

Enterprise M3 Ltd Board Meeting

6 October 2022 – 10.00am-13.00pm

Belvedere House, Basing View, Basingstoke, RG21 4HG

DRAFT MINUTES

Directors in Attendance

Michael Queen - Chair
Virginia Barrett – via zoom
Cllr Natalie Bramhall – via zoom
Cllr Roz Chadd – via zoom
Linda Cheung – via zoom
Sarah Jane Chimbwandira – via zoom
Ren Kapur – via zoom
Stacey King
Ross McNally – via zoom
Daniel Ruiz
Mark Smith

EM3 Team in Attendance

Sue Littlemore
Stephen Martin
Jeannie Satchell
Paul Scott
Justine Davie

Apologies

Debbie Allen
Julie Baker
Barney Ely
Cllr Paul Follows
Cllr Julia McShane
Cllr Phil North

Guests in Attendance

Anne Hibbert – HCC Accountable Body – via zoom
Richard Turl – DLUHC – via zoom

1. Welcome and Introductions

- 1.1 Michael Queen welcomed everyone to the meeting. In particular Cllr Natalie Bramhall who was attending her first Board meeting.

2. Minutes of the previous meeting & matters arising

- 2.1 The minutes of the meeting held on 4 August 2022 were agreed and the actions noted.

3. Declarations of Interest

- 3.1 There were no further additional declarations of interest to those previously declared.

4. Chairs Report

- 4.1 The Board noted Michael Queen's report on the activities and events undertaken since the last Board meeting.

5. Managing Director's Report

- 5.1 Sue Littlemore highlighted the major achievements and activities since the last Board meeting. There had been a recent announcement from Government on Investment Zones which upper tier authorities were invited to submit expressions of interest for; the deadline was Noon on 14 October. The LEP were working with Hampshire County Council, East Hants District Council and Basingstoke and Deane Borough Council and progress was being made, linking to the current Enterprise Zones in Hampshire. An expression of interest was being developed and would be submitted by Hampshire County Council. The LEP had also reached out to Surrey County Council and spoken to Runnymede Borough Council to offer help and support. Cllr Natalie Bramhall would contact Michael Coughlin and Dawn Redpath to discuss Surrey's position and would advise Sue Littlemore on the outcome. Linda Cheung complemented the team on taking action so quickly to respond to the short turnaround time.
- 5.2 There had been some excellent cluster and sector development work taking place. A successful Jet Zero meeting had been held at the Farnborough Aerospace Research and Innovation Centre where an area of specialist strength in the region was identified as advanced materials. A workshop would be held in early December to take the work forward, to be hosted at Farnborough Airport. The meeting produced positive engagement with businesses, local authorities and universities.

- 5.3 A positive meeting was convened with Surrey County Council, University of Creative Arts and Runnymede Borough Council to discuss the potential for a creative industries hub on the Longcross site. The LEP was also bringing together Health Tech companies to support the NHS to reach net zero by 2040, working with Test Valley Borough Council and Surrey Science Park.
- 5.4 Sam Read had been engaged with the Space South Central cluster organisation and the LEP had provided a letter of support for a bid for UK Space Agency funding. Mark Smith advised that Southampton University held a space meeting which highlighted the strengths in the sector across the whole region. Southampton University was now a key player in Space South Central. It was proposed that the National Air Traffic Control Centre should be linked to the space cluster work. There was also a suggestion that the strength of the space sector in the region should be included in the Investment Zone bid.
- 5.5 Sue Littlemore attended a meeting of the LEP Network which included those LEP areas where there was no imminent devolution deal. There were a variety of strategies going forward ranging from LEPs actively being directed by their Board to wind up by March 2024 and some LEPs were commercialising their services to generate income. Oxfordshire LEP was using existing income generated from their Enterprise Zones and Swindon and Wiltshire LEP had income generated from their cyber security centre. The financial position of Enterprise M3 LEP, through exemplary financial management, was much better than other LEPs. Mark Livesey, Chief Executive of the LEP Network, had spoken with Government to discuss securing early confirmation of future funding.
- 5.6 Stephen Martin advised the Board that the Enterprise M3 Careers Hub had been operating from September 2022. The Careers Hub had the same mission and core activities as the previous Careers & Enterprise service but becoming a Careers Hub provided some additional funding. Over the course of the next few weeks a Careers Hub Steering Group would be established and over the next 2-3 months a new strategic plan would be developed which would be presented to the Board in due course.
- 5.7 Key skills work was being carried out on two Department for Education funded activities. The first was the Local Skills Improvement Plan which was being led by Surrey Chamber of Commerce and supported by Hampshire Chamber of Commerce. The project was just getting underway but the LEP and County Councils would provide support to develop the plan through assisting with employer engagement and identifying practical actions. Sparsholt College were leading the second activity which was the delivery of the Strategic Development Fund projects with the LEP providing expert project management and administrative support.
- 5.8 The Board discussed the current activities and Ren Kapur offered support with the Careers Hub activity and Local Skills Improvement Plan and would welcome a discussion with the team. Sarah Jane Chimbwandira also offered support in relation to green skills. Michael Queen advised that universities could be potential partners in working with the Careers Hub.

