

Enterprise M3 Board Meeting

24 May 2022

Chief Executive's Report – Item 6

1. LEP News

- 1.1. The LEP Network have set up working groups of LEPs in similar devolution circumstances to share approaches and good practice. We have joined the large group of LEPs where no devolution deal has been agreed and we also sit in on the group where deals are moving forward in complex geographies. Learning about other models will help us in our work supporting county deals and the integration of LEP activities.
- 1.2. We are setting up some working groups with our LAs to explore different models of working. We are working with C2C on a common approach of delivery of growth hub activities across Surrey. We are exploring opportunities for closer working with Hampshire County Council.
- 1.3. All LEPs have been notified of the assessment by government on their Annual Performance Review. We are delighted to receive the highest marking of “Met” on all three categories - governance, strategy and delivery.

2. Growth Hub Activity

- 2.1. The Growth Hub has been focusing on redefining its direction following the pandemic and the 50% funding cut from BEIS. Going forward the Growth Hub will still support businesses to recover but its main focus will be on developing our Growth/High Growth offering. We have been engaged in development work with both the internal team and our Associates to ensure that we reach companies that will support economic growth within the region.

3. Trade and Investment

- 3.1. EM3 took part in a DIT Team visit to Hampshire on 10th May 2022. The team from Ernst & Young Investment Support Service which is contracted to DIT was focussed on the Advanced Manufacturing Sector and were seeking information and updates on the assets and opportunities that might be available to potential investment enquiries. Representatives from local authorities across Hampshire, as well as Solent LEP, joined the event and provided information on land availability, major high tech and manufacturing employers, access to R & D facilities and specialisms that would be of interest inward investors. It also provided a useful update on upcoming changes to DIT's investment processes and priorities.

4. Skills

- 4.1. The LEP has now received details of funding for the Skills Advisory Panel (SAP) programme for 2022-23 – the last year for this programme as employer-led Local Skills Improvement Plans (LSIPs) are rolled out across England. The SAP funding will be focused on producing and making available robust analysis of skills needs and the local labour market in preparation for the LSIP that will sit across EM3 plus the whole of Surrey.
- 4.2. Employer representative bodies have been invited to submit an expression of interest in leading the Local Skills Improvement Plan for our area. As a trusted partner, the LEP is playing a convening role, helping to bring together different employer representative bodies across the area to write a strong expression of interest, based on employers' skills needs, informed by our skills analyses and those from Coast to Capital. LSIPs are intended to be in place by the Summer of 2023.
- 4.3. With the LEP also playing a significant convening role, FE providers across the LSIP geography are agreeing a Strategic Development Fund bid (£2.75m) that will enable providers to meet priority skills needs of employers, support local innovation and economic growth. The bid will focus on sales & business development and skills for green jobs – both identified and discussed in the EM3 Skills Advisory Panel. The bid outcome is expected in June 2022 and the funding needs to have been spent by 31 March 2023.

5. Careers and Enterprise

- 5.1. Our Grant offer Letter has been received from Careers and Enterprise Company for the 2022/2023 academic year. The grant offer letter contents are based on progression to a Career's Hub.
- 5.2. Our employer advisory group consists of Balfour Beatty, SSE, Fujitsu, Enterprise Holdings, Ashford and St Peters Health Trust, BAM, and representation from SMEs in digital, and business services. This group has been set up, in preparation for becoming a careers hub, to provide a business voice to the work of the Careers and Enterprise team. It will help inform and guide development on understanding why employers engage with education, as well as actively engage to address their skills needs, with early careers.

6. Gigabit EM3

- 6.1. A Prior Information Notice for the project was released to the market on 9 May. This is a significant step providing a near final draft of the detailed specification to potential suppliers and investors and seeking responses to some specific questions about the form of the commercial relationship between the LEP and any supplier appointed to undertake the works and operations. In practice it is a final stage of market testing prior to the commencement of the formal procurement process.

7. Latest evidence on the economy and labour market

- 7.1. The latest economy and labour market dashboard, which is circulated along with other papers for the meeting, demonstrates that inflation continues to increase while economic growth slows. The Bank of England now forecasts that inflation may rise to over 10% by the end of 2022. Consumer confidence and sales have fallen sharply at end of quarter 1 period. All of these factors indicate the economy is entering a period of stagflation.

