

Enterprise M3 Programme Management Group

21 December 2018, 09:30-10:30

Telephone Conference

DRAFT MINUTES

Members Attending

James Cretney - Chair
Deborah Allen
Dave Axam
David Fletcher
Caroline Horrill
Rob Humby
Colin Kemp
Catherine Turner

Guests Attending

Sally Agass
Christian Cadwallader
Helen Caney
Deborah Wyatt
Justine Davie

Apologies

Rob Carr
Mike D'Alton
Paul Millin
Kathy Slack

1. Welcome and Introductions

- 1.1 James Cretney welcomed everyone to the meeting.

2. Declaration of Interest

- 2.1 In addition to all interests previously declared, the following interests were noted:

Name	Interest	Declared Action
Colin Kemp	Camberley Login Business Café Elmbridge Invest for Growth	No direct County interest - remained in the room during the decision making
David Fletcher	Winchester Science Centre	No direct County interest - remained in the room during the decision making
Rob Humby Caroline Horrill	Winchester Science Centre	Left the call/room during the decision making

3. New Expressions of Interest for 2018/19 Funding

- 3.1 The Group received a paper on the Expression of Interest (EOI) received from Surrey Heath Borough Council for the Camberley Login Business Café project. The EOI was for a £1.5m loan to purchase and refurbish a redundant building in Camberley Town Centre to establish a co-working and flexible office space which would be anchored by a thriving technology tenant and fully functioning commercial coffee shop. The project would enable the growth and relocation of a notable local business, which would otherwise look to relocate outside of the town, as no other suitable relocation premises was currently available.
- 3.2 The Group discussed the project and raised some questions relating to the space that would be allocated to the business currently operating in the town and the loan repayment terms. There was also a request as to whether there would be any potential for space in the building for the Growth Hub. The issues raised by the Group would be addressed as part of the business case development. The Group agreed that the Camberley Login Business Café should proceed to develop a full business case.

Action to be taken	By Whom	When
Progress the Camberley Login Business Cafe project to develop a full business case.	Helen Caney	January 2019

4. Enterprise Zone Programme Update

- 4.1 Christian Cadwallader reported to the Group on issues that had arisen relating to the enabling works at Plots K and K1 on the Basing View Enterprise Zone. The works had been delayed due to changes to the building regulations following the Arena Car Park fire in Liverpool in January 2018 which resulted in additional costs associated with ground conditions and utility requirements to meet the new regulations. The additional costs had been estimated £1.914m and Enterprise M3 was being asked for an additional contribution of £700k.
- 4.2 A letter of intent had been drafted to be sent to Basingstoke and Deane Borough Council (BDBC), agreed by Hampshire County Council's Legal Team, which confirmed the additional funding of £700k as a loan with a number of conditions attached. The conditions included that future liabilities would be the responsibility of BDBC, if there were any savings or another partner was able to contribute additional funds the loan of £700k would be reduced and the loan facility of £700k was the maximum increase available.
- 4.3 The Group discussed the report and the concerns raised related to the Enterprise M3 contribution being the highest and whether any further cost increases would result in the project being delayed further. The Group was keen to ensure that Enterprise M3 was kept informed as the work progressed, that the risks were managed and that the developers were held to delivering in line with the timescales agreed. It was also requested that any savings and contingency return to partners was proportionate to the funding provided. The Group agreed to recommend to the Enterprise M3 Board that an additional loan facility of up to £700k for Basing View Enterprise Zone Plot K/K1 be approved and that Enterprise M3 issue a letter of intent to BDBC confirming the additional loan, subject to the inclusion of the comments from the Group.

