![enterprise M3 logo]

Driving prosperity in the M3 corridor

Enterprise M3 Board Meeting

26 July 2018

Sub-Groups of the Enterprise M3 Board - Item 7b

Board members are asked to

NOTE: the current sub groups that support Enterprise M3 to help deliver its objectives and board membership

DISCUSS ways that the groups can be better aligned against the activities of the LEP, the business and economic needs of our region and our forthcoming Local Industrial Strategy

IDENTIFY areas of interest and expertise to support groups

1.   Background

1.1.   The governance chart for Enterprise M3 is attached at appendix 1. All groups set out on this chart form part of our Assurance Framework https://www.enterprisem3.org.uk/document/assurance-framework-2018 with government.

1.2.   The main sub groups of the Board comprise a series of formal bodies that provide strategic and operational advice to the Board. We are not reviewing these groups at this stage although the Board may wish to consider membership across all groups in order to ensure we provide appropriate support. A table at appendix 2 gives details of groups and board membership.

Sub-group name	Purpose	Comments
Programme Management Group	Operational responsibility for determining the investment of Programme funds	Delegated powers reviewed with powers to award up the £3m agreed.
European Structural and Investment Fund Committee	Operational responsibility for allocating ES and IF to projects	Meeting format and chairmanship reviewed and amended to be more effective
Resources, Finance, Audit Committee	Scrutiny & Fiscal accountability, audit and management of financial risk	New Terms of Reference agreed by the Board
Nominations Committee	Recruitment advisory role for non-executive roles and salary for executive staff	Reviewed, role of committee clarified as part of governance,
Enterprise Zone Steering group	Strategic and operational role tom further development of Enterprise Zones	Terms of reference clarified with direct reporting to Board

2. Action groups

2.1. This paper considers the future role of action groups. We currently have five action groups – Enterprise and Innovation; Land and Property; Transport, Rural and Skills (in development). Each group is chaired by an individual from the private sector. In two cases this is a board member. It is expected that each action group has a lead board member. This is the case in all groups except transport.

Action Group	Chair	Lead EM3 Board	Team Support
Transport	Mike D'Alton - WSP	(TBC)	Kevin Travers
Land and Property	Michael Knott Barton Willmore	Chris Tinker Crest Nicholson	Sally Agass
Rural	Mark Lebus LC Energy	James Cretney Marwell Wildlife	Jennie Pell
Enterprise and Innovation	Andrew Lambert EMS	Andrew Lambert	Chris Quintana
Skills	Barney Ely - Hays	Barney Ely - Hays	Sarah Carter

2.2. EM3 have had action type groups ever since its existence. In the very early days they tended to be large groups grappling with a range of issues and developing projects. They administered small amounts of funding whereas today our transport projects equal £147m alone. This type of group served a valuable purpose in rallying partners, listening to issues and providing a profile to a new organisation that was little understood.

2.3. Over time we have reshaped groups to make them smaller and more focused and drawn in more business representation. We have achieved a degree of consistency and each have terms of reference (see appendix 3) and they are incorporated formally within our Assurance Framework. Some of the action groups have sub groups or task and finish groups. The Enterprise and Innovation group have a Space Cluster Group and have also had an International Group. Andrew Lambert has played a key role in shaping both.

2.4. In addition to action groups we have partnership groups –

Partnership Group	Representation
HE Group	Paul Hogg, Royal Holloway
FE Principles Group	Chaired by the principle at Brooklands College, supported by Board member Tim Jackson, Principle of Sparsholt and Andover College

2.5. It is not proposed to review these at this time.

2.6. Additionally, we have the following groups -

Group	Purpose
Local Authority Chief Executives Group	Consultative influential Group
Strategic Economic Plan (SEP) Steering Group	Advisory group to steer the development of the SEP, representatives include the chairs

	of the Action Groups and is chaired by the Chair of EM3
Steering group – Accelerator Fund	Operated by Finance South East, chaired by Mike Short supported by Linda Cheung

2.7. The above tables illustrate that we have numerous groups some of which we feel need to change to reflect the strategy of the refreshed SEP and the proposed Local Industrial Strategyy As Government economic policy evolves we may establish short term focused groups in response.

