

DRAFT MINUTES

Directors in Attendance

Michael Queen - Chair
Julie Baker
Virginia Barrett – *via Zoom*
Cllr Joss Bigmore – *via Zoom*
Linda Cheung – *via Zoom*
Sarah Jane Chimbwandira
Cllr Rob Humby
Ross McNally – *via Zoom*
Cllr Phil North
Cllr Tim Oliver – *via Zoom*
Cllr Nick Prescott
Kathy Slack
Mark Smith

EM3 Team in Attendance

Rob Dunford – *via Zoom*
Sue Littlemore
Stephen Martin
Jeannie Satchell – *via Zoom*
Justine Davie

Apologies

Debbie Allen
Barney Ely
Ren Kapur
Stacey King
Jim McAllister
Cllr Richard Millard
Daniel Ruiz

Guests in Attendance

Anne Hibbert – HCC Accountable Body – *via Zoom*
Richard Turl – CLGU – *via Zoom*

1. Welcome and Introductions

- 1.1 Michael Queen welcomed everyone to the meeting.

2. Minutes of the previous meetings & matters arising

- 2.1 The minutes of the meeting held on 1 October were agreed and the actions noted.

3. Declarations of Interest

- 3.1 No additional declarations of interest to those previously declared.

4. Chairs Report

- 4.1 Michael Queen reported on the activities and events undertaken since the last Board meeting. The British Business Bank Regional Roundtable held on 26 October highlighted that the Enterprise M3 area had the lowest indigenous venture capital and seed capital than anywhere else in the UK. The majority was invested from London based venture capital firms, this would be followed up by the Enterprise M3 team. The Business South conference on 4 November was well attended and the business dinner held the previous evening had proved a useful networking event.

5. Government Plans

- 5.1 Richard Turl reported to the Board on the current focus for Government as part of the LEP Review and Spending Review discussion at item 7.

6. Chief Executive's Report

- 6.1 Kathy Slack highlighted some of the current key areas of work being undertaken by the team. The latest economy dashboard was shared with the Board which showed that there had been a rise in green jobs and the Growth Hub and CEC team were work on messaging to highlight opportunities in that area. There had been some significant work in the trade and investment

sector, particularly relating to the High Potential Opportunity, Gaming, Space and Animal Health.

- 6.2 The Skills Advisory Panel last meeting had focussed on the social care sector which was facing massive skills shortages. The discussion focussed on a makeover of the image of the sector and how to target more mature employees as well as the younger population. The Guildford Care Suite had its official launch recently, the students were visibly energised by the state of the art facilities, it was a good example of what LEPs were able to help to deliver. A future Board visit would be arranged to the Care Suite. The Innovation South Virtual Campus platform had seen over 1,000 enrolments across the 15 online level 4-5 courses. The platform was going to be presented to the Catalyst South Skills meeting as an opportunity for neighbouring LEPs to become involved.
- 6.3 The Gigabit EM3 project was progressing well. Soft market testing had been carried out to gather information from potential suppliers to inform the Invitation to Tender (ITT) and gauge levels of interest. The ITT would launch in January and was likely to bring in a profit share for Enterprise M3 to reinvest.
- 6.4 A meeting of the Enterprise Zone Steering Group had been held on 1 December. Future work for the Group would include looking at the Business Rates Income Growth associated discount offered to businesses and reviewing the implementation plan. A formal presentation would be made to the Board once the information had been compiled.
- 6.5 The updated delivery plan was circulated to the Board which currently showed all projects at green or amber and all of those identified as amber were being addressed. The LEP was in a very good position despite the pandemic and state of flux around the LEP Review.
- 6.6 Sarah Jane Chimbwandira highlighted the importance of plant health for consideration in the future as this was a significant growth area which linked to net zero. The LEP would explore the potential for some shared resource with RHS Wisley and Royal Holloway to take this area of work forward.
- 6.7 The Board received and noted the Chief Executive's report.

