

Enterprise M3 Board

28 January 2021

Enterprise M3 Chief Executive's Report – Item 13

1. LEP News

- 1.1. The majority of activity continues to be focused on the impact of COVID on the economy and our workforce and recovery planning. Work to support business in the lead up to EU transition and thereafter were ramped up.
- 1.2. In January Kwasi Kwarteng, our local MP for Spelthorne, became SOS for BEIS.

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

- 2.1. Our **Revive and Review Plan** is guiding our strategic activity and funding and we are now taking the messages out to our partners to work with them on implementation of actions.

3. Business Readiness/Cluster Activity

- 3.1. EM3 are working across our cluster supporting business to adopt new practices and offering advice on areas such as exporting, employment and data now we have left the EU. EM3 have procured Blueberry Marketing Solutions on behalf of the cluster (TVB, C2C, EM3 and Solent) to contact businesses to establish business readiness for the end of UK transition and to provide referrals to all four GHs. The plan is to reach around 1,000 businesses in each LEP area.
- 3.2. EM3 have procured Newable Ltd to provide generalist and specialist advice regarding UK transition to boost adviser capacity to ensure outreach and support to businesses up to the end of March.
- 3.3. EM3 are working to procure Hampshire and Surrey Chambers of Commerce to provide one to one UK transition specialist advice and are part funding the EM3 Banker in Residence and EM3 sector specialists to boost capacity to provide UK transition support and referrals.
- 3.4. EM3 are working to recruit an administrative assistant for UK transition regional co-ordination and targeting to collate local events, workshops and dovetail local web content on behalf of the South Central Cluster for the duration of the project.

4. Growth Hub Activity

- 4.1. The Growth Hub is on target for achieving the KPI's. This has been challenging through the virtual delivery model but the team have been able to manoeuvre exceptionally well and has been the critical factor in keeping the continuity.
- 4.2. There has been a complete reversal in how the majority of businesses access the service. Prior to the pandemic, the majority of referrals were obtained through events and networking whereas now this has flipped to online channels and has corresponded with major announcements (grants being issues, COVID etc). There needs to be a sustained and coordinated effort to ensure that digital reach is maintained.
- 4.3. Webinars are being delivered in a range of topics, a sales masterclass was delivered on 21 January. Next week is a webinar on online presenting skills which is aimed to arm attendees with practical tips to make them appear more professional and feel more confident in delivering presentations and networking on Zoom & Teams.
- 4.4. The webinars are starting to get really good numbers with 25 registering for 21 January event and 25 already signed up for the session on the 28 Jan. The format of the webinars is working well, with each introducing the available Growth Hub support, and are getting positive anecdotal feedback, which in turn is ensuring numbers remain at higher levels.
- 4.5. The Growth Hub hosted EM3 Live, an event aimed at ambitious businesses. EM3 Live was a great success with over 150 registrations and 100 people tuned in at any one point. The content received positive feedback and connections were made through the networking facility. This was a very successful event and must be noted that it was a huge effort from the UMi team.

- 4.6. Focus of activity has been on the impact of COVID and the inability to plan ahead plus general business support. So far, the level of enquiries on EU transition has been lower than expected although organisations such as the Chambers has been busy with export documentation enquiries.

5. European Funds

- 5.1. ERDF SME Grants programme – This programme has nearly issued all of the grants available. To date EM3 SMEs have received 30 grants worth £103,401 for the wider economy and 6 grants worth £24,427 for the visitor economy with a further 39 grants worth £139,978 still being processed. The visitor economy scheme is open until 22nd January to ensure all the remaining funds are allocated.
- 5.2. 4 new ERDF projects have been contracted and are starting delivery in the EM3 area: Manufacturing Growth Programme Extension lead by Oxford Innovation Services multi-LEP worth £300K, The South Internationalisation Fund lead by DIT multi-LEP worth £750K, SE Gateway to Trade lead by Newable multi-LEP worth £400K and Low Carbon Across the South East (LoCASE) lead by Kent County Council, multi-LEP worth £2.7m
- 5.3. ERDF Technical Assistance Project – activities closed on 30/09/2020 and final claim will be submitted in January 2021 for the administration of project closure.
- 5.4. ESF Technical Assistance Project – activities continue for a further £4m ESF funding in draft specifications. Priorities for further funding to the area include accessing green skills or specialist digital skills and for tackling youth unemployment. The aim is to ensure that all ESF reserve funds are committed by the end of September this year, therefore all calls have to be agreed and published before the end of April.