3. Role of Action Groups

3.1. Action Groups currently have three key roles.

- Shaping Policy through capturing issues from key reports and members and feeding into SEP and EM3 strategic discussions

- Overseeing and commenting on operational matters including project proposals to ensure strategic fit and value for money

- Informing and communicating the role of EM3 and representing EM3 to key partners

3.2. How action groups address these roles differ across the various groups often linked to levels of activity. For instance, the Transport Action Group (TAG) has a large input to transport schemes given the size and complexity of budgets and have a formal role in addressing the assessment requirements and standards set by the Department of Transport. The Rural Group, on the other hand, have less projects but have issues that cut across all other groups and have important input into policy debates. The Land and Property Group have a greater focus on the barriers to growth in housing and commercial space issues and have commissioned studies on housing and commercial space to evidence and highlight issues. Several groups have held theme-based events. TAG have an annual connectivity event which is well attended – 100 at the event earlier this year and in the past Land and Property have held events around housing and commercial sites studies.

3.3. At the Action Group Chairs meeting there was a wide ranging discussion covering the current and future role of the Action groups. The main points were:

- ➢ We must articulate our economic story and pay attention to how and what we communicate – speak with one voice

- ➢ The purpose of the Action Group and making them relevant to the key strategic objectives, linked to the evolving Local Industrial Strategy

- ➢ Consider how groups ensure actions from SEP are delivered

- ➢ Action groups should not act in isolation as many areas, like skills are integral to all groups. Better linkages working through the EM3 team to Board

- ➢ Each group could be able to collect the evidence and should be able to commission research to determine 'what works' from evidence elsewhere

- ➢ Contribute to the profile of Enterprise M3, leading on generating interest and attention for key projects and successes

- ➢ Membership should include more business and business organisation representatives, suggested that business experts could join the group as temporary advisors for a single issue

➢ Action groups role in developing priorities, discussion around what those priorities should be, including sectors, clean growth, big data and what the place of the enabling elements like housing, skills and transport should be.

➢ Our key messages include 'Going fast but could go faster' recognizing that team resources need to keep pace with both growth and speed, and 'Grand Challenges equal Grand Opportunities'

4. So what needs to change?

4.1. We have amended our groups over the years but groups are broadly the same as the early days. They have been effective to date but we face a number of challenges and further work is needed to explore whether the input from the action groups to specific projects should be removed to allow them to focus on future policy and shaping ideas and strategy.

4.2. This paper proposes a series of questions:

➢ *Are action groups still fit for purpose? What needs to change?* Board members views are sought on the future shape and make up of action groups.

4.3. Our role on policy is becoming even stronger with the emphasis on the refresh of the Strategic Economic Plan and importantly the development of the Local Industrial Strategy. This will see us not only working with local partners but also engaging across Whitehall with different departments. The likely focus from the LEP Review will be to position LEPs so they are ready to take forward investments and projects from the Shared Prosperity Fund (the shape and size and distribution of which is still in development). The development of a strong forward-looking policy based on evidence will be critical. Action Groups are likely to play a key role in this – possibly reflecting the four grand challenges more. See appendix 4.

4.4. We and our partners recognise that we need more transformational actions – at scale and impactful. This has repercussions for all parts of EM3 – Board, team and partners as well as action groups.

➢ *What role could action groups have in identifying and scoping actions?*

➢ *What delegated powers should considered for Action Groups and should each group be allocated budget for commissioning research, evidence or advice?*

4.5. Currently all action groups have a role in **assessing projects**. All groups address this in different ways. It can be time consuming and because of the make-up of some groups may not provide the level of challenge required.