Action to be taken	By Whom	When
Advise Sue Littlemore on the position with Surrey County Council re Investment Zones and whether any support was required	Cllr Natalie Bramhall	7 October 2022
Include information on the strength of the space sector in the EM3 region in the Investment Zone bid	Sue Littlemore	14 October 2022
Link the National Air Traffic Control Centre to the space cluster work	Sue Littlemore/ Sam Read	31 October 2022
Link Megan Low and Jamie Mackay to Ren Kapur and Sarah Jane Chimbwandira to discuss the Careers Hub and green skills	Stephen Martin	14 October 2022

6. Government Plans

- 6.1 The Board received an update from Richard Turl on current Government focus. Simon Clarke had been confirmed as the Secretary of State for Levelling Up, Housing and Communities, and had a strong interest in devolution. Policy decisions had yet to be announced on the levelling up agenda

but it was expected that levelling up would continue. It was acknowledged that the pro-growth agenda would play to the strengths of the South East.

- 6.2 The Investment Zones programme had been launched for submission of expressions of interest and was moving at pace, there was no indication that allocation of Investment Zones would be weighted to any particular area of the country. The Government ambition was to drive up growth and investment, there were legacy overlaps with Enterprise Zones and freeports, however the difference was that there was a focus on residential developments. Expressions of Interest were open to upper tier authorities, however they would need the consent of the relevant lower tier authorities. It was anticipated that there would be a rapid turnaround of decisions of allocations, by end October, with the announcement for development of Investment Zone delivery plans going live in the new financial year. Expressions of interest should emphasise high value high impact strategic sites, Ministers would be looking for commercial and residential sites and would be looking for quick wins.
- 6.3 There had been engagement with the LEP Network on the future funding for LEPs and Growth Hubs but no decision had been reached by Ministers. It was not clear what the capacity was in Government for moving forward with further devolution deals, it was known that Surrey, Hampshire, Hertfordshire and Essex were keen to engage. Those LEPs in areas with no imminent devolution deal would continue in their current form.
- 6.4 Applications for the Levelling Up Fund were being assessed and it was anticipated there would be an announcement on the successful bids in late Autumn. The UK Shared Prosperity Fund was on track for October onwards and it was expected these should be straight forward awards, if there were any issues regarding funding it would be awarded on condition.
- 6.5 The deadline for the submission of LEP delivery plans was 25 November. There had been questions raised by LEPs about the deadline, as some were finding it difficult to complete the information while LEPs were still awaiting confirmation on future funding. There could be a change to the 25 November date but that will not be confirmed until later in October.

