

**Enterprise M3 Board**

**26 November 2020**

**Enterprise M3 Chief Executive's Report – Item 13**

**1. LEP News**

- 1.1. A third ministerial roundtable was held on 23 October with business representatives from Catalyst South focussing on green recovery and UK transition opportunities with Minister Kwasi Kwarteng.
- 1.2. The Government will announce its Comprehensive Spending Review on 25<sup>th</sup> November. This should set out future LEP and Growth Hub funding for a further year. There will be an update at the Board meeting.
- 1.3. CBI have launched a [report on levelling up](#), the report amplifies the role LEPs and Growth Hubs can play in skills, support to business and inward investment and highlights the need for resource and capacity required to deliver services.

**2. Local Industrial Strategy /Economic Recovery & Renewal Action Plan**

- 2.1. At a September Board workshop, members considered our evidence-based Recovery and Renewal Action Plan, "Revive and Renew", endorsing the main areas for action: a focus on skills and employment, accelerating the digitisation of our economy and the move towards a low carbon recovery. Members also articulated the LEP's role as primarily a strategic leader & influencer, collaboration enabler, evidence gatherer and potential funder.

**3. Business Readiness/Cluster Activity/Growth Hub**

- 3.1. UK Transition – Government has confirmed that up to £2.4m has been secured for LEPs and Growth Hubs for 2020-21 to support EU Transition activity. Government have allocated sufficient funding for 3 FTE advisors for EM3 Growth Hub, a new National Helpline is available and we are working as a cluster on communications, sign-posting all enquiries via the Growth Hub website to the Government website and national campaign. We are expecting a further announcement re additional funding on 19<sup>th</sup> November.

**4. European Funds**

- 4.1. ERDF SME grants programme, EM3 has committed 97% of funding for the wider economy and 46% in the visitor economy. The Cluster group is currently reviewing different options for re-opening the calls.
- 4.2. EM3 ERDF Technical Assistance project closed on 30<sup>th</sup> September for activities. An independent evaluation of the project, the summative assessment is published demonstrating value for money and the success of this project. Final activities included the creation of 2 new case study videos.
- 4.3. EM3 ESF Technical Assistance project completed their annual review via videoconference. TA team are preparing for an audit which is due in the coming months.

**5. Space Sector**

- 5.1. [Enterprise M3 LEP has secured £70k from UK Space Agency](#) as part of its Local Space Cluster Development Initiative, and UK Government's ambition to secure 10% of the global space market by 2030. UK Space Agency **awarded fundiung to seven parties, only one of which is a LEP – Enterprise M3. The other recipients are Wales, Scotland, Bristol, North West, Leeds, and West Midlands – therefore, either devolved authorities, or city regions.** There was a Government press release on 20<sup>th</sup> November.

**6. Growth Hub Activity**

- 6.1. The EM3 Growth Hub continues to provide their core service to our businesses across the region with additional Covid 19 response coaching and support. In addition, the Growth Hub has delivered 7 hugely successful webinars on a number of topical subjects to include the Foundations of business, a focus on the profit engine and developing a sales pipeline. A conference is planned for 2<sup>nd</sup> December 2020. EM3 Live will bring innovative and interesting speakers from a diverse range of experiences to support our businesses plan and move forward in our post Covid world. Finally, we were sad to say goodbye to Growth Hub Director Roya Croudace in October. This role is currently being shared by Jamie Ross and Jeannie Satchell as the Growth Hub transitions into the LEP.

## 7. Games & Immersive Tech

7.1. The Guildford Games Festival (GGF) took place on 13<sup>th</sup> & 14<sup>th</sup> November and is viewed as a resounding success. 9 hours of original video content about Guildford's games industry was produced for GGF and was broadcast on the streaming platform Twitch and games marketplace Steam. According to metrics provided by Steam, the content was watched by a minimum of 1.7M unique viewers for a total of 2.7M views. The Twitch metrics accounted for 2,116 unique viewers and 2,837 views which would normally have been regarded as successful figures by UK games industry trade body UKIE. GGF also enjoyed favourable media coverage on local outlets including BBC South Today TV, BBC Radio Surrey and The Guildford Dragon.

## 8. Trade and Investment

- 8.1. There were four new investment (wins) which include Viasat, Bluebird Bio and Uptopy. Five new potential investments this month including from UCB, Kornit, SC Johnson and Nanoavionics. Despite the economic context the figures remain 'healthy' for this time of year (see below for comparisons with October 2019).
- 8.2. NanoAvionics has expanded into Belvedere House in Basingstoke and the investment aims to generate up to 400 jobs across the area, including supply chain solutions. Med-Tech giant UCB's projected investment in the UK will be more than £1 billion over five years and the transition to this new facility will support more than 650 high-value jobs.