➢ *If we look to groups to develop a pipeline of projects are they still best placed to assess proposals?*

4.6. The involvement of groups in assessment provides transparency on projects and has helped identify duplication and improvement areas. Some groups put more emphasis on overseeing the impact of existing projects. This can be difficult when a project does not have an actual theme home or where it covers a number of themes. However, such an approach does provide visibility on projects although our sense is that communication on projects and how they link could be improved. PMG members may have a view on how the views of action groups have assisted decision making.

4.7. Communicating the role of the EM3 often comes about through the involvement of people on the groups and is enhanced through the running of events. Our transport work has a strong profile because of a history of running successful infrastructure events. These events are increasingly drawing in a business audience especially when

the focus is on future technological changes. Business engagement in groups is important and groups have had varying success in bringing new business people into the groups. The recent board recruitment exercise has identified talented individuals who want to be more actively engaged with the LEP. Other LEPs run a regular business forum which they use as a sounding board either through on-line surveys to gather views or through a LEP LinkedIn group or face to face. This may be something we wish to consider further.

➢ *How can the Action Groups share responsibility for sharing the key messages*

4.8. The LEP has an agenda of continuos improvement as it matures, gains considerable success (one of top 4 LEPs in country) and wants to stay ahead of the pack.

➢ *How do we ensure that action groups continue to be valuable? What could we do to help?*

4.9. The LEP is now formally assessed against the criteria of Strategy, Governance and Delivery. Our understanding is that these assessments will potentially lead to greater support/funding from government.

➢ *How can action groups help reach an exceptional standard on each of the three criteria?*

4.10. The success of groups is enhanced through professional management of action groups. The sheer number of groups puts a strain on the resources within the EM3 core team and we need to consider ways of drawing in help from other partners to lighten the load.

➢ *What do action groups need from the EM3 team or other sources to ensure their group is successful?*

4.11. How do we align the priorities of the SEP/LIS with our action groups? Action Groups could be based:

- as now but amended to reflect new issues and themes

- around the 4 Grand Challenges: AI & Data Economy; Future of Mobility, Clean Growth and Ageing Society.

- around our five priorities for action set out in our SEP Refresh (see appendix 4)

- around sectors for example Aerospace, Space, Defence, Life Sciences, Business & Professional Services, Digital & Cyber Security.

- brigaded together under groupings such as infrastructure, environment and business growth

5. **Board Membership**

5.1. Board members are asked to consider their involvement in groups. There are some particular key vacancies that we will be looking to fill urgently.

5.2. Chair of EZ Steering Group – Nick Elphick is stepping down as a board member at the September Board and a new chair is sought. The Chair of the EZ Steering Group also attends the PMG.

5.3. Chair of Local Industrial Strategy Group – to steer work around developing our LIS with partners and government.

5.4. In addition, depending on the future make-up of the groups we may need the following,

5.5. Lead board member Enterprise and Innovation. Andrew Lambert steps down in November 2018 but has offered to continue to chair Enterprise and Innovation Group but we need a lead board member.

5.6. Lead board member Land and Property, Chris Tinker steps down November 2018 and we will need a replacement board member. Part of this role will be to consider the implications of the LEP Review on land and property and to advise on the any changes arising from it

5.7. Board members should notify Kathy.slack@enterprisem3.org.uk of any groups they would like to get involved in either now or sometime in the future.

