

Enterprise M3 Board Meeting

4 August 2022

Outcomes from Board Workshop – Item 7

Enterprise M3 Board Directors are asked to **NOTE** the key messages, outcomes and actions highlighted at the EM3 Directors' Workshop held on the 20 June 2022

1. Introduction

- 1.1. The EM3 Board Workshop brought the Board together at the EM3-funded Surrey Heartlands Health Tech Accelerator. Its purpose was twofold: to facilitate Directors' guidance and expert advice on several aspects of the LEP's work; and to enable Directors to engage with each other in a less formal setting than Board meetings generally allow.
- 1.2. A limited selection of LEP activities were highlighted to allow a deeper analysis of their aims and opportunities. The list was nevertheless diverse enough to showcase the wide range of the LEP's work and focused on some of our priority business-facing activities.
- 1.3. There were also presentations on two structural areas of work: one to update on the review of the shape of the organisation and another setting out the LEP's approach to supporting successful County Deals in Surrey and Hampshire.
- 1.4. This paper summarises the contributions and recommended actions made during the workshop.¹

2. Comments & Guidance Received on Individual Business-Facing Activities

i) The EM3 Growth Hub

2.1. There were three clear messages from Directors:

- The Growth Hub should focus support on high growth SMEs in EM3's high innovation sectors
- It should maintain and strengthen its strong network of business support organisations for two-way referrals of start-ups to others and "high innovation" businesses to us
- The potential for commercialisation of EM3 Growth Hub services should be considered

ii) Skills and Careers Work

2.2. This area prompted a lengthy discussion. A consistent message was this has become a particularly complicated landscape. Key points included:

- There is a shared stakeholder aspiration to support employer-focused skills provision
- An unintended consequence of changes in Government skills and education policy has been to "muddy the waters", at least temporarily, as to the differentiated roles of leading organisations (Chambers, LAs, LEP, Colleges, Universities) in support of that aspiration
- The LEP should be clear about its competitive edge, outstanding capabilities (eg green/digital skills, skills strategy) and its value offer to customers in this area. It should focus hard on delivering and promoting those areas of specialism

¹ Ideas and feedback flowing from a survey of Board Directors on aspects of the LEP's Governance were also discussed. These are examined in a separate paper.

- Skills and Careers work should be positioned as an integrated part of our wide offer to businesses and other regional partners
- The Chambers of Commerce-led Local Skills Improvement Plans (LSIP) and other regional skills work present a potential commercial opportunity for the LEP to provide expert support and capacity in return for an appropriate fee.

iii) **EM3 – A Global Hub for Innovation and Knowledge-Intensive Clusters**

2.3. Directors focused their discussion on identifying the next high potential sectoral cluster the LEP might support, building on a successful track record in video games, animal health and space/satellite. Guiding comments and advice included:

- To explore regional strengths in Film/TV Production and the move to virtual/immersive audience experiences as a potentially high growth regional cluster with a growing demand for skills and known assets including Shepperton Studios, the investment of Netflix at Longcross and StoryFutures at RHUL.
- To consider nurturing a market-leading aerospace cluster focused on technologies and innovations to develop sustainable air travel and “Jet Zero” based in Farnborough
- Digital Health Care was highlighted as a sector with potential to align with other strengths including a cyber security cluster promoted by Surrey County Council
- A suggestion the EM3 Future Fund might be used as loans to attract high innovation companies to participate in a cluster

3. Comments & Guidance Received on Structural Areas of Work

i) **Organisation Review**

3.1. The update reminded Directors the purpose of this work is to ensure the internal organisation of EM3 is fit for purpose with the capacity and capabilities to deliver its Vision against a changed financial backdrop, The review is being led by the Managing Directors with internal and external contributions and ongoing informal and formal consultation with staff. Observations and suggestions from Directors included:

- An offer of ongoing support and advice from Directors to the Managing Directors and to act as “buddies” to individual members of the team. These offers were warmly welcomed
- The need to engage the whole team in the future organisation plan and communicate a positive vision despite funding pressures
- The importance of ensuring members of staff feel valued and supported to help employee retention in a climate of instability
- Where possible to convey messages of stability to the team eg on keeping the office base

ii) **A Vision for the LEP’s Transition to County Deals & Beyond**

3.2. Several important comments and clarifications emerged from this discussion. They include:

- A view that the autonomy of the LEP is very important and valuable and should not be discarded or lost by becoming a small body within a larger organisation
- The LEP places high priority on ensuring an independent and diverse business voice continues to have ongoing influence in any future arrangements
- The LEP’s business-led Board needs to complement other business boards established by local authorities
- Surrey County Council would like LEP activities to be coterminous with their administrative boundary

- Hampshire and Surrey are aiming for County Devolution Deals which differ from each other: HCC is working towards a Level 3 deal and SCC is aiming for a Level 2 deal² (see footnote)

4. Overall Themes and Areas for Action

4.1. Strong strategic messages emerging from this workshop were:

- The LEP must maintain and enhance its goal of meeting the needs of businesses by working closely with local authorities, universities, colleges and other partners
- Board Directors will actively support the LEP leadership team and wider staff to promote the LEP as a dynamic place to work
- The LEP is committed to preserving an appropriate level of autonomy to ensure a strong and diverse business perspective is embedded in successful County Deals
- The LEP should consider independent sources of income, for example commercialising some activities and/or becoming a sub-contractor to support delivery of a partner's programme.

5. In Conclusion

5.1. Feedback from Board Directors who attended the workshop was very positive. Directors particularly appreciated the opportunity to sit in smaller groups allowing both a good exchange of ideas and an opportunity to get to know each other better.

Sue Littlemore – Joint Managing Director
26 July 2022

² The levelling up white paper sets out three levels of devolution deal available to county areas.

Level 1 offers local authorities the opportunity to play a role in delivering services at a strategic level and work together to pool delivery of public services eg through a joint committee

Level 2 is available to a single institution or county council across a functional economic area or whole county area. Additional powers could include: control of local transport functions, bus franchising, devolution of the adult education budget and compulsory purchase powers.

Level 3 powers are for areas that agree to establish the role of a directly elected mayor. The powers include: greater control over transport funding and the powers to identify a key transport route network and to establish mayoral development corporations. The mayor could also take on the role of [police and crime commissioner](#) (PCC) in areas where the boundaries of the devolution deal region align with the police force areas.

Source: <https://www.instituteforgovernment.org.uk/explainers/county-deals>