6. Space Sector

- 6.1. UKSA Local Space Cluster Development Project progresses healthily. January's EM3 Space Hub Steering Group Meeting took place on 12 January 2021. We addressed gaps in the local space ecosystem.
- 6.2. Along with University of Surrey and the South Coast Centre of Excellence in Satellite Applications at University of Portsmouth, the LEP has organised the "Satellite applications for animal welfare management" cross-sector event. The latter will take place on 22 January 2021 and brings together members both from the local space ecosystem, and the regional animal health cluster. The purpose of the event is to explore the overlaps and complementarity of these two thriving industries, aligning with the key objectives set in the LEP's Revive and Renew Action Plan. We already have 100 people registered for the event.

7. Animal Health

- 7.1. The first draft of the Animal Health HPO should be finalised by the Department for International Trade Agri-Tech Team by the end of January 2021. It will be shared with the LEP and the University of Surrey for further contributions.
- 7.2. The University of Surrey Veterinary School has been involved in the organisation of the cross-sector event the LEP will be holding on 22nd January 2021.

8. Trade and Investment

- 8.1. Three new investments have landed in the region since November 2020 – CIMC (China,), MyGuestlist (Australia), Zentiva (Czech Republic). Overall, these investments should generate 37 new jobs.
- 8.2. Following December's cross-sector event combining geospatial applications with immersive technology/gaming, the LEP was contacted by a multi-national American propulsion systems manufacturer, seeking to land in the region. The LEP has also had space-related conversations with DIT Italy and an upstream firm based in Ukraine.
- 8.3. The LEP is in contact with Western Australia Government, on how we can align our agendas and collaborate on space & satellite, gaming, and green technologies.

9. Clean Growth

- 9.1. Sarah-Jane Chimbwandira has taken over the Chair of the Clean Growth Forum. The Forum will help the LEP develop its Clean Growth activity.
- 9.2. The projects under the Clean Growth Pilot Programme are now all approved and starting. We expect the two innovation projects, smart battery storage and Heat Enabled Power Plant to start reporting soon. We are anticipating on site start dates for the solar and low carbon heating installation projects.

10. Communications

- 10.1. A total of 31 e-bulletins were sent (the equivalent of 63,793 emails) with 15,130 opens, 1,542 unique opens, and a 10% increase in subscribed users (211 new subscribers).
- 10.2. Engagement is high: average open rate of 23.5%, considered 'very good' in the industry and an improvement on the previous quarter's 21.5% average.
- 10.3. Database update ensure newsletters now reach all MPs, Board members and council leaders. Highlights: the Christmas and New Year message by Chief Executive Kathy Slack - opened and read by nearly 500 people, and the Tier 3 and Tier 4 announcements both saw record read rates.
- 10.4. Twitter followers are up by 17% since White Label first started working for EM3. LinkedIn followers have almost trebled and have broken the 1,000 barrier.
- 10.5. In Oct, Top tweet: appointment of Ren Kapur to EM3 Board of Directors. Other high performing tweet: news UCB has signed an agreement to acquire the former Eli Lilly site in Windlesham, Surrey.
- 10.6. Coverage of EM3's activities has expanded locally, regionally and across major sector-specific press particularly in space/satellite and inward investment markets. Eg the announcement of the LEP's space cluster funding, impact of NanoAvionics, and mention of Enterprise M3 in the Government's European Funding case studies success of links to work programme.

11. Enterprise Zones

Basing View:

- 11.1. Arena Business Centres are progressing with their acquisition of Plot P, Grosvenor House. They intend to achieve an extension of the lease for the site with Basingstoke & Deane Borough Council. Refurbishment of the building would create 50,000 sq feet of office space and bring back into viable use a building that is currently in a vandalised and dilapidated state.
- 11.2. This would bring Arena's holdings at Basing View to three properties incorporating 147,500 sq feet of commercial space.

Longcross:

- 11.3. Aviva Crest Nicholson are progressing with the sale of the remainder of the Enterprise Zone site to a film studio developer. Runnymede Borough Council have made a resolution to approve the planning application which relates to the revised building schedule that would support this alternative use.

Tech Forest:

- 11.4. Homes England will approve a proposal to put the Tech Forest phase1 site (Louisburg North) back on the market this year. Once this is given the go ahead, it is planned for their commercial agents, JLL, to promote it from April 2021. They have agreed to work with partners to ensure that marketing information reflects the local situation and encourages prospective developers to liaise with local partners.