7. **EM3 Organisational Review**

- 7.1 Sue Littlemore reported on the outcomes from the organisational review and subsequent consultation with staff. Thanks were given to Lee Danson and Aleks Bennett from the LEP Team for their hard work pulling together the process and Hampshire County Council's HR Team for their excellent advice and support.
- 7.2 The purpose for the restructure was due to a change of focus for LEPs from Government and the cut in funding, although it was highlighted that saving money was not the key driver. The aim of the new structure was to achieve a team that was more integrated, working across the whole LEP, and reflected the key areas of delivery. The new structure had five small teams: operations, covering performance, governance and future fund investment; finance and admin; policy, intelligence and communications; business, commercial and skills which included the Growth Hub and Careers Hub; and, enterprise and innovation incorporating the Enterprise Zone work and sectors and clusters.
- 7.3 As a result of the new structure 13 posts were being removed, a number of these were currently vacant, and six new posts were being created. These changes would save £900k across 3 years which was £300k more than was required in the budget, however this amount was likely to reduce as a result of increases in inflation.
- 7.4 The whole team had been consulted on the new structure and those staff at risk of redundancy had received one to one meetings. The feedback from the consultation was considered which raised issues such as no dedicated post for clean growth or support for the Fibre Spine project. Although there was no dedicated post for clean growth, low carbon and high growth was in the Enterprise M3 vision and would underpin all work across the Team. The resourcing of the Fibre Spine project would be kept under review and consideration may need to be given to a dedicated post in future. New posts were being advertised internally and externally until 16 October 2022. Interviews would take place between 21 October and 2 November 2023.
- 7.5 The Board discussed the proposed structure and highlighted the importance of ensuring that the team was agile and flexible to meet future delivery needs.

8. EM3 Collaboration with Hampshire and Surrey County Councils

- 8.1 The Board received a report from Sue Littlemore on the discussions with Hampshire and Surrey County Councils on collaboration work. Hampshire and Surrey CCs both had ambitions to achieve respective county deals, however it was unclear when that might happen. The LEP was engaging with both Hampshire and Surrey CCs on how to align priorities and resources on economic development work. The discussion was also being widened out to neighbouring LEPs and districts and boroughs.
- 8.2 The Board noted the discussions with Surrey CC and endorsed the ongoing dialogue with Hampshire CC to explore alignment and sharing of economic development strengths. The Board also welcomed Hampshire CC's draft economic strategy. The Chair would send a formal letter of support to Hampshire CC to welcome the draft economic strategy.

Action to be taken	By Whom	When
Send a letter of support to Hampshire County Council welcoming their draft economic strategy	Michael Queen	14 October 2022

9. EM3 Growth Hub Insight and the Client Journey

- 9.1 Paul Scott presented the work of the Growth Hub to the Board and set out the client journey. The main client focus of the Growth Hub was high growth companies and spotting those with potential, not just those already on the journey. There were a number of categories and levels of support: up to 8 hours support for high growth businesses, sustainable/carbon neutral clients and bid support; up to 6 hours for recovery clients; and 4 hours for early stage growth high potential. To access the support businesses were required to submit an expression of interest which would be assessed to identify if they met the criteria for support. If they were successful, the client would be allocated to a Growth Champion and a Growthmapper report would be produced. Growthmapper was a diagnostic tool which provided an insight into the SME's strengths and weaknesses across 10 themes and included a detailed report on each issue highlighting areas to be addressed. A further tool offered to the client was an orbit diagram which looked at the business to show where they were now and where they wanted to be over the next 3 years. The diagram highlighted areas which needed to be discussed and actioned to meet the desired outcomes.
- 9.2 A marketing and social media campaign had recently been launched to direct businesses to the Growth Hub. The campaign would target high growth businesses every 2 weeks to promote the Growth Hub services.
- 9.3 The Board discussed the information presented and the Growth Hub support provided and questioned whether 8 hours of support was sufficient and was there an opportunity for the Growth Hub to charge businesses for additional support. The Board recommended the use of case studies to communicate with businesses, highlighting the benefits of the support available. Working with Set Squared and the Southampton Science Park were suggested as sources for identifying high growth businesses. It was also proposed that the Growth Hub team should explore gaining access to the same information provided to Oxford Innovation on high growth companies and identify companies that had received Innovate UK funding. The Chair asked to be invited to sit in on one of the 8 hour support sessions. The Board were asked to feed any ideas of potential companies or sources of information on high growth companies to Sue Littlemore or Stephen Martin.

