

**Enterprise M3 Board Meeting  
1 December 2022  
Managing Directors' Report – Item 5**

**1. LEP News**

- 1.1. External Engagement and LEP Profile. The Managing Directors have been stepping up activities to confirm and enhance the positive impact and profile of Enterprise M3 LEP, including: Sue was invited to attend the 2 day CBI conference in Birmingham; and to speak at the Farnborough Aerospace Consortium Conference. Stephen was invited to speak at the opening by HRH Princess Anne of an EM3-funded research facility at Sparsholt College.
- 1.2. Following a very intensive but highly successful round of interviews we have been able to boost the talent and capacity of the LEP team with strong applicants and appointments to the Head of Operations, Head of Business Commercial and Skills, Head of Policy, Intelligence and Communications, Careers and Skills Manager, a Sector Development Manager and a Performance and Admin Officer. The new structure chart is attached at Appendix 1.
- 1.3. A number of roles remain vacant: we will readvertise for a Performance & Governance Manager and for 3 Enterprise Coordinators. We are pausing recruitment of another Sector Development Manager and Growth Hub Champion while we welcome our new Sector Development Manager and review the future of the Growth Hub.
- 1.4. Our new team will be on board in full in the New Year in time to prepare for and take forward our new ambitious Delivery Plan. Many thanks to Board members who lent their time and sound judgment to the interview process: Daniel Ruiz, Michael Queen and Linda Cheung.
- 1.5. Internal candidate Megan Low successfully applied to be our Careers and Skills Manager - a step up from her current role as Careers Hub Implementation Manager.
- 1.6. As a result of reshaping of our organisation, Jeannie Satchell, Jordan Tame, Geoff Wells, Kevin Travers and Clare Thomas will be leaving the LEP between now and February and we wish them all well for the future.
- 1.7. We have had some new starters and appointments since the last Board meeting. Chris Burchell joined as the Head of Enterprise and Innovation on 18 October, Rubens King joined as an Enterprise Co-ordinator on 1 November and Katherine Garrett started as the Communications Manager on 8 November, all are very welcome additions to the LEP Team.
- 1.8. The Government has carried out mid-year reviews of LEPs and EM3 has received the most positive judgment and confirmation that we are a 'low risk' 'lower tier' LEP. The process is designed to be light touch where there are no concerns, as in our case.

**2. Growth Hub Activity**

- 2.1. We are delighted that Paul Scott is now officially 'Entrepreneur in Residence' at USSP (University of Soton Science Park) working alongside Set Squared for one day per month. Paul is available for business mentoring for both resident Companies on the park to access and also Businesses in the local area. The new service was launched on 3<sup>rd</sup> November when Paul presented to an 'invite only' breakfast meeting of all the CEOs of resident businesses which was well received.
- 2.2. New marketing campaign was launched in the first weeks of October and has seen direct enquiries rise from almost zero to c5 per week with a total of 25 in the last 5 weeks. This is on target for the KPI's set of 5 per week. All are currently being processed and the Growth hub are regaining ground on the annual target.
- 2.3. Surrey Skills Summit was attended by Jeannie Satchell and Paul Scott. The event was well attended with Jeannie leading a facilitated group to brainstorm on skills required for businesses in the region.
- 2.4. We recently teamed up with Poole Council to give them a demonstration of GROWTHmapper. We have invited them to see it in action so that they can make an informed decision as to whether this is the right tool for their business community.

- 2.5. A monthly meeting with the Cluster Growth Hubs and University Business Schools was last held on 25 October 2022. The meeting provides an opportunity for partners to share information on the take-up and marketing of the BEIS-funded Help to Grow Management programme and to identify ways to help Growth Hubs promote the programme.
- 2.6. Enterprise M3 is the cluster lead for the South Central Cluster of Growth Hubs, which includes Coast to Capital, Solent and Berkshire Growth Hubs. Fortnightly national cluster call meetings are held with BEIS providing the opportunity for BEIS to update the Growth Hub on the Government's business support policy developments and provide wider updates. Businesses across the country are facing similar issues to those faced in the EM3 area. These include energy cost issues, supply chain issues, labour shortages and costs, and material and input costs.
- 2.7. A Net Zero conference is being planned for early December 2022 as part of the National Growth Hub network activity. ACAS will be presenting to the national cluster call in January 2023. ACAS are keen to engage with, and survey, Growth Hubs to understand how their service can be shaped to best serve businesses.
- 2.8. The Cluster are holding a series of three 20-minute webinars to help businesses during the current financially challenging times. The first of these webinars is being held on 7 December 2022 and will support businesses to examine operational efficiencies. A further 2 webinars covering workforce resilience and financial resilience have been developed and will be delivered in early 2023. The webinars are an example of how the cluster of Growth Hubs can work together to achieve economies of scale through sharing costs and activity. Through Q&As the webinars will encourage businesses to engage with their local Growth Hub enabling follow-up support to be provided.
- 2.9. The Cluster is also planning to deliver a webinar in early 2023 with the Trade Remedies Authority (TRA). The TRA defends UK economic interests against unfair international trade practices, such as products from overseas being dumped in the UK at low prices or unfair subsidies provided by foreign governments.

