

## ENTERPRISE M3 JOINT LEADERS BOARD

Notes of a meeting of the Board held on Thursday, 14th July 2016 in the Boardroom, Woking Civic Offices, Woking, Surrey at 2.00 p.m.

### Present:

Cllr Clive Sanders	Leader, Basingstoke & Deane Borough Council (in the Chair)
Mel Barrett	Chief Executive, Basingstoke & Deane Borough Council
Cllr Ferris Cowper	Leader, East Hampshire District Council
Tom Horwood	Executive Director, East Hampshire District Council
Cllr Paul Spooner	Leader, Guildford Borough Council
Philip O'Dwyer	Director, Guildford Borough Council
Cllr Roy Perry	Leader, Hampshire County Council
Stuart Jarvis	Director, Hampshire County Council
Cllr Stephen Parker	Leader, Hart District Council
Daryl Phillips	Joint Chief Executive, Hart District Council
Paul Turrell	Chief Executive, Runnymede Borough Council
Andrew Lloyd	Chief Executive, Rushmoor Borough Council
Roberto Tambini	Chief Executive, Spelthorne Borough Council
John Furey	Cabinet Member, 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
Andrew Ferrier	Director, Test Valley Borough Council
Cllr Stephen Godfrey	Leader, Winchester City Council
Simon Eden	Chief Executive, Winchester City Council
Cllr John Kingsbury	Leader, Woking Borough Council

### Guests:

Geoff French	Chairman, Enterprise M3
Kathy Slack	Director, Enterprise M3
Tanja Aijo	Enterprise M3

Apologies for absence were submitted by councillors Peter Martin (Surrey County Council), Ian Harvey (Spelthorne Borough Council) and David Clifford (Rushmoor Borough Council).

### 1. APPOINTMENT OF CHAIRMAN 2016/17 –

The Board agreed the appointment of Councillor Clive Sanders, Leader of Basingstoke and Deane Borough Council, as Chairman of the Enterprise M3 Joint Leaders Board for the 2016/17 Municipal Year.

## 2. MINUTES –

- 2.1 Subject to the inclusion of apologies for absence submitted by councillor Ian Harvey (Spelthorne Borough Council) for the meeting on 21st June, 2016, the Board agreed the minutes of the meeting held on 24th March, 2016 and the special meeting held on 21st June 2016.

## 3. ENTERPRISE M3 UPDATE –

- 3.1 Kathy Slack, Tanja Aijo and Geoff French gave a joint presentation to the Leaders Board with a general update on recent Enterprise M3 achievements, the Local Growth Fund programme and Enterprise Zones (copy available on the EM3 [Joint Leaders Board website](#)).
- 3.2 It was reported that the recently completed Commercial Property Market Study and the Strategic Transport Study would be launched at an Infrastructure Conference to be held in Guildford on 19th September, 2016. Initial feedback on the Transport Study had been positive and was helping to provide confidence that current problems were being looked at. The overall aim was to help improve and inform transport decisions taken by the key agencies; the Department for Transport, Highways England and Network Rail.
- 3.3 On the Local Growth Fund (LGF), the latest figures showed spending to be £28.6m, which was 81% of the allocation for 2015/16. Four LGF3 projects had been brought forward to increase spend, and spending profiles would be carefully reviewed over the summer. On the Growing Enterprise Fund (GEF), £3.5m loan repayments were expected this year, and a possible fifth round of GEF would be opened later in the Autumn.
- 3.4 Considerable work had been carried out by Enterprise M3 staff in support of Local Growth Fund 3. As part of this work, a number of projects had been identified for a potential Local Growth Fund 4. In response to a question, it was advised that LGF4 had not been confirmed, but based on previous information from Government this could apply for the period 2021/22 onwards.
- 3.5 On the topic of European Funding, it was expected that the funding calls which had been issued under the current European Structural and Investment Fund (ESIF) programme and the projects submitted in response to those calls would continue to be progressed as planned. A key issue was to deliver the funding to projects as soon as possible, as the European Funding stream was an important component in Enterprise M3's overall programme.
- 3.6 Further to the update on Enterprise Zones, where business rates distribution was under negotiation, the Board referred to a consultation document, recently published by the Government, seeking views on the implementation of a 100% business rate retention system for local government. Board Members indicated an interest to understand the implications of this for both Surrey and Hampshire.

## 4. LOCAL GROWTH FUND 3 – PROGRESS UPDATE –

- 4.1 The Joint Leaders Board considered Enterprise M3's confidential progress report on Local Growth Fund 3 (LGF3), which set out the latest information on the Growth Deal process and included a copy of the Snapshot submitted to the

Government on 23rd June. In addition, the Board considered in detail the provisional prioritised list of projects for LGF3 (circulated at the meeting).

- 4.2 Kathy Slack confirmed that the snapshot of EM3's LGF3 bid had been sent to the Government on 23rd June, together with a copy of EM3's Annual Report, and that initial feedback had been very positive. A number of suggestions had been made which would strengthen the proposal for the full submission, including the need to ensure that the evidence for deliverability was robust, and to provide further justification for some of the claims. A challenge session was scheduled for 21st July with MP Nick Boles, before the final bid was submitted to the Government by 28th July, 2016.
- 4.3 As noted at the Leaders Board meeting on 21st June, the projects to be included in the Growth deal bid had to be presented in priority order and a considerable amount of work had been directed to the process of assessment and prioritisation. The current list (as circulated) amounted to a bid for £164m of additional Growth Deal funding.
- 4.4 The Board considered the draft prioritised list of projects and noted that the first four projects on the list supported ambitions to deliver on large-scale housing and infrastructure projects which would enable housing delivery. During discussion, a Board Member proposed the inclusion of an additional bid to support the Victoria Arch scheme in Woking. In response, Kathy Slack confirmed that Enterprise M3 would consider the scheme, but advised on the constraints of the LGF criteria which required deliverability by 2021. Additional information and reassurances would also be required from Network Rail. Board Members considered that the scheme could form part of a list of significant priority schemes for a future phase, which would be included in a confidential annex to the final submission document; the Government may have a preference for a large project.
- 4.5 In reviewing the remainder of the prioritised list, it was noted that the programme of projects would leverage significant levels of match funding, with high levels of match funding from the private sector for commercial projects. Overall, the Joint Leaders Board endorsed the prioritised list, and the mix of projects, which included a number of transport schemes. **It was agreed** that the Chairman would provide an update to the Board following the challenge session later in the month.

## 5. EUROPEAN UNION REFERENDUM –

- 5.1 Further to the EU Referendum held on 23rd June 2016, the Board discussed initial thoughts on the implications of the results for the Enterprise M3 area. It was recognised that the Referendum outcome to leave the European Union would have an impact on the local economy, bringing both challenges and new opportunities.
- 5.2 Kathy Slack confirmed that Enterprise M3 would seek to understand the plans of local companies, and would work closely with partners and stakeholders to identify ways that Enterprise M3 could provide support to companies and the area's workforce.

5.3 During discussion, the Board referred to the potential opportunities for overseas inward investment for the area, but recognised the disadvantages for attracting companies with European head offices. It was suggested that the tourism sector may grow if it was less expensive for overseas visitors to visit the UK, and that there were concerns within the construction sector about its European workforce and employees' right to remain. The Board agreed that the implications and opportunities arising from the referendum result would become clearer towards the end of the year.

6. **DATES OF NEXT MEETINGS –**

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

- 10.00 a.m. Wednesday, 21st September 2016 (Basingstoke)  
To include presentation and discussion on the topic of place making
- 10.00 a.m. Wednesday, 23rd November 2016 (venue to be confirmed)