or tailored to packages for different funding streams as announced. In this way, all Expressions of Interests by local authorities could be explored outside of any challenging timescales set by government.
- 1.15 For the next steps in the Growth Deal process, Members of the Leaders Board were invited to engage with Local MPs to reinforce support for the LGF3 bid package. It was noted that details of the final Snapshot and initial feedback, together with details of the provisional prioritised list of projects would be reported back to the Leaders Board at its next meeting on 14th July, 2016.

2. **DATES OF NEXT MEETINGS –**

2.1 The Board noted the following dates for future meetings:-

- 2.00 p.m. Thursday, 14th July 2016 (Woking)
- 10.00 a.m. Wednesday, 21st September 2016 (Basingstoke)