Action to be taken	By Whom	When
Recommend to the Enterprise M3 Board to approve the additional loan facility of up to £700k for Basing View Enterprise Zone Plot K/K1 and issue a letter of intent to BDBC confirming the additional loan, subject to the inclusion of the comments from the Group.	Christian Cadwallader	January 2019

5. Capital Projects for Consideration

a) Winchester Science Centre

- 5.1 The Group received a paper on the Winchester Science Centre (WSC) Inspiring Science for All project which requested a capital grant of £500k with £613k match funding (55%). The aim of the project was to upgrade and reimagine the WSC planetarium and exhibition space, create a launch pad for partnerships and STEM opportunities through a dynamic outreach programme and contribute to the local economy and increase the STEM Ambassadors programme.
- 5.2 AECOM had carried out due diligence on the project and recommended that the scope of the works should be carefully monitored and managed and fixed prices should be obtained prior to works commencing. There was currently a shortfall of £93k in the capital match and AECOM recommended that the contract should include provision that any shortfall would be met by WSC to ensure delivery of the project.

- 5.3 The Group supported the project but were keen to ensure that the outreach programme included engagement with Hampshire Futures, senior and primary schools and also disadvantaged groups. It was agreed that these elements would be included in the contract. The Group agreed that £500k capital grant be allocated to the WSC Inspiring Science for All project, subject to the inclusion in the contract of the engagement requirements raised by the Group.

b) Elmbridge Invest for Growth

- 5.4 The Group received a paper on the Elmbridge Invest for Growth project which had been previously considered by the Group in January 2018 and then again in September 2018. It had been understood that the vendor had withdrawn from the sale of the property to Elmbridge Borough Council (EBC) however the information received had been incorrect and the vendor was now in a position to make a deal with EBC. Elmbridge Borough Council had requested a grant of £1.5m to part fund the purchase of a commercial property. The request for £1.5m would unlock £16.5m in Local Authority match funding paid through the Public Loans Works Board.
- 5.1 The aim of the project was to address the result of Permitted Development Rights (PDR) by purchasing commercial property to minimise the risk that further reduction of commercial space may have a detrimental effect on the balance of employment and housing in the Borough. The project would also create an economic development fund which Elmbridge Borough Council would invest £300k per annum from the rental income from the property, for five years, to support economic development objectives and priorities up to 2023/24. The purchase of the commercial property would safeguard a minimum of 1,500 sqm of commercial office floor space and 1,450 sqm of commercial retail floor space. There would also be 201 jobs supported by safeguarding the office and retail space. The economic development fund was also expected to deliver a number of indirect outputs.
- 5.2 AECOM had reviewed the scheme and made a number of recommendations which were manageable and could be addressed through the contract negotiations and project delivery phases. It had been concluded that although grant funding had been requested it was felt that a loan would be a viable option if the repayments were linked to the income generated by the rent receipts.
- 5.3 The Group discussed the project and agreed that the option for a loan should be explored with EBC. If a loan was not viable the Group asked that the contract included the requirement for the £300k per annum to be reinvested into the Elmbridge economy. The Group agreed that £1.5m capital loan be allocated to the Elmbridge Invest for Growth project.

Action to be taken	By Whom	When
Proceed the Winchester Science Centre project to contract.	Jordan Tame	January 2019
Discuss the option for the £1.5m as a loan with Elmbridge Borough Council and proceed the Elmbridge Invest for Growth project to contract.	Helen Caney	January 2019

6. Any Other Business

- 6.1 Sally Agass advised the Group that funding was being made available to deliver Brexit. The Group agreed that information on Brexit should be shared and it was requested that any ideas on Brexit work be emailed to Sally Agass.

Action to be taken	By Whom	When
Ideas on Brexit work to be emailed to Sally Agass	All	January 2019

6.2 The future Programme Management Group meetings would be held as follows:

- Thursday 17 January 2019 – 10am-1pm – HG Wells, Woking
- Thursday 14 March 2019 – 10am-1pm – Rushmoor BC, Farnborough
- Thursday 9 May 2019 – 10am-1pm – Hampshire CC, Winchester
- Thursday 11 July 2019 – 10am-1pm – HG Wells, Woking
- Thursday 12 September 2019 – 10am-1pm – Rushmoor BC, Farnborough
- Thursday 14 November 2019 – 10am-1pm – Hampshire CC, Winchester
- Thursday 16 January 2020 – 10am-1pm – HG Wells, Woking
- Thursday 12 March 2020 – 10am-1pm – Rushmoor BC, Farnborough

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