



Delivering prosperity through innovation

## Enterprise M3 Board Meeting

30<sup>th</sup> January 2020

### Enterprise M3 Annual Report and Annual General Meeting – Item 11

#### Board members to

**NOTE:** Request to engage board expertise in shaping the Annual Report (19-20) and the Annual General Meeting (AGM) 2020

**NOTE:** EM3 is now a limited company, and as such there are some straightforward formal requirements for an AGM defined in the Memorandum of Association. (See introduction below)

**NOTE:** Request to board to help identify key messages and successes of the year for the Annual Report

**AGREE:** Two members of the board who would like to represent the board in planning of the Annual Report

#### 1. Introduction

- 1.1 Publication of our Annual Report and our Annual General Meeting are amongst the most important events of the LEP's year, representing an opportunity to review the year's work, and celebrate and showcase the breadth and depth of our successes to Government, partners, stakeholders and our own team.
- 1.2 Last year's event at the Farnborough Exhibition and Conference Centre was regarded as a great success, attracting more than 200 delegates, many of them private sector. We want to build on this triumph for the 2020 event. We are seeking early involvement of the board as key to this.

#### 2. Enterprise M3 Ltd.

- 2.1 Enterprise M3 is now a private limited company, however, this relatively new status will have very little impact on our plans and vision for the AGM and the Annual Report.
- 2.2 There is no formal requirement in company law to hold an AGM , however our Articles say **we must hold an annual general meeting** and the Government's Assurance Framework, which sets out our transparency/governance obligations, stipulates this for all LEPs (and expects these to be open to the public). Where we do hold one, there are no specific obligations for the format or content of the meeting. Our AGM has always been open to all and we advertise we are holding an AGM at least 6 weeks before the event.
- 2.3 With respect to the **accounts**, there is no statutory requirement for private companies to lay their accounts before members at a general meeting, unless the Articles of Association say otherwise. This is not the case with Enterprise M3 Limited.
- 2.4 Board members will recall that EM3 has been set up in a way that EM3 Limited has no funds, staff, assets or liabilities, and does not trade, therefore we will submit "Dormant Accounts" with no transactions and balances (apart from shareholding). These accounts must be approved by the Board of Directors and submitted to Companies House, by **31 December** each year and do not have to be done by the time of the AGM, or as part of the AGM.

- 2.5 With respect to the **revenue and capital funds** relating to the LEP activity within Hampshire County Council accounts, we will continue to report these to the Board, and we will (as in previous years) publish the information in Enterprise M3's Annual Report, which is presented at the AGM. This is in line with Government's Assurance Framework – and not a statutory or legal reporting requirement.

### 3. Annual Report

- 3.1 Our Annual Report, like our AGM, is always highly commended. The Annual report is a chance for the board to showcase the strategic direction set by the Board. We have given some initial thoughts on the focus for this year's report and conclude that it is important that the Annual Report portrays the EM3 as a 'Business LEP', an agile operator, focussed on action and delivery. We want to get across that a real strength of the EM3 is our robust knowledge and evidence base which gives us a profound understanding of our business base and regional economy, what is needed to keep our economy successful and growing. We want to demonstrate all this in the Annual Report, through data, case studies and highlights of last year's performance. We will want to particularly showcase what we are doing to support business to seize opportunities. Board members are asked for their input on the focus of the report.
- 3.2 An important part of the report will be the "at a glance" infographic setting out the successes of 2019/20. Last year's "Top 10 Highlights" are on Page 10. of the 2018/19 Annual Report [here](#).
- 3.3 The board requested last year that we convey our highlights in a way that it is clear what success looks like and we propose to use more metrics and comparator data this year. The board are asked to consider their highlights of EM3 activity during 2019/20 for inclusion in the report. Listed below are some suggestions (in no particular order and with accompanying statistics to follow closer to end of the current financial year):
- Local Growth Fund spend and delivery, including: investment leveraged; jobs created/safeguarded; new homes; apprenticeships supported etc.
  - Work of Careers and Enterprise Team who have been recognised as one of the top performing teams across country
  - Recognising the importance of the gaming and space sectors, especially through work with DIT to identify regional factors of these sectors which mean they have "high potential" to attract inward investment
  - Funded cross-LEP exporting masterclasses with DIT to drive business resilience and seize opportunities in changing international scenario
  - Excellent year for Finance for the South East.....supporting business-led innovation – a strong characteristic of our business base
  - Businesses supported short and long term as part of the EU Exit Readiness and Resilience funding (Growth Hub has engaged with 2,386 businesses to date)
  - As part of our commitment to clean growth and national targets and address climate change, the approval of the Surrey LED replacement project which will integrate digital technologies, reduce energy usage and subsequently reduce Carbon Dioxide (CO<sub>2</sub>) emissions
  - Strengthened effectiveness of the Board by improving diversity of membership
  - Completed the analytical work for the LIS and produced a comprehensive evidence base which has been positively received by the Government Analytical Panel, and will be the rationale behind interventions for the future to help our business and communities
- 3.4 To ensure the board remains close to the development of the Annual Report, it is suggested that two board members help steer its production. This will involve regular discussions to review structure of the report and propose and review the content as it progresses.

#### **4. AGM approach**

- 4.1 The proposed date for the event is **24 June 2020** and we are currently checking board member availability. All board members are required to attend. Fuller details of the event format will be discussed at future boards, but broadly include:
- Presentations by the Chair and the Chief Executive
  - The Annual Report launch and celebration of last year's successes
  - An opportunity for stakeholders/the public to ask questions about the company and of board members
  - A look forward to future ambitions
  - A keynote external speaker and board members are asked to contribute suggestions.
- 4.2 The event last year was hosted in Farnborough, Hampshire, and we propose the AGM is held in Surrey this year.

#### **5. Financial Implications**

- 5.1 A budget of £15,000 has been allocated for the AGM as part of the proposed 2020/21 EM3 revenue budget. The cost of last year's event was £14,000. Last year production and printing of the Annual Report cost c. £7,500.

#### **6. Conclusion/Recommendation**

- 6.1 The board is asked to **AGREE** the proposed approach to the development of the Annual report and the AGM, to make suggestions for highlights of the year and to propose two board members to steer the production of the report.

Sue Littlemore  
Future Initiatives Manager  
16/01/20