	Position now (Oct 2020)	Position last month (Sept 2020)	Position in Oct 2019	Final results in 2019/20
<b>Successes</b>	17	13	7	43
<b>Involved single-site</b>	9	6	2	19
<b>Involved multi-site</b>	2	2	1	7
<b>Non-involved</b>	6	5	4	17
<b>Total jobs</b>	<b>599</b>	<b>518</b>	<b>242</b>	<b>815</b>
<b>Active pipeline</b>	51	51	47	
<b>Active pipeline with a potential to land this FY</b>	29	29	26	
<b>Prospect pipeline</b>	58	57	50	

- 8.3. The LEP has been supporting Hampshire County Council and their projects's consortium in the submission of a proposal for a Cross-Channel Project (iSTAC) which will help SMEs trade after the UK transition period.
- 8.4. The LEP has been working with DIT and the University of Surrey towards the production of the **EM3 Animal Health High Potential opportunity (HPO)** . The EM3 Animal Health sector includes more than 195 active organisations. The first Animal Health HPO Workshop will take place on 1<sup>st</sup> December 2020.

## 9. Clean Growth

- 9.1. The second Clean Growth Forum was held at the beginning of November. The group focussed on Government decarbonisation and energy efficiency funding and the EM3 Revive and Renew plan. The funding session focussed on communicating what is available but also, as a group, we can ensure that this funding is accessed. The Group also discussed the Revive and Renew Plan and how the group can help deliver.
- 9.2. The Clean Growth Pilot Programme is progressing well with projects on the verge of being contracted.
- 9.3. We are currently looking at the newly published Government 10 point plan on the Green Industrial Revolution. Although there is a drive to direct investment to level up other regions, there is plenty in the Plan that strategically align with our activity and will directly benefit the mid-chain low carbon sector specialisms we have in the EM3 area.

## 10. Communications

- 10.1. The home page of the EM3 Website is being redesigned to be more dynamic with regular updates, showcasing our work with businesses.
- 10.2. Since the pandemic we have been issuing regular business information newsletters to our 2000 subscribers at the average rate of almost one every working day.

10.3. In the last 2 weeks of November w18e issued 6 media releases highlighting investments and other good news – 2 of those releases included supportive quotations from ministers.

## **11. Enterprise Zones**

11.1. The EM3 team is working with the Accountable Body to prepare for billing the EZ rating authorities for BRIG in 2019/20 financial year. This is estimated as a net income of £154,326 which will contribute to the operational costs of the Enterprise Zone programme.

11.2. The EZ Programme Manager role will be readvertised to seek a new programme manager as the initial recruitment process did not result in appointment.

### **Basing View:**

11.3. Work is progressing at the new Eli Lilly and Company headquarters with the building expected to be completed in December 2020.

### **Longcross:**

11.4. The power supply upgrade at the site is now fully completed with the sub-station energised. This was undertaken by SSE as a result of the heath fire at Chobham Common at the end of the summer which impacted on overhead power cables and the supply to Longcross Park site was made live in order to provide an alternative supply to local businesses and households.

11.5. Network Rail will be progressing improvements to the train station at the site with the replacement of the footbridge. These works are due to take place in Spring 2021.

## **12. Skills**

12.1. The EM3 Skills Action Plan has now been drafted and is being shared with the Skills Advisory Panel on 19 November to make comments and suggestions on how we take forward the actions and interventions. It will be presented to the EM3 Board in November.

12.2. Following a number of applications to the ESF Reserve Fund, we were advised of two successful bids that will now progress to the next stage. One of these will fund projects to support the employability of armed forces veterans and those leaving the forces.

12.3. The skills team has been supporting FE partners in preparing applications for the Department for Education Institute of Technology Wave 2 Competition that will help address skills gaps at levels 4 and 5, as mentioned in Revive and Renew. At the time of writing, there is likely to be one collaborative bid put forward focusing on Clean Growth and Animal and Human Health.

12.4. The Skills Advisory Panel has been broadening membership to reach more employers and give them a platform to share the skills challenges they face. The next SAP meeting will include an opportunity for different employers to share these challenges and invite the SAP to identify how we can help address them.

## **13. Careers and Enterprise Company**

13.1. Since the start of September, Adam Watts has inducted 13 new Enterprise Adviser volunteers into the network. Royal Air Force, University of Surrey, AppDynamics, Nikkiso and EY have provided volunteers thus far, along with some SME's. Our strongest means of finding volunteers has been through CIPD and LinkedIn posts from the team. We still have a requirement for more Enterprise Advisers; 22 schools in our network have a vacancy with no Adviser lined up, and we have another 30 schools/ colleges set to join the network.

## **14. Transport**

14.1. We continue to work closely with a range of key partners and recently attend the virtual South Western Railway Stakeholder Conference. This was very useful in understanding how the railway is responding to the immediate crisis but perhaps more importantly how the industry is it looking to adapt to a longer-term change in passenger demand an anticipated flattening of peak travel demand whilst still delivering an effective service for business. The LEP will continue to work with our rail industry partners to push for major infrastructure investment that is still needed, such as for example capacity enhancements at Woking and southern access to Heathrow Airport.

14.2. The Transport for the South East Board, where our Board member Ross McNally is a LEP representative, met recently, and whilst there was disappointment at the news that Government is not currently minded to consider their request for statutory status, Department for Transport representatives were keen to point out that engagement with TfSE remains vital in understanding Regional priorities and that influence will be in no way diminished because of not having statutory status.

