

**Enterprise M3 Board**

**26 September 2019**

**Enterprise M3 Chief Executive's Report – Item 14**

**1. Local Industrial Strategy**

- 1.1. An update report on progress and the **next steps in the development of the local industrial strategy** (LIS) is included on the agenda under item 10. Several of the evidence studies are reaching conclusion and are identifying interesting findings. The Board will hear more from Barney Ely, Chair of Skills & Talent Group, on the skills study and we will be organising a session, led by Stacey King, LIS Board lead, for board members to hear more about the LIS evidence results and next steps.
- 1.2. We met with the **CBI along with other Southern LEPs** to encourage greater involvement around our local Industrial strategies and to encourage CBI members to get involved in LEP Boards. Meeting was very successful with a joint meeting planned for later in the year with a group of CBI members.
- 1.3. We were delighted that **two garden villages** were successful in the recent round of bidding - Dunsfold Park in Waverley BC and Shapley Heath, Hart DC. Both offer huge opportunities in exploring sustainable living.
- 1.4. We have been working with **chief executives from all Local authorities on our LIS activity and met with them in September to discuss our work around towns**. There is strong alignment with the work of Surrey Futures and their recent work on their Place Ambition. Additionally, the Commissioners' Summary Report Hampshire 2050, Vision for the Future is providing valuable insights especially around future sustainability and environmental activity.
- 1.5. The reports can be found here;  
<https://www.surreycc.gov.uk/land-planning-and-development/development/surrey-future/surrey-2050-place-ambition-conference>  
<https://www.hants.gov.uk/aboutthecouncil/haveyoursay/visionforhampshire2050>

**2. LEP News**

- 2.1. The **LEP Network Management Group** has been discussing with LEP chairs future engagement with key stakeholders, especially ministers and a revised term of reference for the group. Dave Axam is involved in these discussions, which are likely to see a group of southern LEPs working more closely together on plans.
- 2.2. SQW are working on an **overarching economic study across the southern LEPs** that will be used as a companion piece to the LIS documents of each LEP in the area (Hants, Solent, Coast to Capital, SE LEP, TVE Berks and Enterprise M3)
- 2.3. The LEP Network will be providing more detail about the services they will provide to chairs and LEPs. This may result in increased contributions from LEPs. A new CE for the LEP Network has been appointed - Mark Livesay (previously of Cheshire and Warrington LEP). He starts in November.

**3. Enterprise**

**Space:**

- 3.1. Chris Quintana and Francesca Caramelle will be attending **the bi-annual UK Space Conference** in Newport, Wales on the 24 – 26 September. Our aim is to raise the profile of Enterprise M3 activity in this sector by engaging with companies from across the region who are attending as speakers, sponsors and exhibitors. In preparation we have been working with our Space Cluster Group members and White Label to develop our approach that includes the development of case studies and promotional literature. Watch out for further news on our website and social media.
- 3.2. Francesca, who has been recruited as the sector Project Officer, will be supporting this work beyond the conference and will be working on the development of an outline **High Potential Opportunity for Space**

in readiness for a further wave of HPO schemes expected to be announced by DIT toward the end of this calendar year.

#### **EM3 Internationalisation Project:**

- 3.3. Working in partnership with HCC, SCC, the two Chambers, the universities of Winchester and Surrey, and the Growth Hub, we have now completed and submitted our full application to the Managing Authority to access £1m ERDF, matched by partners and businesses, to support our Internationalisation agenda. The Internationalisation project, directed at SMEs new to exporting and those that wish to expand to new markets, will also aim to promote excellence in regional business support systems for internationalising SMEs by sharing and embedding best practices to enable more SMEs to expand their business across borders.
- 3.4. MHCLG are looking at speed up the appraisal processes given the increasing importance of trade, so we look forward to hearing whether our application has been successful sooner rather than later. The project is planned to start in July 2020.
- 3.5. Board members should note that we are exploring running an event for business at the **Farnborough Airshow in July 2020**. This will be an important event for highlighting trade activity.

#### **4. Growth Hub**

- 4.1. There is a piece of work underway to review options for the **future delivery of business support activity through the EM3 Growth Hub**. We have engaged with the consultancy Deyton Bell to carry out the work, which commenced at the beginning of September. They are currently in the process of engaging with a variety of stakeholders, including a handful of board members across the patch in order to gather insight, before preparing a draft report for the end of September. A verbal update will be provided at the meeting.
- 4.2. Enterprise M3 has been asked to **lead a cluster of 4 LEPs and their Growth Hubs** on supporting **business prepare for leaving the EU**. The four LEPs involved are TVE Berks, Solent, Coast to Capital and Enterprise M3. There is an item and paper on the board agenda. The cluster has ramped up activity substantially and is already directing businesses to national and Department of International Trade events.