### **3. Trade and Investment**

- 3.1. The latest figures for inward investment activity from DIT show that there have been four successful projects in the Enterprise M3 area this financial year which are creating 58 jobs (in commodities, pharmaceuticals, food and drink and aerospace). There are 36 live pipeline projects of which 17 could land in 2022/23. The project performance in 2021/22 was 25 successful projects that delivered 1052 jobs. Chris Burchell will be working closely with DIT and Hampshire/Surrey County Council colleagues on helping to realise pipeline activities
- 3.2. The latest intelligence is that export performance remains resilient in some of the key sectors such as defence and aerospace, but conditions are very challenging for some of our SMEs and new exporters as they struggle with increased level of export documentation.

### **4. Sector Cluster Development**

#### ***Jet Zero***

- 4.1. The LEP has established a Jet Zero Working Group made up of businesses, academia, Farnborough Airport, Farnborough Aerospace Consortium and County/Local authority colleagues. The first meeting took place in September and a second meeting scheduled for the 5th of December at Farnborough Airport.
- 4.2. For the December meeting, working through breakout groups, we will explore in detail what our local capabilities and areas of expertise are around three themes: Jet Zero Infrastructure, sustainable aviation fuels ('SAF') and advanced materials and to reinforce our vision for the cluster. As part of discussions, we seek to capitalize on the emerging Solent Cluster which is being developed around Exxon Mobile's ambitions for blue hydrogen production at Fawley which could have significant impact on net zero emissions in the marine and aviation sectors regionally.
- 4.3. The LEP did consider putting in an application for an Innovate UK Launchpad, but more detailed mapping and understanding of the cluster is required to make this a viable bid. However, more Launchpad calls are expected.

#### ***Animal Health Innovation Network***

- 4.4. Chris Burchell will be presenting as part of the panel for the Animal Health HPO presentation being made to UK businesses and DIT oversees Trade & Investment teams on December 1<sup>st</sup>. The panel includes Professor Alastair Cook from the University of Surrey, colleagues from the Department of International Trade Investment team and a range of businesses in the sector including Zoetis.

- 4.5. On November 2<sup>nd</sup>, the newly refurbished Animal Health & Welfare Research Centre at Sparsholt College was opened by HRH Princess Royal which was funded by the EM3 Growth Fund. The facility will allow over 600 additional highly skilled learners and 250 apprentices to benefit above current student numbers over the next five years.

#### ***FSE funding***

- 4.6. Despite the current economic conditions, FSE is still receiving a strong level of enquiries with over £1m of potential lending in the pipeline (strong interest from MedTech, advanced manufacturing and low carbon technologies) There has been an increase in the number of more established businesses seeking funding as they are unable to get additional funding from their banks due to existing liabilities from CIBILS or Bounce Back Loans.
- 4.7. EM3 Fund 2 is currently showing a profit due to equity realization (this might also be possible for Fund 1 with full loan pay off expected in 2023). Agreement has now been secured for extending the upper limit for loans up to £500k (about 25% of all new enquiries are now between £350k and £500k). The idea of offering fixed rates to support clients further has also been encouraged by the Steering Group. FSE are keen to project the 'more than money approach' in that it is not just about lending, but also the support from investment managers and wider business support help from (for example) the Growth Hub.

