

Enterprise M3 Board Meeting

29 July 2021

Chief Executive's Report – Item 13

1. LEP News

- 1.1. We are expecting a letter from government on the latest on the LEP Review in the week of the 27th July. A verbal update will be given at the Board meeting.

2. Growth Hub Activity

- 2.1. Following the Growth Hub's transition into the LEP in April it is now entering a really exciting phase whereby we are reaching out to a wider audience both in terms of intervention but also engagement with stakeholders. We are actively working with our partners in the space industry and supported the very successful space expo in Farnborough. We are also planning to work collaboratively on a Tech Start Up programme supported by the UK Space Agency, NatWest, Technation and Royal Holloway University. In addition, we are piloting several collaborations aimed at supporting an accurate and comprehensive road map for business delivery, increasing our presence and widening business participation.

3. Business Readiness/Cluster Activity

- 3.1. Kathy chaired the South-Central Senior Bankers Leaders & LEP Leadership meeting in July, sharing information on the Airport Towns Catalyst South project and looking at increasing referrals for Help to Grow and the Peer Networks from banking colleagues. Feedback from the banks highlighted need for a simple actions fact sheet for SMEs to adapt for net zero and collaborative work to improve financial capability of SME leaders which the cluster will action.

4. European Funds

- 4.1. There is a separate report on European programmes for noting in board directors meeting pack. In summary:
 - The ERDF kickstart SME grants programme for the Visitor Economy and wider SME community closed on 30th June 2021. 328 grants have been issued totalling £1,031,299.
 - Amion Consulting evaluated the ESF technical assistance project and found key objectives and outputs were largely met with a slight underspending at programme level.
 - From the latest ERDF call, 1 project is still going through appraisals and awaiting decisions - E-taxi worth £700k.
 - From the last EAFRD Reserve Fund call, there are 5 remaining projects currently going through assessment totalling £600,000.

5. Trade and Investment

- 5.1. A full report is attached at appendix 1 setting out work ongoing on trade and inward investment activity. Of particular interest is the work progressing around Australia. We have started conversations with Western Australia and Melbourne following UK-Australia Space Bridge. See entry in space section. We are also starting conversations with Canada High Commission and the Italian Trade Agency.

6. Sector Activity

Games

- 6.1. Planning for Guildford Games Festival 2021 is well underway. The awards component from 2019 will return with both events taking place at the end of November. Over £50,000 of sponsorship has been raised for the event so far. Sponsors include EM3, GBC, UoS, Microsoft and multiple local games studios.
- 6.2. An FDI opportunity for Guildford is being progressed by EM3 and GBC. The prospective investor would greatly benefit the EM3 games cluster talent pipeline, a key growth consideration. Our games sector specialist estimates the chance of landing this FDI to be around 80%. Details confidential at this stage.

- 6.3. The Digital Catapult have established a new Virtual Production facility in Guildford. Scheduled to remain operational until summer 2022, the facilities are provided for the purpose of researching games technology as a tool for film and TV production. EM3 are helping the facility to engage with our games cluster alongside the University of Surrey. The wider ramifications of this new sector trend are still being explored but are expected to be very positive for the region and the future of its immersive capabilities.

Space & Satellite

- 6.4. The LEP was engaged in the organisation of a ministerial roundtable for space which was attended by Amanda Solloway MP, Minister for Science and Innovation, and 11 EM3 space business leaders, including Sir Martin Sweeting, on July 19th. The Minister was very engaged and stressed Government levelling up policy was not about levelling down in the South East. Businesses were keen to emphasise the positive impact of Government contracts for the industry and the importance of promoting careers in the space sector in schools.
- 6.5. On 6th July 2021, the LEP took part in the UK-Australia Space Bridge, presenting to a number of Australian companies and government bodies the space assets our region offers. This event was organised by the Department for International Trade in partnership with UK Space Agency, and was delivered by Surrey Hampshire Space Hub, the South Coast Centre of Excellence in Satellite Applications, and Harwell Campus.
- 6.6. On 7-8th July 2021, we attended Space Comm Expo 2021 at Farnborough International Convention Centre. The global event attracted over 2,000 people and enabled us to launch publicly the Surrey Hampshire Space Hub. We established a number of new connections, the Growth Hub obtained new growth deals, and the CEC Team new collaborations.
- 6.7. The LEP has been working alongside EM3 CEC Team, the South Coast Centre of Excellence in Satellite Applications, and the Satellite Applications Catapult towards the organisation of a set of events aimed at students from all ages, to take place during World Space Week 2021 (second week of October 2021). We aim to involve all the schools/colleges in our network, as well as University of Surrey, Southampton, Portsmouth, Solent, and Reading.