6. **Next Steps**

6.1. We will look to reshape groups over the Summer months and use the September and November board meetings to endorse any revisions and the chairs of each of the groups.
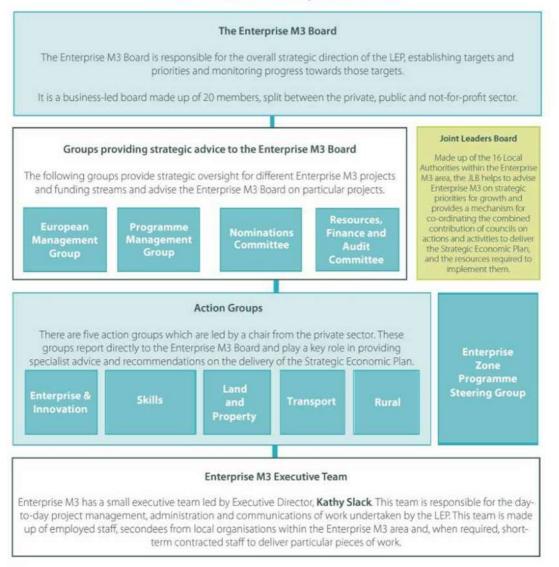

Kathy Slack
Director
Enterprise M3
12/07/18

Appendix 1

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Driving prosperity in the M3 corridor

The Structure of Enterprise M3 2018

The Enterprise M3 Board

The Enterprise M3 Board is responsible for the overall strategic direction of the LEP, establishing targets and priorities and monitoring progress towards those targets.

It is a business-led board made up of 20 members, split between the private, public and not-for-profit sector.

Groups providing strategic advice to the Enterprise M3 Board

The following groups provide strategic oversight for different Enterprise M3 projects and funding streams and advise the Enterprise M3 Board on particular projects.

| European Management Group | Programme Management Group | Nominations Committee | Resources, Finance and Audit Committee |

Joint Leaders Board

Made up of the 16 Local Authorities within the Enterprise M3 area, the JLB helps to advise Enterprise M3 on strategic priorities for growth and provides a mechanism for co-ordinating the combined contribution of councils on actions and activities to deliver the Strategic Economic Plan, and the resources required to implement them.

Action Groups

There are five action groups which are led by a chair from the private sector. These groups report directly to the Enterprise M3 Board and play a key role in providing specialist advice and recommendations on the delivery of the Strategic Economic Plan.

| Enterprise & Innovation | Skills | Land and Property | Transport | Rural |

Enterprise Zone Programme Steering Group

Enterprise M3 Executive Team

Enterprise M3 has a small executive team led by Executive Director, **Kathy Slack**. This team is responsible for the day-to-day project management, administration and communications of work undertaken by the LEP. This team is made up of employed staff, secondees from local organisations within the Enterprise M3 area and, when required, short-term contracted staff to deliver particular pieces of work.

Forename	Surname	Company	Representing	Groups Appointed/Areas Leading
Debbie	Allen	BAE Systems	Private Sector	
Dave	Axam	AI2EV	Private Sector	Programme Management Group Chair SEP Steering Group Nominations Committee
Col Simon	Browne	Army	MOD	SEP Steering Group
Linda	Cheung	Connectegrity	Private Sector	Lead on Communications/Annual Report Member Funding Escalator Steering Group
Cllr David	Clifford	Rushmoor BC	Public Sector	EM3 Joint Leader's Board Programme Management Group *(standing down, awaiting JLB nominee)*
James	Cretney	Marwell Wildlife	Private Sector	Chair Programme Management Group Rural Action Group (lead Board member) SEP Steering Group Nominations Committee
Nick	Elphick	Moncel Consulting Ltd	Private Sector	Chair Enterprise Zone Programme Steering Group *(standing down from Board September)* Programme Management Group Resources, Finance and Audit Committee
Barney	Ely	Hays Human Resources	Private Sector	Lead Skills – supporting development of new Skills Action Group
Cllr John	Furey	Surrey CC	Public Sector	EM3 Joint Leader's Board Programme Management Group European Structural and Investment Funds Sub Committee *(standing down - being replaced on this committee by another Surrey CC councillor in October)*
Jason	Gaskell	Surrey Community Action	Third Sector	SEP Steering Group Rural Action Group
Paul	Hogg	Royal Holloway	Higher Education	Chair Enterprise M3 Higher Education Group SEP Steering Group Innovation South Steering Group Skills Action Group
Tim	Jackson	Andover/ Sparsholt College	Further Education	Enterprise M3 FE Colleges Group SEP Steering Group Resources, Finance and Audit Committee Skills Action Group
Stacey	King	BT	Private Sector	
Andrew	Lambert	Electronic Media Services Ltd	Private Sector	Chair Internationalisation Steering Group Chair Enterprise and Innovation Action Group Chair Space Cluster Steering Group SEP Steering Group
Cllr Keith	Mans	Hampshire CC	Public Sector	EM3 Joint Leader's Board