Action to be taken	By Whom	When
Arrange a Board visit to the Guildford Care Suite	Justine Davie	Spring 2021
Explore potential for shared resource with RHS Wisley and Royal Holloway on plant health	Rob Dunford	Spring 2021

7. LEP Review and Spending Review – Implications for the LEP

- 7.1 Michael Queen advised the Board on the current information received regarding the LEP Review and Spending Review and the implications for the LEP. There was still a lot of uncertainty around the outcome from the LEP Review. Regular meetings were being held with Surrey County Council and Hampshire County Council to clarify what support they would require in the future. Kathy Slack and Michael Queen were scheduled to meet with Michael Gove on 9 December and with Kwasi Kwarteng on 10 December. This would be the last opportunity to provide any input before the Levelling Up White Paper was published which was expected in the week beginning 13 December.
- 7.2 Richard Turl informed the Board that decisions had not yet been made on certain aspects of the devolution framework going forward. It was confirmed that the White Paper was due to be published before Christmas but was still in development, it was expected to set out an ambitious devolution agenda. Where there was an existing framework the Government may roll the LEP function into those entities, however it was less clear where there was no framework. It was anticipated that LEPs would continue to function in the South East in the immediate term as the Government would not want to lose the functions that were being provided by LEPs. How the Levelling Up Fund and UK Shared Prosperity Fund were going to be distributed was still to be agreed and was still a live issue.

- 7.3 Kathy Slack highlighted some of the issues being experienced by LEPs due to the delay in the decision on the future of LEPs, particularly the effect on staff morale. The second tranche of core funding had been released for 2021/22 however the position on future funding was not expected until the New Year and until the funding was clear it was difficult to plan for the future. Despite the uncertainty work was being carried out with the team on staff development.
- 7.4 The Board discussed the information received and the areas of work to consider while awaiting the outcome from the LEP Review. Enterprise M3 LEP was in a good financial position therefore it was acknowledged that there was no need to react immediately to the LEP Review outcome. It was agreed that a note would be sent out to the Board to advise of the outcome from the meetings with Michael Gove and Kwasi Kwarteng.

Action to be taken	By Whom	When
Circulate a note on the outcome of the meeting with Michael Gove and Kwasi Kwarteng	Kathy Slack	16 December 2021

8. Net Zero/Clean Growth

- 8.1 The Board received a presentation from Rob Dunford on the LEP actions to support net zero and actions post COP26. Sarah Jane Chimbwandira provided an overview on the direction of travel and advised that Enterprise M3 were in a good position to deliver that work.

Two of the key actions in the Revive and Renew action plan were to prioritise decarbonisation of transport and buildings and to make every funding decision a clean growth decision. Business support services were already being provided by the Growth Hub and Jennie Pell on net zero, and a net zero specialist was being appointed as a Growth Hub associate to further support that work. The future focus would be on business resilience and helping businesses move to net zero, help them understand the benefit and the risks if they do not move to net zero. Jennie Pell was developing an action plan to set out where the LEP could lead on the net zero work.

The Board discussed net zero and the issues to consider. Julie Baker advised that businesses would need to consider carbon usage when applying for funding as that was being taken into account by banks. A role for the LEP would be to signpost businesses to tools available to help them understand clean growth, net zero and carbon footprint. It was proposed that a Board session would be held in the New Year with a specific focus on net zero to help the Board to understand the skills and resources needed for the net zero market.

Action to be taken	By Whom	When
Set up a net zero workshop with Board members in the New Year	Justine Davie	31 January 2022

9. Growth Hub: Mid-Year Performance Position

- 9.1 Jeannie Satchell, Growth Hub Senior Programme Manager, reported to the Board on the Growth Hub performance and the proposals for future delivery. The Growth Hub was a business focussed service organisation which supported economic recovery, growth, innovation and development across the Enterprise M3 area. The Growth Hub worked in collaboration with the wider LEP team, the cluster LEPs (Thames Valley Berkshire, Coast to Capital and Solent) and other partners. The Growth Hub team consisted of the Senior Programme Manager, 2 Growth Champions, 13 associates that worked in different sectors of business specialisms, with support provided from the Communications Manager and White Label on marketing and administrative support from the LEP admin team.
- 9.2 The Growth Hub transitioned from UMi into the LEP on 1 April 2021. Over the last 18 months the Growth Hub had been agile and changed its focus from scale up to covid recovery and working online rather than face to face. The performance since April 2021 showed that the Growth Hub had referred 120 core partners and produced 159 growth plans. A new innovative

website was due to go live in the New Year which would provide an exceptional suite of tools available to businesses.