Animal Health

- 6.8. Over July 2021, the LEP has worked with University of Surrey and DIT towards the further development of the Animal Health High Potential Opportunity (HPO). The HPO is nearly completed, and hopefully will be launched by the end of Summer. We are working with DIT to identify potential markets to target through our Animal Health Sector.

7. Clean Growth

- 7.1. We held the Clean Growth Forum during July and we pleased to have the Head of Climate and Local Energy at BEIS talk about COP26. AS part of the lead up to COP26 there is an electric bus tour across the UK to highlight COP26 and to stimulate further interest in climate change. On the 4th and 5th September, the Bus will be at the Fully Charged (Electric vehicle) Show in Farnborough. Planetmark who are organising the tour on behalf of BEIS, have asked that EM3 have a presence there with them. We are working with Marwell Zoo and Hampshire County Council to hold a further event during the bus tour across our area.
- 7.2. We recently held a meeting with Damian Hinds MP about East Hampshire's plans for a COP26 event in October. We will continue to work with his team to identify and secure business engagement.
- 7.3. The Clean Growth Business Service has started as an action from Revive and Renew. Businesses are now being referred to the Clean Growth Sector Specialist to identify where we can help them identify grants or help their decarbonisation plans.

8. Enterprise Zones

Basing View

- 8.1. No update at this time.

Longcross Park

- 8.2. Ark Data Centres have submitted a retained matters planning application to Runnymede Borough Council which will create a data centre campus on the land purchased at the end of 2019. The proposal will see the creation of two further data storage and management buildings together with an energy centre and additional electrical power supply to the site. Once approved, Ark expect the facility to go live in 2023. These developments will generate further employment into the site and will contribute to further business income rate growth which can be retained by the LEP and partners.

Whitehill and Bordon

- 8.3. No update at this time.

9. Communications & Stakeholder Engagement

- 9.1. Our AGM."Owning the Future; Seizing Opportunities" attracted 200 delegates who, judging by the volume of excellent and pertinent questions to the Board and our keynote speaker, were very engaged and interested in the content of the event.
- 9.2. Of the 200 delegates 103 were businesses.
- 9.3. A poll undertaken at the AGM revealed that 22% of delegates had a better understanding of the Net Zero opportunities for their business and over half were actively seeking them out.
- 9.4. Our digital annual report has been highly praised for its design and content – credit is due to the whole comms team and our external contractor, Whitelabel.
- 9.5. Work has begun to develop a stakeholder engagement action plan which ensures our engagement activities are strategic, efficient, and enhance our reach with key stakeholders including business leaders in corporate private sector.
- 9.6. An article from Stacey King has been published on the All Party Parliamentary Group (APPG) BAME Business Owners website on [LEP engagement with BAME businesses](#).

10. Skills

- 10.1. The EM3 Skills Advisory Panel (SAP) met on 25 May where the ambition for a National Centre for training for Sustainable Construction progressed. An audit will be presented at the next meeting (21 July) to help inform and guide the SAP on deciding which direction to take the Centre to support the industry become more sustainable and work towards Net Zero targets.
- 10.2. The LEP-funded [Queen Mary's College esports Arena](#) was officially opened on 27 May and is already contributing to an oversubscribed BTEC esports course, due to commence in September - helping to address skills needs in the Gaming sector.
- 10.3. The LEP-funded Innovation South Virtual Campus has now received 698 enrolments since launching in January. Digital Marketing and Cyber Security are in the top three most popular courses.

11. Careers and Enterprise

- 11.1. An inaugural Enterprise Adviser Network awards event was held on the 14th July. The event was very well received, and created a lot of social media traffic as a result. The Employers Building Futures campaign was launched at this event, with great support from the Enterprise Advisers to share, and help in its development.