Forename	Surname	Company	Representing	Groups Appointed/Areas Leading
				European Structural and Investment Funds Sub Committee
Jim	McAllister	Rutland Group	Private Sector	
Ross	McNally	Hampshire Chamber of Commerce	Business Support	LEP Board representative on Transport for the South East *(two LEP Board members represent all five LEPs)* Chair Economic Intelligence Group (Brexit)
Ken	Moon	FSB	Business Support	European Structural and Investment Funds Sub Committee Economic Intelligence Group (Brexit)
Cllr Julia	Potts	Waverley Borough Council	Public Sector	EM3 Joint Leader's Board
Cllr Clive	Sanders	Basingstoke & Deane BC	Public Sector	Chair EM3 Joint Leader's Board Chair Resources, Finance and Audit Committee SEP Steering Group Nominations Committee
Mike	Short	Department for International Trade	Private Sector	Chair Innovation South Steering Group Chair Accelerator Fund Steering Group Chair Nominations Committee
Paul	Spooner	Guildford BC	Public Sector	EM3 Joint Leader's Board
Chris	Tinker	Crest Nicholson	Private Sector	Lead Land and Property Group SEP Steering Group

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TERMS OF REFERENCE FOR THE ENTERPRISE & INNOVATION GROUP

The Enterprise & Innovation Group will have a leading role in achieving the vision that the Enterprise M3 area will become: '*The premier location in the country for enterprise and economic growth, with an excellent environment and quality of life'*.

The Enterprise & Innovation Group (EIG) will lead on behalf of the Enterprise M3 Board on all matters relating to Enterprise and Innovation with particular reference to the areas identified within the Strategic Economic Plan and EU Strategy. This will include

- Scrutiny of the activities and outputs arising from the Growth Hub, 5G and Local Growth Deal funded projects relating to Enterprise & Innovation

- Engagement with a wide range of employers, directly and through their representative bodies and sector networks, to ensure that their enterprise and innovation needs are understood and that they play as full a part as possible in the implementation of the Strategy.

- Engagement with key business support and skills providers responsible for delivering information, advice and guidance to ensure that their enterprise and innovation services meet the needs of local businesses.

- Oversee the delivery of the Strategic Economic Plan action plan to ensure that outcomes are being met and drive the development of alternative actions where they are not.

- Keep under review the enterprise and innovation needs of the Enterprise M3 economy now and in the future and determine any implications

- Determine, through the Enterprise M3 Board, the allocation of any enterprise and innovation funding devolved to delivery partners. The Enterprise & Innovation board will review the deployment of the funds involved to ensure that the intended impact is being achieved and that a coordinated approach is being adopted that maximizes the impact of the available resources.

- Ensure that the relevant government departments and national agencies understand the importance of meeting the enterprise and innovation support Enterprise M3 needs to deliver its very specific growth targets, including the necessary flexibilities.

- Ensure that Enterprise M3 takes full advantage of funding opportunities (at the local, national and European levels) for enterprise and innovation.

These activities will contribute to the overall targets for Enterprise M3 comprising

- Increasing the employment rate from 76.8% to 80%;

- Increasing GVA per head from £21,500 to £22,500 through increased productivity and a focus on growth in high value-added sectors; and,

- Increasing the business birth rate by 10% from 8,035 to 8,880 per annum.