#### **5. International: Inward Investment**

- 5.1. There is a delegation from Saudi Telecom (Saudi Arabia) visiting the EM3 area on Thursday 26<sup>th</sup> September, looking for **investment opportunities in our tech sectors**. This visit has resulted directly from the High Potential Opportunity work with Department for International Trade and is being coordinated by Christian Cadwallader, Sam Read (recently appointed Sector Specialist) and Rob Dunford.
- 5.2. **FDI** successes and opportunities set out in DIT's latest report show 5 new inward investments from 1 April 2019 (no change on previous period), and a pipeline of 39 'active ongoing projects' (managed by DIT and/or local partners).

#### **6. Enterprise Zones**

##### **Basing View:**

- 6.1. Visible progress is being made on plots K/K1 in anticipation of works commencing on the Eli Lilly building in 2020, the development works are also facilitating the construction of the new multi-storey car park and benchmark building.
- 6.2. Property agents BDT and RARE have been appointed to market the new pre-let opportunity for Norden House, BDP architects were engaged earlier in the year and are developing the proposals for the new site.
- 6.3. The new £20m Village Hotel is still on target for early 2020 completion and will bring over 100 new jobs when it opens. The new public realm, which formed part of the early site readiness works, has been completed and is being well utilised by Basing View residents.
- 6.4. The 5G Living Lab business case is about to go through our Due Diligence process, and we are hopeful that it will be presented to Board in November for approval. EM3 are working with partners to help establish a 5G Development Hub on Basing View as part of the project with a view to accelerating access and development on a 5G network adding a new offer at the EM3 Enterprise Zone.

### **Longcross:**

- 6.5. Crest Nicolson (CN) are continuing to have significant interest in the commercial opportunities at Longcross Park, the site has planning permission for 180,000sqft of commercial space and new 36,000sqft data centre. Works have commenced on the new Discovery Centre which will provide 13,000sqft of commercial space, EM3 are providing funding support for the public realm on the site.

### **Whitehill and Bordon:**

- 6.6. Exciting plans are being developed for TechForest Phase One; a working group has been established to help develop the proposals as part of the growing demand for office and workshop accommodation. The Innovation Centre is currently at capacity and the working group are supporting East Hampshire District Council on the proposal which will include scale-up accommodation for businesses growing in Bordon. A funding proposal has been submitted to EM3 for consideration to support a new development at the Enterprise Zone. In addition, credible interest has been shown on the TechForest Phase Two; this phase of the development will potentially unlock over 130,000sqft of workshop/industrial space and could be available by late 2021.

## **7. Skills and Careers and Enterprise Company**

- 7.1. Our Skills Advisory Panel (STAG) had its third meeting in early September. Emsi our chosen skills data analysis company attended to consult with the Board to gain a sense check of where it would like more detail and focus. The final report will be published at the end of October 2019.
- 7.2. The CEC team have recently gained the support of Bovis, Cisco, UKN, Verizon, Crown Plaza Hotel and Macmillan Publishing. The team are working hard to establish Enterprise Advisers, developing careers talks, CV workshops and workplace visits. The support of these new companies and our existing network is vital to the success of the work undertaken by our team of Enterprise Co-ordinators and supports the inspiration and motivation of young people into the world of work.
- 7.3. We were delighted to receive a congratulatory letter from Claudia Harris CE CEC on our Enterprise Adviser progress against our targets. We overachieved on our engagement with employers reaching 72.2% schools with matched employers against a target of 50%.

## **8. Communications**

- 8.1. White Label are working with us to coordinate a series of communications aimed at promoting the EM3 space sector prior, during and following the UK Space Conference. This activity will include delivering a specialist e-bulletin, press and PR, writing and coordinating marketing materials, creating a database of companies within the region to target/promote, and developing a social media campaign.