12. Skills

- 12.1. Since the publication of the Skills Action Plan (December 2020), attention has been on producing the companion Local Skills Report (a requirement from the Department for Education), due for publication in March 2021.
- 12.2. Other key areas of work:
 - Youth Unemployment: Rapid Needs Assessment research published by Surrey County Council with support from Enterprise M3.
 - Further progress has been made on the Innovation South Virtual Campus project, due to be soft-launched in mid-January.
 - Discussions with construction employers, related to the transformational ambition of a National Centre for sustainable construction. Some of these will present at the next Skills Advisory Panel (27 January).
 - Follow-up discussions with DWP and Chambers regarding an 'Academy' for self-employed to preserve their businesses.
 - Discussion between Barney Ely and Communications Team to raise profile of the work of the Skills Advisory Panel (e.g. on LinkedIn).
 - Supporting launch of EM3 Apprenticeship and Skills Hub during National Apprenticeship Week 2021, including research into higher technical skills gaps in low carbon sectors.

- Procurement of regular labour market intelligence reports from Hampshire County Council to help inform the work of the Skills Advisory Panel.

13. Careers and Enterprise

- 13.1. This has been a challenging time for the education landscape, with a return to face to face learning at the start of the new academic year, and then a return to online learning in the new calendar year.
- 13.2. The Careers and Enterprise virtual engagement model has been well received by careers leaders. During the first lockdown the Careers and Enterprise team were still able to secure 77% meetings with their contacts in half term one, and 94% in half term two. Additional virtual training sessions were well received, and attended, in some circumstances better than a face to face meetings.
- 13.3. Technology in education continues to be challenging, with some schools better positioned to utilise its benefits for themselves and their students. We have signposted educators to services that may support their institutes such as the **EdTech programme**, a **government initiative** to realise the potential of technology in education.
- 13.4. Although we have unfortunately lost some business volunteers, Enterprise Advisers, as a result of the pandemic, we have also had a very positive response from business volunteers who understand the importance of business in working with education. We now have 64 business volunteers matched with education institutes. An Enterprise Adviser recruitment campaign was launched week of 11 January, as part of the CEC national campaign. We need a minimum of 115 Enterprise Advisers. Board directors are encouraged to take this message out to their business contacts.

14. Transport

- 14.1. Over the past few months, we have been working closely with a range of partners to understand the potential offered to our area by the new Government initiative around Freeports. Freeports are free trade areas which can offer tax and customs benefits designed to create hubs for trade, to promote regeneration and job creation, and to create hotbeds for innovation. Within this it is also clear that a levelling-up focus remains the key priority with a Freeport can act as a catalyst for associated property and construction projects. The UK government has opened a bidding process which is likely to see a number of competitive bids from ports and consortiums around England and the wider UK seeking to gain Freeport status. Enterprise M3 LEP is currently working on two potential bids in the Solent Area and around Heathrow Airport.

15. Delivery Plan

- 15.1. The date for the Annual Performance Review is now set for 9th February. The format remains the same, focussing of the three categories of Delivery, Governance and Strategic Impact. The difference this year is that the results will be binary – either 'Met' or 'Not Met' and therefore no 'Exceptional' grading. A positive APR result will then lead to the unlocking of the remaining 50% of the Getting Building Fund for next year. We are in a good position and expect a positive result.
- 15.2. The EM3 Delivery Plan January progress report is added as an appendix to this report.

16. Team Recruitment

- 16.1. We have appointed a new Head of Trade and Enterprise who is due to start early April.