OPERATING PRINCIPLES

This will be achieved through the following.

1.   The Chair of the group is appointed by the Enterprise M3 board and is a private sector representative. The Enterprise & Innovation Group reports directly to the Enterprise M3 main board and the Chair will be asked, as necessary, to provide a progress report

2.   The Chair and membership of the group will be appointed for a period of up to 3 years, subject to formal review after 2 years. The vice chair will be selected by the group through a nomination and voting process.

3.   All members of the group will be expected to adhere to the code of conduct for members of public bodies, based on the Seven Principles of Public Life recommended by the Nolan report.

4.   There will be a lead board member for Enterprise & Innovation

5.   The group will meet 2-3 times each year.   Alongside attendance at scheduled meetings, members will be encouraged to support the work of Enterprise M3 through attendance on an ad-hoc basis at workshops, events, dinners and Government briefings.

6.   Standing items for the meeting will include a declaration of interest for members. Members will be requested to complete a declaration of interest form for the term of their involvement. Any member declaring an interest in an agenda may be required, at the discretion of the group and dependent on the nature of the interest declared, to leave the meeting for the duration of that item. Declarations of interest will be recorded in the minutes of the meeting.

7.   Members are encouraged to attend each meeting. A schedule will be issued annually. If members cannot attend they will be encouraged to submit their views in writing. If a member does not attend for three meetings in a row, the chair will be encouraged to review continued membership of that person. Named substitutions will be accepted on occasion by the group.

8.   Sufficient resource, either through a nominated lead officer or Enterprise M3 Project Manager, will be available to support the group

9.   Developing links and work with other enterprise & innovation orientated organisations to achieve these objectives.

10.   To use the established enterprise and innovation organisations for sources of information and support to avoid duplication of resources and / or information gathering.

11.   To use the wider contact list for the EIG group to keep partners informed and to act as a liaison group

12.   Any member that resigns their seat on the board will be replaced by an equivalent (ie an employer who resigns will be replaced by another employer) through an appropriate process. Individuals who no longer meet the basic eligibility requirements of their position will be expected to resign from the board. All new EIG board members will be formally appointed by the Enterprise M3 board.

13.   Papers will be circulated five working days before the meeting. Minutes will be approved by the chair and circulated to group members. General administrative duties will be undertaken by the Enterprise M3 executive team.

14.   Voting will be conducted by a show of hands by eligible members – and a simple majority carry the vote. Any member who has declared an interest in an item will not be eligible to vote unless the board determines that the nature of that interest does not give rise to a substantive potential conflict of interest (any direct financial interest in the decision before the board would be deemed to give rise to a substantive potential conflict of interest). The chair will not be entitled to a second or casting vote.

15.   The quorum for meetings should be at least comprised of 50% of the members.

BUSINESS FORUM

Alongside the Enterprise & Innovation Board it is proposed to establish a Business Forum. This forum will act as an informal contributor to the work of the Board and provide an opportunity for current members of the action group to remain involved. A wide range of attendees will be sought for each Forum which will be held 6 monthly. Linkages between boards e.g. the Employment and Skills Board will be encouraged at the Business Forum.

GROUP MEMBERSHIP

ORGANISATION	NAME	
Enterprise M3 board member/ ICT & Digital Media CHAIR	Andrew Lambert	EMS Ltd
Business membership	Louise Punter	Surrey Chamber of Commerce
University	Don Spalinger	University of Southampton
Aerospace/space	Colin Baldwin	UK Spacy Agency
Export	Rob Lewtas	UKTI
Surrey Community Action	TBC	NfP
Hampshire local authority rep	David Fletcher	Hampshire County Council
Surrey local authority rep	Lee McQuade	Surrey County Council
Growth Hub	Roya Croudace	BE Group
Pharmaceuticals	TBC	
Professional & business services	TBC	
Emerging sector	TBC	

Strategic Economic Plan and linkages to Grand Challenges

Looking to the Future