- 9.3 The future challenges for the Growth Hub were set out which included the need to modernise the service, include start-up businesses as well as scale up, improve diversity and inclusion, develop a brand that businesses wanted to work with and increase the business reach. The outcome of the LEP Review could provide a challenge to the Growth Hub but equally it was recognised it could be an opportunity.
- 9.4 The integration of the Growth Hub into the LEP had provided a fantastic opportunity to work more closely with other LEP team members. The Growth Hub had been working closely with Jennie Pell to provide all clients with support in the area of net zero. All businesses were provided with a leaflet and the opportunity to meet with Jennie Pell for advice and guidance.
- 9.5 Future work for the Growth Hub would include: a review of the associate model to ensure it was diverse and inclusive; a review of the champion model; consideration of how to increase business reach; providing greater integration of sector specialists and Career and Enterprise project; and, provide accurate diagnostics to increase reach and improve client experience. The Growth Hub had been very successful and had been working incredibly hard and had been well supported by the LEP sector specialists.
- 9.6 The Board discussed the presentation and offered advice on linking in with different sectors of the community to increase diversity and inclusivity. The Chair was interested in joining one of the growth meetings to understand how things were working on the ground.

Action to be taken	By Whom	When
Invite the Chair to join a growth session in the New Year	Jeannie Satchell	31 January 2021

10. Resources, Finance and Audit Committee Update

- 10.1 Stephen Martin provided an update from the Resources, Finance and Audit Committee on the 2021/22 revenue budget forecast and medium-term financial stability. The Government had agreed to release the second half of the core funding (£250k). Enterprise M3 LEP was in a strong financial position and would be carrying forward £2.5m to 2022/23. The medium-term financial plan showed forecast reserves at the end 2023/24 had improved by £0.3m. However, the current forecast showed there would be a breach of the minimum reserves by end 2023/24 of £210k, the forecast was on an assumption that funding remained as at the current level.
- 10.2 On the current forecast each year funding exceeded expenditure by approximately £500k. It was acknowledged that future funding from central Government was uncertain going forward, core funding and Growth Hub funding was approximately £1m per year. Further work on income generation and cost savings would continue.
- 10.3 The Board noted the report and approved the Enterprise M3 Limited statutory accounts for the year ending 31 March 2021.

11. Joint Leaders Board

- 11.1 Cllr Joss Bigmore provided a verbal update on the meeting of the Joint Leaders Board (JLB) held on 18 November. The scrutiny session was chaired by Cllr Dave Neighbour. Michael Queen and Kathy Slack reported on work of LEP over past year, the response to the pandemic, work on skills shortages, uncertainty around the LEP review and the unlikely support on levelling up for Enterprise M3 area. The progressive work carried out with businesses was noted. There was concern over the tightness of the labour market and what the LEP could do to help get employees back into the labour market. The JLB requested to be updated on the LEP Review as soon as there was some information available.
- 11.2 The main JLB meeting followed the scrutiny session where an update was provided on the work that Enterprise M3 had carried out recently. JLB members were very supportive of the LEP and were sympathetic regarding the lack of decision around the LEP Review.

11.3 Administration of the JLB would be provided by Hampshire County Council for the next 2 year.

12. Enterprise M3 Economic Position – latest economic dashboard

12.1 The Board received and noted the latest Enterprise M3 Economic Dashboard.

13. EU Programme Update

13.1 The Board received and noted the progress on the EU Programme.

14. Forward Programme

14.1 The Board received and noted the Forward Programme.

15. Any Other Business

15.1 The future Enterprise M3 Board meetings would be held on:

- Thursday 3 February 2022
- Thursday 7 April 2022
- Tuesday 24 May 2022
- Thursday 4 August 2022
- Thursday 6 October 2022
- Thursday 1 December 2022
- Thursday 2 February 2023
- Thursday 6 April 2023

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