#### ***Space South Central***

- 4.8. To address the breadth of activities and lack of clear centre in the space and satellite sector, a new space cluster has been formed – Space South Central – combining and building on the foundations made by the South Coast Centre of Excellence in Satellite Applications and the Enterprise M3 Space Hub. The group has been endorsed by the UK Space Agency and Satellite Applications Catapult.
- 4.9. The group is focusing on seven key objectives: 1) mission capabilities, 2) skills development 3) outreach 4) sovereign capability 5) levelling up and promoting growth 6) maximising service capability 7) securing international partnerships. Space South Central has recently been successful in two bids under the UKSA Space Cluster Development Call

#### ***Guildford Games Cluster***

- 4.10. The Guildford Games Cluster has reached a mature stage. The Guildford Games Festival 2022/23 takes place on the 10th of January 2023 at G-Live in Guildford and there is also an online Guildford Steam Sale on the 4th of December. STEAM is an online community where games are played, discussed and sold and was a key ingredient in helping local companies to market and sell their games as part of the last highly successful festival.
- 4.11. The LEP is a sponsor for the event and there will be the opportunity for the Growth Hub to have a presence and for us to be included in talks/seminars and networking. There is a regular Guildford Games Committee meeting which Chris Burchell will be invited to attend
- 4.12. The Guildford Hub is the fourth biggest per capita in the UK and discussions will take place with UKIE to discuss if there are any strategic interventions that could boost the performance of the sector further.

## **5. Skills**

- 5.1. The LEP continues to lead on delivery of the £2.6m Strategic Development Fund ii project, operating across the EM3 + East Surrey geography and involving 8 FE colleges. Courses have now been identified that will be available via different online platforms including the LEP-funded Innovation South Virtual Campus. These courses will all have a 'Low Carbon' focus – including two 'Carbon Literacy' courses.
- 5.2. The LEP is also supporting the development of the Local Skills Improvement Plan (LSIP). We are currently working towards an analysis of the economy and the labour market – including some insights into the supply and demand of skills. This will be delivered in December and feed into the wider work of the Plan.
- 5.3. With the prospect of an Ofsted inspection for many of our colleges, the LEP helped convene senior leaders and Governors from different colleges to a skills workshop at Sparsholt College on 4 November with skills insights provided by the LEP, Hampshire County Council and Surrey County Council. The LSIP was also introduced as a key consideration for future curricula and funding. Feedback from the workshop was very positive and it was agreed for further collaborative workshops in the future.
- 5.4. The latest EM3 Skills Advisory Panel took place on 17 November with a focus on 'CreaTech'. UCA set the scene with some context about this emerging sector. A representative from StoryFutures together with a CEO of a local CreaTech business then outlined some of the skills challenges faced by employers. In the discussion after these presentations, providers were quick to suggest some ways to support businesses and the EM3 Careers Hub were also on hand with some ideas.

## **6. Careers Hub**

- 6.1. We have supported the NHS Hampshire and Isle of Wight's 350+ Careers Programme who teamed up with HSDC Alton to create a permanent 'operating theatre environment' at the college, giving students year-round learning opportunities to explore all the roles needed to facilitate a successful operation. They will continue this programme on-site and in schools supporting all students in Hampshire, especially those furthest from the labour market. 86% of students attending are now considering a job in the NHS.
- 6.2. 1350 students and their parents are set to attend a degree apprenticeship event in collaboration with Esher Sixth Form College. As many as 25 local and national businesses are attending including; BAM construction, Royal Navy & Royal Marines, Balfour Beatty, Procter and Gamble, and Unilever. As part of this event, we have also helped educate businesses on the school recruitment cycle.

## **7. Latest evidence on the economy and labour market**

- 7.1. The Dashboard report for November 2022 highlights some key issues for the EM3 economy. The key points to note are:
  - Since the start of the pandemic in March 2020 the EM3 area has lost nearly 3,000 businesses, the majority of those in the last 12 months. These were mainly micro-sized businesses (1-10 employees) which may indicate that the area is losing its entrepreneurial edge. Further, during this time EM3 and Berks LEPs each lost 5 major businesses (250+ employees) although due to data confidentiality the details of which sectors or the reason for their loss is not available. On the positive side the number of small businesses (11- 49 employees) increased by 100.
  - The number of economically inactive residents in the EM3 area has risen by 9,000. These are working age people (aged 16-64 years) choosing not to work. The reasons behind this are going to higher education (the largest group), they have family caring responsibilities, or they are long/short term sick. Of greater interest is that growth in the numbers taking early retirement appears to have gone into reverse. It is likely many early retirees have found living on a pension with the current inflationary pressures is not so easy and are returning to paid work.
  - In late Summer/early Autumn the level of job postings in EM3 declined which may be an indicator that the area's economy is about to enter recession. (This is generally a leading factor that often precedes economic slowdown).
- 7.2. More details can be seen in the full Dashboard provided in Item 12.