8. European Funds

- 8.1. A letter sent by the Managing Authority to ESIF committee Members was received this week. It informed all committee members that they will be kept informed of the ESIF programme activities until the end of the programme (December 2023) but that they are no longer required to attend a full committee.
- 8.2. We are exploring opportunities for joint working on UK Shared Prosperity Fund proposals, especially around the area of business support.
- 8.3. Some of our ESF projects are starting to engage with Ukrainian families to help them finding employment opportunities locally.

9. Enterprise Zones

Basing View

- 9.1. An EM3 investment to deliver an innovation test bed for SMEs, the 5G Living Lab project, has moved another step forward with the submission of a planning application for highways permission through Hampshire County Council. This seeks approval to utilise highway ducting and streetlighting poles for the cabling and sensors that will form the local network across Basing View. The supplier, Cellnex, is working through legal arrangements with the County Council's Street lighting contractor to enable placement and connection of sensors to lighting poles around the business park.
- 9.2. The 5G network is expected to be operational by September 2022.

Longcross Park

- 9.3. Crest Nicholson, the developer at Longcross, has submitted a planning application for the South Eastern area of the site (not the Enterprise Zone site). The proposal is for the residential area of development. The outline proposal seeks to create 1,700 houses together with the retail, social and community facilities including a new school and health practice.

Whitehill and Bordon

- 9.4. The Green Loop and wayfinding in Whitehill & Bordon, funded by EM3, has been shortlisted for a prestigious Planning Award in the best use of arts, culture or sport in the placemaking category. The Green Loop created new, and enhanced existing, walking and cycling routes in and around the town necessary to increase active travel. While it isn't directly part of the Tech Forest site part of it does run close by. The award results will be announced on 9th June 2022.

10. Communications & Stakeholder Engagement

10.1. At the time of writing, our Annual conference and AGM has attracted 225 registrations from across the public and private sectors. A business panel has been engaged to share case studies of how EM3 has supported their enterprises, to highlight tips for their own business success and the appeal of the EM3 region for running a business. Feedback from the event will be provided at the Board meeting.

11. Infrastructure, Transport and Place

11.1. As part of our emerging role in demonstrating the value the LEP can still offer in transport now that we no longer have significant amounts of capital funding to spend, we were delighted to be invited to present at the Talent Hub which was part of the wider ITT (Innovation & Technology in Transport) Hub event that took place in Farnborough earlier this month. ITT Hub is the annual meeting for the commercial road transport sector, bringing together the latest innovation and technology, in transport, energy and IT.

11.2. The key message was that the sector is set to revolutionise as the industry transitions to net zero, it is therefore of great relevance to the LEP and an opportunity to demonstrate how we can support collaboration, learning and networking and experiencing is more potent than ever.

11.3. Kevin Travers, our Head of Infrastructure, Transport and Place presented alongside Jamie MacKay, our Skills Strategy Manager in a session entitled “Tips and tricks to engage with education and training providers”, and we focused on the role of the LEP in getting the right people in the room to identify challenges and agree actions. We spoke about some of the skills strengths and needs, particularly around AI, cyber security and Green Technology and how we can help employers engage with education and training providers to ensure future talent has the skills the industry needs. We also reflected on LEP investments with reference to a selection of transport and smart mobility projects, so it was a good opportunity to highlight the value of Enterprise M3 LEP.

11.4. As part of the session, we were able to invite an expert to join us to share their reflections and were delighted that Daniel Ruiz, our Board Member leading on Transport and Smart Mobility agreed to share his knowledge and experience and participate in a Q&A session with a small, but well engaged audience.

12. Organisational Issues/ Staffing Changes

13. We have been reviewing the organisational needs against the vision and areas of focus agreed at the last board meeting. An update will be provided at the board meeting.

14. Stephen Martin and Sue Littlemore have been appointed by the Board as Joint Managing Directors. They will start in post in June with Kathy Slack on hand to ensure a smooth handover. We will be going out with a formal announcement to partners following the AGM.

14.1. Two members of our careers team left last month. We will start recruiting into vacancies once our organisational review is complete and in the meantime are bringing in some temporary staff to assist drive forward our activities. We have taken on Malcolm Brabon, the former Head of C2C Growth Hub, to help with our BEIS Growth hub cluster activity where BEIS are urging clusters to explore opportunities for joint working.

14.2. We have agreed with Berkshire LEP that Kevin Travers can support them on their transport activity for 2 days per week following the resignation of their strategic lead.

Kathy Slack - Enterprise M3 Chief Executive
17 May 2022