## **9. Transport**

- 9.1. The **Transport Strategy for Transport for South East is being consulted** on in October, with the consultation being formally launched at an event at the Farnborough International Conference Centre on 11<sup>th</sup> October. Kathy Slack is on a panel for that event. This launch will be followed by a series of regional events. These events offer an opportunity to learn more about TfSE, the strategy contents and the consultation process. Local business representatives are particularly encouraged to attend, and details have been distributed via our existing mailing lists. Spaces are limited but if Board members would like to attend or are aware of others who they consider would find the events useful, please let Kevin Travers know and he will arrange your attendance. Local events in and around our area are as follows:
- Reading Town Hall, Weds 16th Oct 2019 1.30pm – 4pm
  - Woking, WWF Living Centre, Thurs 17th Oct 1.30pm – 4pm
  - Southampton, Central Hall, Thurs 24th Oct 1.30pm – 4pm
- 9.2. Each event will be followed by an informal drop-in session, from 4.30pm to 6pm where you can have a one-to-one conversation about the draft strategy. These sessions are open to all]”[
- 9.3. The LEP has also responded to the recent consultation on **future governance arrangements for Transport for the South East (TfSE)**. In our response we emphasised the need for TfSE to provide a single voice for the area’s strategic transport needs, planning investment where it will have the greatest benefit: In this way TfSE should be able to directly influence the decisions of national and regional infrastructure providers and operators including Network Rail, Highways England, ports and airports. It has already been fully recognised as essential that business has a strong voice in the partnership. If TfSE is to go forward as a statutory body full LEP involvement is essential if the new body is to be

successful, so we have requested a firm commitment that LEP representatives, with full voting rights, be co-opted onto the Partnership Board at its inaugural meeting.

- 9.4. Following the presentation by **Heathrow Airport Ltd to the previous Board meeting, a full response to the Expansion consultation has been submitted.** Board members have submitted their thoughts. In that response we have emphasised the critical role of aviation in general and airport capacity in particular has in supporting our economy and providing access to international markets. However our support of Heathrow expansion is not conditional and the proposals need to be able to demonstrate how they support and capitalise on the economic opportunities provided for the Enterprise M3 Area through the enhanced role of Heathrow operating as Britain's Global Gateway. It is therefore very disappointing that key documents in the consultation such as the Economic Development Framework and Surface Access Strategy significantly lack the level of ambition we would have expected and that is needed. We have highlighted this in our response and sought the Heathrow develop sustainable transport solutions that will also contribute to meeting carbon reduction targets. Finally, we have again emphasised that there needs to be a firm and unequivocal commitment to Southern Rail Access.

## 10. European Funds

- 10.1. The Managing Authority (MHCLG) re-affirmed the **Treasury guarantee to the ESIF programme** even in the case of No Deal Brexit.
- 10.2. We are actively supporting applicants for both **ERDF and ESF current open calls** worth £16.1m and £4.8m respectively across a range of topics. After these rounds, any uncommitted funds nationally will become part of the national reserve.
- 10.3. The **Launch of a Reserve Fund for EAFRD** (European Agricultural Fund for Rural Development) is imminent, it will cover all three priorities for 'Business Development', 'Food Production' and 'Tourism Infrastructure'.
- 10.4. We are investigating potential projects and partnerships that may be suitable for **DCMS's Rural Connected Communities Fund**. This Fund will support up to ten 5G research and development projects across the country. It is largely expected that projects are led by business, and so our approach has been to raise awareness through our 5G and rural networks and we will aim to facilitate and support any emerging partnerships and applications.

## 11. Location of Office

- 11.1. We had an **exceptionally smooth move to Enterprise M3's new home in DeskLodge, Basingstoke** at the beginning of September. Our new address is Enterprise M3, DeskLodge, Belvedere House, Basingstoke, RG21 4HG and phone number is 01256 262762. The team have settled in well over the last few weeks and we are enjoying making our new office feel like 'home' and we are busy meeting the businesses on Basing View who are now our new 'neighbours'. We look forward to welcoming Board Members at DeskLodge.
- 11.2. We are **hosting our own BEIS team** on 25<sup>th</sup> September at DeskLodge. This is a team workshop held outside of London but gives us a chance to showcase Basing View and bring along partners to talk about our gaming sector and 5G opportunities. Blessing Inyang, EM3 Area Lead, will report back at Board.
- 11.3. Our **mid year review** took place in mid September. We presented an excellent case on our activities around governance, strategy and delivery and are currently awaiting the formal notes of the meeting. We understand our end of year review will take place at the end of the calendar year.

## 12. Team and Board Recruitment

- 12.1. We welcomed Sam Read (Sector Specialist – Gaming) and Francesca Caramelle (Sector Project Officer – Space) to the team in September 2019. Both these new appointments will play a key role in our business-facing activity, aligned to the priorities of the Local Industrial Strategy. Adam Watts joined as a new Enterprise Co-ordinator to our CEC team. Adam joined on 2<sup>nd</sup> September and will be covering Surrey Heath, Woking and Spelthorne.
- 12.2. We have started work on the second phase of our work looking at the **effectiveness of the organisation** and a verbal update will be provided to the board at their meeting.

Kathy Slack  
Enterprise M3 Chief Executive  
September 2019