## **8. European Funds**

- 8.1. We have been supporting our portfolio of live projects by doing more promotion such as with the South East Internationalisation Fund providing grants up to £9,000k to SMEs on their export plans and the EM3 Armed Forces Veterans and their Families project offering self-employment awareness and skills workshops in our area.
- 8.2. Three of our ESF projects have been promoted in the national bulletin as case studies by the Managing Authority.

## **9. Enterprise Zones**

### ***Basing View***

- 9.1. It has been agreed by Basingstoke and Deane Borough Council that the space within the Lilly and Company HQ building that was originally set aside for retail/cafe use can be utilised to support the implementation of the Living Lab 5G project. Initially this will simply be the network base point but should also provide the location for the VR studio when the local authority has successfully procured the provider for these services. Achieving this base will enable the network provider to finalise the network design and begin installation of the local network around Basing View with confidence.

### ***Longcross Park***

- 9.2. EM3 initiated discussions with Runnymede Borough Council, Surrey Council and University of Creative Arts on the prospect of establishing a Creative Industries Hub linked to the location of Netflix at Longcross Film Studios on the site. UK Research and Innovation opened a new programme – Launchpad – seeking local partners to support the development of innovative clusters. We worked with the above partners and submitted a proposal focused on the Surrey Film and TV gaming and Createch cluster. We await the outcome of this stage of the competition.

### ***Whitehill and Bordon***

- 9.3. The Base Innovation Centre celebrated its 5<sup>th</sup> anniversary on 17<sup>th</sup> November, with an event for occupiers and partners. The centre is operated by Oxford Innovation and their statistics indicate that since opening it has supported 74 businesses and helped to create 79 jobs. While the number of businesses dropped during the Covid-19 lockdown periods, it is now back up to 93% occupancy.

### ***Investment Zones***

- 9.4. The LEP Team worked with Hampshire County Council and district partners to submit an Expression of Interest for an Investment Zone based on our existing Enterprise Zone sites. The final proposal included the Whitehill and Bordon EZ site together with the town centre and other employment land. The Solent EZ site was also included. Although the Government's fiscal statement on 17<sup>th</sup> November indicated that the existing EOIs would not be taken forward, the value of Enterprise M3's agile response and regional economic expertise and knowledge was noted and appreciated by Hampshire County Council and other partners. We stand poised for follow up opportunities.

## **10. Communications & Stakeholder Engagement**

- 10.1. Carswell Gould worked with us to finalise and deliver the new "[Jewels in the Crown](#)" page on our [website](#), an idea that was generated from the Board. To complement this, we have produced and distributed a local press release to mark the launch of the EM3 region "Jewels" and a weekly campaign is underway to put a spotlight (via social media) on each of the seven jewels (liaising with relevant marketing leads from each organisation).
- 10.2. The 3-month EM3 Growth Hub advertising campaign, delivered by Carswell Gould, has come to an end. They reported that approximately 100,000 people were exposed to the campaign, building awareness for the Growth Hub brand and service offer. This led to 1,000 website page visits, 59 phone calls (approximately 40% cited the campaign as the source of how they found out about the service) and 24 meeting requests.
- 10.3. The communications team supported the final promotion and delivery of two EM3 Growth Hub "The Attraction Factor Strategy Sessions" presented by Jarmila Yu, one of the Growth Hub Associates and a marketing specialist, at Send Business Centre and the Guildford offices of DMH Stallard. These were attended by 24 people.
- 10.4. We also promoted the launch of the EM3 Growth Hub's Start Up Technology Business Leaders Development Programme and promoted the first of the EM3 Growth Hub led online "Driving Operational Efficiency to Navigate the Recession" workshops, due to take place on 7<sup>th</sup> December, part of the South Central Cluster of Growth Hubs work led by Malcolm Brabon.
- 10.5. The following events were attended by the comms team:
- The launch of the NHS Careers Hub at Alton College
  - Meet the Chamber event at Basingstoke College of Technology (BCoT)
  - Berkshire LEP Annual Conference
  - Borough Business Partnership meeting at Queen Mary's College
  - BCoT Business Breakfast Meeting
  - 5<sup>th</sup> anniversary celebrations at BASE Bordon
  - Degree Apprenticeship Fair at Esher Sixth Form College