Action to be taken	By Whom	When
Share copy of Growth Hub slides with Board members	Justine Davie	14 October 2022
Explore working with Set Squared and Southampton Science Park to identify high growth businesses	Paul Scott	14 October 2022
Investigate accessing information on companies that have received Innovate UK funding	Paul Scott	14 October 2022
Invite Michael Queen to an 8 hour Growth Hub support session	Paul Scott	November 2022

Provide ideas for potential high growth companies or sources for identifying high growth companies to Sue Littlemore and Stephen Martin	All Board Members	Ongoing
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10. Resources, Finance and Audit Committee Update

10.1 Sarah Jane Chimbwandira reported to the Board on the work of the Resources, Finance and Audit Committee and provided an update on the 2022/23 revenue budget forecast and medium-term financial stability. The forecast for the medium term was positive with the savings target of £600k by end March 2025 being exceeded, and the reserves position being improved by £200k. This would provide mitigation against future risks and some flexibility to expand activities. RFAC would continue to play a key role in overseeing the budget, managing risk and monitoring the medium-term financial forecast.

11. EM3 Board Appointments and Governance

11.1 Linda Cheung report to the Board on the changes to the Board membership. The Board was advised that Cllr Nick Prescott and Cllr Joss Bigmore had stepped down from the Board due to changes in leadership at their respective councils. Cllr Richard Millard had reached the end of his initial three year term on the Board and decided to no longer continue in the role.

11.2 Cllr Tim Oliver had also stepped down from the Board and Surrey County Council had asked Cllr Julia Bramhall, Cabinet Member for Property and Waste at Surrey County Council, to fill the vacancy. The Board endorsed the appointment of Cllr Natalie Bramhall to join the Board from 6 October 2022.

11.3 Nominations from the Joint Leaders Board were sought to fill the two Surrey and one Hampshire local authority vacancies. Nominations were received from Cllr Paul Follows, Leader at Waverley Borough Council and Cllr Julia McShane, Leader at Guildford Borough Council, to fill the two Surrey vacancies. The Board agreed the appointments of Cllr Paul Follows and Cllr Julia McShane to join the Board from 6 October 2022.

11.4 There were no nominations received to fill the Hampshire local authority vacancy, this vacancy would be raised at the next meeting of the Joint Leaders Board on 30 November.

11.5 On behalf of the Board, the Chair thanked Cllr Nick Prescott, Cllr Joss Bigmore, Cllr Richard Millard and Cllr Tim Oliver for their contribution during their time spent on the Enterprise M3 Board.

12. Items of Interest from Board Directors

12.1 Ren Kapur provided feedback to the Board on the Strive Learning Network Meeting. The Network was a collaboration of organisations to help and provide resources for micro and small business to thrive and build a community. Caroline Dinage had been a speaker on the panel and spoke about childcare provision and how the UK was 20% more expensive than European counterparts. There was an All-Party Parliamentary Group for Childcare and Early Education and the Chair of the Group was Steve Brine, MP for Winchester. Cllr Roz Chadd advised that Hampshire County Council were working with Steve Brine MP and offered support if required as it was recognised that childcare costs were a barrier to growth.

13. Any Other Business

13.1 The Board received a confidential paper regarding the extension of the Managing Director positions to 31 March 2024. The Board unanimously agreed that the Managing Director positions be extended to 31 March 2024.

13.2 Stacey King asked whether the Board should provide more support to the Growth Hub to give more of a business focus. It was agreed that this would be considered to take forward as part of the new structure with the Head of Business, Commercial and Skills.

14. Delivery Plan 2022/23

14.1 The Board noted the Delivery Plan 2022/23.

15. **Enterprise M3 Economy, Labour Market and Skills Dashboard**

15.1 The Board noted the Economy, Labour Market and Skills Dashboard.

16. **Forward Programme**

16.1 The Board noted the Forward Programme.

17. **Dates of Future Meetings**

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

- Thursday 1 December 2022
- Thursday 2 February 2023
- Thursday 6 April 2023

End: 1305

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