14.3. The LEP has been invited to attend a session help us Surrey County Council shape their 4th Local Transport Plan. This is a critical policy framework that will set the way in which they will prioritise and deliver transport across the county for the future and we can help to ensure that the economy remains a key driver for this. We are also working with Surrey & Hampshire County Councils to look at how best to develop future pipeline of transport scheme to support smart mobility and wider connectivity. In Hampshire we recently attended their Active Place Summit which was looking to agree new design and engagement principles to improve Hampshire's streets for people walking, and cycling. The session brought together stakeholders from a wide range of backgrounds and experiences to help us shape their future plans, as part of Hampshire County Council's own emerging Local Transport Plan 4.

## **15. Delivery Plan**

15.1. The [EM3 Delivery Plan](#) dashboard for October/November is added as an appendix to this report.

## **16. Team Recruitment**

16.1. Stephen Martin has been appointed as the Director of Operations. He starts on 30 November and will be attending the Board meeting.

Kathy Slack - Enterprise M3 Chief Executive  
18 November 2020

# OCT-NOV KEY HIGHLIGHTS: REVIVE & RENEW

## Job creation & Skills for employment

- **Skills Action Plan:** To be approved at SAP and Board in November. The Plan has 3 transformational ambitions within 4 skills and employment priorities and a number of interventions / actions for each
- Four **Skills projects** (LGF & GBF) approved and progressing to contract, all on track for delivery in 2020/21 – Digital Skills; Alton (Gaming & digital hub), Brockenhurst digitisation, QMC e-sports
- **CEC:** 1st meeting of the Stakeholder group, organisations delivering government supported programmes within our region. Good engagement with schools online compared to other LEPs

## New transport & Smart mobility – c19 safe; sustainable; delivering connectivity

Working with Surrey & Hampshire CCs to look at how best to develop future pipeline of scheme to support **smart mobility**

**Supporting Town Centre Fund** – 4 projects approved. Fleet TC reviewing scheme. **E-commerce** platform approved at PMG

**Future Towns Mobility Demonstrator** project approved

## Digitisation for business resilience, innovation and growth

**Gigabit EM3 Town & Rural:** work underway to develop the detail within the business case, including detail design, funding partner, funding mechanism

## Convening people and organisations in shared projects

- **Games:** Successful Guildford Games festival held with over 2.5m views!
- **Space:** Awarded £70k by UK Space Agency as part of its Local Space Cluster Development Initiative\*
- **Animal Health HPO:** Working very closely with University of Surrey and the Department for International Trade towards a further development of the local Animal Health Cluster. A DIT Animal Health Workshop planned to identify the commercial opportunities for EM3
- **Clean Growth:** The 2<sup>nd</sup> Clean Growth Forum meeting was held at the start of November. Focus non green skills for the next Forum meeting and potential ESF specification.

## Supporting business-led innovation, entrepreneurship, high-tech

**Growth Hub:** There has been a significant uptake in the support required from the Growth Hub in order to help respond to the COVID-19 crisis. GH support local business with access to CBIL's, grants, business resilience, HR, Legal and signposting to appropriate support partners

### Additional funding streams

**ERDF:** options to be agreed regarding how to manage the remaining small amount of funding  
**UK transition:** £81k allocated for 3 additional advisors

## Town Centres and Housing supply – reimaged and fit for the future

Recent projects approved:-

- EV Charge point pilot
- Workspace pilot programme
- Workspace demand study
- Future Towns Innovation Hub

## Growth in the low carbon economy

**Clean Growth pilot programme:** 5/6 projects approved. Outputs (CO2kg saved) are due to exceed original target provided to Gov't

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## OCT-NOV LEP ACTIVITY UNDERPINNING REVIVE & RENEW

- **Capital programme**
  - Focus on spend for Q3 LGF and finalising outstanding contracts to ensure 100% contractually committed by December
  - Approach for use of freedoms and flexibilities being developed with Accountable Body and discussions with partners to follow. This will enable some project spend (for public sector partners) to move into next financial year
  - End to End process review
- **Strategy:** Business consultation on Revive & Renew commences – round table event Nov 30<sup>th</sup>
- **Comms:** In the last 2 weeks of November we issued 6 media releases highlighting investments and other good news – 2 of those releases included supportive quotations from ministers.
- **Trade & Investment:** In October 2020, EM3 LEP saw 17 successes (compared to October 2019 with 7). The new investments are set to generate up to 599 new jobs, (compared to last year figures of 242 jobs). Currently, there are 58 active projects in the pipeline, most projects are North American, followed by Europe. The landing of [NanoAvionics](#), a Lithuanian-headquartered international nanosatellite manufacturer and a Med-Tech company - UCB. The LEP has been engaged with three international investors which are looking to expand to the EM3 region.
- **LEP recruitment:** Interviews for Trade & Enterprise post w/c 23/11. EZ and Commercial Property post remains live
- **NED recruitment**
  - James Cretney leaving board and replacement to be ratified
  - Debbie Allen will take on Chair of PMG from January

### Key meetings and events

- JLB - annual scrutiny meeting (19/11)
- SAP – Skills Action Plan – sign off (19/11)
- Board – 26/11
- CSR – 25/11