Kathy Slack - Enterprise M3 Chief Executive
21 January 2021

MILESTONE PLAN

Red = new milestones

	Capital programmes	Business Support Programmes	Strategy development	Operations	External factors / Government
Q2 (Jul – September 2020)	<ul style="list-style-type: none"> Supporting Town Centres Fund launched and projects supported Getting Building Fund launched and first projects contracted Gigabit EM3: Town and Rural business case completed Clean Growth Programme pilot starts 	<ul style="list-style-type: none"> Gaming HPO launch and announcements due on 'wave 2' HPO Launch of Guildford Games shared storefront on digital distribution platform, Steam. Crisis coaching (GH) Webinar delivery (GH) ERDF Kickstart Tourism launches ERDF Business support launches DIT HPO presentation for DSK event 	<ul style="list-style-type: none"> Decision on Growth Hub next steps Decision on the Internationalisation project due from MHCLG 	<ul style="list-style-type: none"> AGM and Annual Report published NED recruitment commences New CEC contract 	<ul style="list-style-type: none"> Positioning catalyst South with govt and ministerial roundtables
Q3 (October – December 2020)	<ul style="list-style-type: none"> LGF programme fully contractually committed 	<ul style="list-style-type: none"> Peer to Peer Networks launch Growth Hub 2021/22 implementation Preparation for EU transition (GH) World Space Week Immersive Technology – Geospatial cross-sector event. Launch of Guildford Games Festival 2020 November 13th & 14th Launch of Guildford. Games cluster website 	<ul style="list-style-type: none"> Recovery and Renewal Action Plan CEC evaluation report finalised Heathrow/aviation work Focus on trade and enterprise 	<ul style="list-style-type: none"> Recruitment of staff JLB Scrutiny session Board Strategic Workshop New NED Board Member/New PMG Chair/New Nominations Committee Chair (as James Cretney and Mike Short will leave the Board) Enterprise M3 budget setting for 2022/22 (including consideration of property requirements) Fund management contract evaluation commences EZ Programme Steering Group restart 	<ul style="list-style-type: none"> Devolution and Recovery White Paper expected to be published (likely to include Recovery Plan template)/housing & planning announcements CSR Government decarbonising public buildings scheme launched Positioning catalyst South with govt and ministerial roundtables
Q4 (January 2021 – March 2021)	<ul style="list-style-type: none"> Capital programme year end and accruals Potential launch of Clean Growth Programme (after pilot) 	<ul style="list-style-type: none"> Peer to Peer programme Evaluation ERDF programme evaluation launch of new ESF calls Growth Hub 2021/22 implementation 	<ul style="list-style-type: none"> Local Skills Report 	<ul style="list-style-type: none"> Recruitment for new Chair concludes Annual Performance Review 	<ul style="list-style-type: none"> Budget Levelling up fund UKSP

DEC-JAN KEY HIGHLIGHTS: REVIVE & RENEW

Job creation & Skills for employment

- Regular skills-focussed [Linkedin posts](#) with Barney and the SAP planned for next month
- Working with Uni of Surrey on **multiple games/immersive** CPD projects
- **Skills Action Plan:** Discussions underway with partners to develop the projects within the plan
- **Local Skills Report:** A companion to the Skills Action Plan) developed and being taken to SAP for review. Then to DfE in Feb
- **Innovation South Virtual Campus** project due to be soft-launched in mid January - The portal launched [here](#). The aim is to transform access to vital work-focused skills training such as cyber security and digital skills across the region.
- Follow-up discussions with DWP and Chambers regarding an **'Academy' for self-employed** to preserve their businesses
- **CEC:** Schools have returned to home schooling, but still providing learning to key workers on site

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

- **Autonomous EV Charging** project phase 1 complete. Phase 2 will lead to trial.
- Linking **Solent Transport** to Future Towns Mobility Demonstrator (Basingstoke) re e-scooters and micro mobility and mobility hubs
- Working with Surrey & Hampshire CCs to look at how best to develop **future pipeline** of scheme to support smart mobility

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. Decision expected early in March

Convening people and organisations in shared projects

- **Games:** Developing [guildford.games](#) branded worksheets for [homeschooling](#)
- **Space:** Satellite applications for animal welfare management cross-sector event (100 people registered)
- **Animal Health HPO:** first draft of the Animal Health HPO should be finalised by end of January 2021

Town Centres and Housing supply – reimagined and fit for the future

Workspace pilot programme: PMG approved 2 centres, and a further 1 for CX sign off. Working through issues regarding loan for company with limited credit status and also issues of state aid

Growth in the low carbon economy

Clean Growth pilot programme: All projects approved. [PowerQuad](#) and the Heat enabled virtual power plant have started on site
Clean Growth Forum new chair (Sarah-Jane [Chimbwandira](#)) – next meeting focus is on skills

Supporting business-led innovation, entrepreneurship, high-tech

Growth Hub: On target to deliver 159 growth plans this year. Virtual service makes engaging with prospective businesses more difficult. Lockdown and tier system huge impact on businesses in region.

Developing a **scale-up index** (a qualified list of companies who are investment-ready) for the games sector

Additional funding streams

ERDF: Tourism 'pot' remains open with small amount of funds remaining. The South [Internationalisation Fund](#) led by DIT multi-LEP worth £750k has been approved
UK transition: Intensive business support procured. Blueberry (survey & outreach) in place
Peer to Peer - 5 cohorts in progress. New marketing campaign aimed at lockdown

Support international trade and inward investment

Three **new investments** – CIMC (China, 30 jobs), [MyGuestlist](#) (Australia, 1 job), Zentiva (Czech Republic, 6 jobs).

Following December's cross-sector event combining geospatial applications with immersive technology/gaming, the LEP was contacted by a propulsion systems manufacturer, seeking to land in the region.