## **11. Infrastructure, Transport and Place**

- 11.1. We recently met with colleagues at Surrey County Council to receive an update on the electric vehicle pilot that we funded from the Local Growth Fund. The two-year pilot scheme supported the provision of 80 on-street fast (up to 22 kilowatts) charging points, installed across four boroughs in Surrey: Guildford, Woking, Spelthorne and Waverley.
- 11.2. The project has now been largely delivered and usage is increasing rapidly. In addition, Surrey County Council have developed an analytical tool to calculate the levels of carbon reduction from the scheme, which we can use to report back to central Government. Whilst the provision of these chargers was a key outcome of the project, equally important was increasing understanding of the issues around the planning, installation, and operation of EV (Electric Vehicle) charging. The project has also greatly informed the County Council's strategy going forward, to ensure that a mix of private and public sector provision will maximise the benefits from EV provision.

11.3. As a directly result of this learning in May 2022, Surrey was awarded funding from the Office for Zero Emission Vehicles (OZEV)'s On-street Residential Chargepoint Scheme to subsidise the installation of a further 110 charge point sockets across six boroughs and districts. Installations are scheduled to be completed by March 2023.

## **12. Key Performance Indicators**

12.1. The KPI's and targets for the Capital programme, Growth Hub and Careers Hub are attached at Appendix 2.

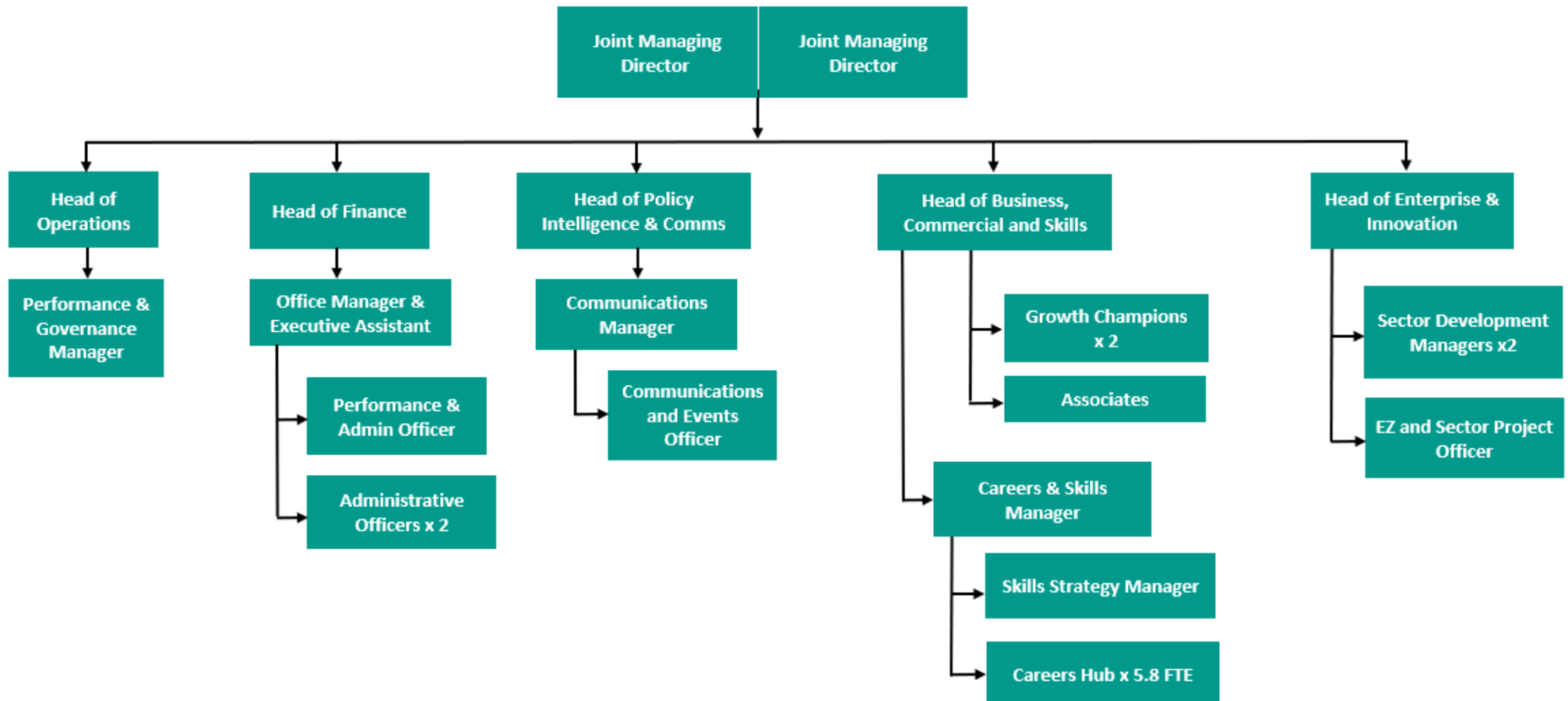
## **13. Other Staffing Changes**

13.1. Lee Danson, our Head of Programmes, Planning and Performance, is leaving us on the 1<sup>st</sup> December to a new role at Woking Borough Council. Lee is an outstanding Project Manager who has approached her roles at EM3 with creativity, amazing skill and efficiency and incredible calm. We wish Lee the very best for the future.

13.2. Jan Champney, Enterprise Co-ordinator is moving on from the EM3 LEP at the end of November to join Dorset LEP. Jan has contributed a huge amount during her time with the LEP and she leaves with our very best wishes.

Sue Littlemore and Stephen Martin - EM3 Joint Managing Directors  
24 November 2022

# ENTERPRISE M3 LEP STRUCTURE CHART – NOVEMBER 2022



## Key Performance Indicators – November 2022

## Capital programme outputs

Due to the closure of LGF and GBF we no longer set targets. However, we continue to monitor the impact of our existing capital projects through the outputs that are achieved by completed projects.