12. Transport/Infrastructure

- 12.1. Daniel Ruiz from the LEP Board and our Head of Infrastructure and Place, Kevin Travers, both attended the inaugural ITT Hub, which took place in our area, at the Farnborough International Conference Centre, at the start of July. The ITT Hub was the largest show of its kind in 40 years, focusing on the future of transport and the revolution of the the commercial vehicle market as the industry transitions to net zero emissions and strives to reach maximum efficiency.
- 12.2. The event brought together three key strands from the LEPs R&R priorities around digital connectivity, smart transport and clean energy. It considered how each of these elements are essential in delivering clear transport and digital solutions for the future.
- 12.3. There were particularly interesting debates over whether hydrogen, electricity, bio-fuels or a mix were the best way to deliver the power needed for smart mobility in the future, with a strong narrative around the need for the whole supply chain and production of fuel needing to be considered rather than just the emissions at point of use. This is an area where the LEP can have a key role in supporting innovation so that the right technological solutions come forward.
- 12.4. The ITT Hub was attended by 4,000 industry professionals, with over 160 exhibitors across indoor and outdoor displays and welcomed commercial and passenger fleet operators, government agencies, and policy makers at the first opportunity for more than a year for the industry to convene face-to-face.
- 12.5. The event is planned to be held annually with the 2022 dates confirmed for 11th & 12th July: again, at the FIC.

Kathy Slack - Enterprise M3 Chief Executive
22 July 2021

Appendix 1

Trade

DIT Internationalisation Fund

- EM3 has been working in partnership with DIT to **support businesses in our region with access to the DIT Internationalisation Fund**. This fund supports advice on how to prepare an Export Action Plan along with financing for market research, intelligence and selection, website design and intellectual property. **So far 20 businesses in the EM3 area have accessed the Internationalisation fund.**

UK-Australia

- Every Wednesday this month, the LEP attended the UK-Australia Space Bridge webinars for Australia. These webinars provided an understanding of sectoral strengths by Federal State region in Australia, highlighting current opportunities for business collaboration and contacts to follow up with. **The LEP has begun to reach out to these representatives for the space industry in Australia, starting with a follow up call with Victoria State Government and Government of Western Australia.**

UK-North America week, 21-25 June

- EM3 worked in partnership with DIT to promote a session for businesses in the LEP region to explore exporting to North America. This session provided an opportunity for SMEs to find out about the support available for exporters in the South of England and gain tips on exporting to North America. **The session included support for new and experienced exporters looking to grow their international sales.**

Key Meetings/Workstreams

- EM3 is **Building relationship with counterparts at Swedish LEP equivalent Invest In Skane** (southern region of Sweden). Appetite from both sides to explore official 'cluster twinning' program.

Foreign Direct Investment results 2020/2021

- In **2020/21 financial year the UK attracted 1538 new inward investment projects and 55,319 new jobs**. These figures represent a reduction of 17% and 1% respectively on the previous financial year.
- In addition, 18,187 jobs were safeguarded, a 102% increase on the previous year.
- In **Enterprise M3 LEP area there were 36 successful FDI projects**. Through these investments **854 new jobs have been created**. In addition, the LEP secured 7 'multi-region' FDI projects. 'Multi-region' successes account for those projects that land in multiple UK locations but where it is not possible to disaggregate the job numbers by LEP.
- (Please note: the data for the LEP area is provided as a partner of DIT and is not for publication or onward transmission outside of the organisation.)*
- The following provides more detail of results in EM3 LEP area:

Total Project Information

	FY 20/21			FY 19/20		
	New Jobs	Safeguarded jobs	Projects	New Jobs	Safeguarded jobs	Projects
Involved	721	150	24	696	0	16
Non-involved	133	7	12	108	11	19
TOTAL	854	157	36	804	11	35

Expansions, M&A and New Investments

Type of investment	FY 20/21
Expansions	33%
M&A	19%
New Investments	47%

Sectors

Key Sectors	Projects FY 20/21
Software and computer services	8
Aerospace	4
Creative and media	4