Output	Totals
Jobs	1513
Housing	923
Commercial Floorspace	1942
Apprenticeships	837
Learners supported	8859
Create/refurb. learning floorspace	0
Buildings retrofitted	0
CO2 savings (kg)	3872.7
Business assisted	37
New Course Developed	0
super/ultrafast broadband connections	0
R&D	0
Sqm green space created	3807

## Growth Hub

Activity	Target (March 2023)	Current Figure	Figure at 31st Aug
Unique Visitors to the Website	22000	35100	20587
Unique Visitors to Funding Tool	500	742	507
Low Intensity interventions Including Signposting	1000	975	415
Post-Covid Recovery Clients	30	9	9
Growth Champion Coaching Clients	72	45	28
High Growth Clients	71	34	14
Funding Clients	42	4	4
Referral To Apprenticeship Hub	48	30	11
Support By Phone	1000	527	465



## Careers Hub Targets

The Careers Hub performance is measured at the end of the school year. These are the new targets set for the current academic year.

Performance	Target (August 2023)
Coverage	At least 90 schools and colleges signed up to the MoU (new MoUs not required for establishments previously in EAN/Hub)  Confirm those institutions that do not consider themselves eligible to join Careers Hubs
EA Recruitment	An EA to be recruited for every school or college in your Careers Hub
EA Matching	Number of establishments in the Careers Hub matched to an EA at least  98% of schools / colleges in the Careers Hub to be matched with an EA
Benchmark Performance % Achieved	A minimum of 90% of schools and colleges in a Careers Hub achieving no fewer than 3 Gatsby Benchmarks  The Careers Hub to achieve an average of at least 5 BMs  80% of Hub schools/colleges to fully achieve BM1  Clear evidence of progress in BM5 and BM6 should be made throughout the year
Compass+ Onboarding	Upgrades to Compass+ should take place for:  90% of all Hub schools
Compass+ Frequency of Use	75% of Compass+ users should become "frequent users", defined as having at least 15 activities in their Plan
Future Skills Questionnaire (FSQ)	25% of Compass+ users should complete at least 1 FSQ with at least 1 cohort of students
Stakeholder Satisfaction	70% or higher - EAs satisfied with the experience of being an EA  80% or higher – EAs who plan to continue in role  A minimum of 20% of EAs (or 10 responses where 10 is higher than 20%) should be secured for key satisfaction surveys