

**Enterprise M3 Board Meeting**  
**1 December 2022**  
**EM3 Delivery Plan 2023/24 - Item 8**

Enterprise M3 Board is asked to:

- **AGREE** The draft EM3 Draft Delivery Plan 2023/24 to be submitted to Government

**1. Introduction & Background**

- 1.1. Government requires LEPs to publish Delivery Plans for each financial year. This year, the Delivery Plan was wider in its range than previously due to the closure of LGF and GBF funds and a move away from the sharp focus on capital programmes to a more strategic role.
- 1.2. The future role and expectations of LEPs was outlined in a letter from Government on 31 March 2022. The letter asked that LEPs should outline how it intends to use the full range of its functions to support local economies and local decision-making. This Years' Delivery Plan was published in May. The LEP continues to deliver against the set of deliverables in the current Delivery Plan and an update on progress is provided within the Managing Directors Report.
- 1.3. Government have asked that all LEPs submit draft delivery plans for 2023/24 by 25 November 2022 (however the LEP has agreed that the submission can be after the Board meeting). This is different to previous years. Importantly, future provision of the LEP's core funding will be subject to agreement of these plans with Government.

**2. Delivery Plan (2023/24)**

- 2.1. The Delivery Plan for 2023-24 builds on the current Plan but is more ambitious to reflect the new organisation. To demonstrate the impact of the LEP on the region, successes have been included against each area of focus.
- 2.2. Partners have been consulted and feedback has been incorporated into the document.
- 2.3. It is a succinct document that describes our activity and provides a set of 14 key deliverables that are core to delivering the vision and each of the 6 areas of focus. These deliverables are described in the table below. All deliverables will contribute to low carbon high growth and each deliverable will contribute to one or more area of focus.

Area of focus	Key deliverables
Strategic economic planning	<ol style="list-style-type: none"> <li>1. To support a globally competitive low carbon high growth region, gather strategic economic evidence and quality business intelligence in partnership with business organisations that clearly articulate the area's economic priorities and high potential sectors. Identify actions needed to support priority sectors, economic growth, and labour market needs</li> <li>2. Within available resources, respond to stakeholder interests in specialist areas of the economy for eg, initiate work with District &amp; Borough councils to maximise the strengths within the rural economy</li> </ol>

	3. Provide tailored labour market analysis to support the work of the Careers Hub
Support for business	4. Enable high potential businesses to grow and ensure resilience of SMEs throughout the current economic crisis through our Growth Hub services and all LEP business-facing activities
	5. Support our businesses to become net zero by continuing to deliver and promote our specialist Net Zero service
	6. Support innovation in the region by investing in high-potential businesses via the Funding Escalator
Nurturing high potential sectors & clusters	7. Maximise inward investment and economic growth opportunities by continuing to develop our existing clusters (Animal Health, Space/Satellite, Gaming, Jet Zero) and developing and supporting at least one new cluster for the region – potentially HealthTech and Creative Technologies.
Inward investment & international trade	8. Drive the appeal of the region to high growth low carbon companies by activating and promoting the new Enterprise Zone Implementation Plan
	9. Strengthen our relationship with DIT and local authorities and adopt a multi-partner inward investment service
Public and private sector investment	10. Review the success of the pilot 'Future Fund' and support at least three new capital growth projects in 2023/24
	11. Procure and contract with a supplier in order to deliver the Gigabit EM3 fibre spine in 2023/24 and explore potential for extensions with district and borough councils.
	12. Work with our Investment community and local authorities to develop the venture capital investment eco system
Employer perspective of skills	13. Deliver our Careers Hub service to help employers, schools and colleges prepare young people for careers and develop the future workforce, deliver local skills projects, and deliver KPIs set by the CEC
	14. Support employer-led skills provision, by convening partners through the Skills Advisory Panel and supporting them to develop and implement a Local Skills Improvement Plan (LSIP).

2.4. The two delivery programmes (Growth Hub and Careers Hub) have a set of KPIs and these are included in the Plan. The Growth Hub targets are subject to approval by BEIS.

### 3. Performance Monitoring

- 3.1. All deliverables will be monitored, and progress reported and challenged at each Management Team meeting. A highlight report which will include progress, risks and issues will be presented to each Board meeting.
- 3.2. Government will review performance at the Annual Conversation (previously the Annual Performance Review) and is likely to assess us for Strategic Impact and Governance. This is yet to be confirmed.
- 3.3. Specific KPIs for the two delivery programmes – the Growth Hub and the Careers Hub – will be reported to BEIS and CEC respectively, as part of their specific assurance processes.

Lee Danson  
21 November 2022



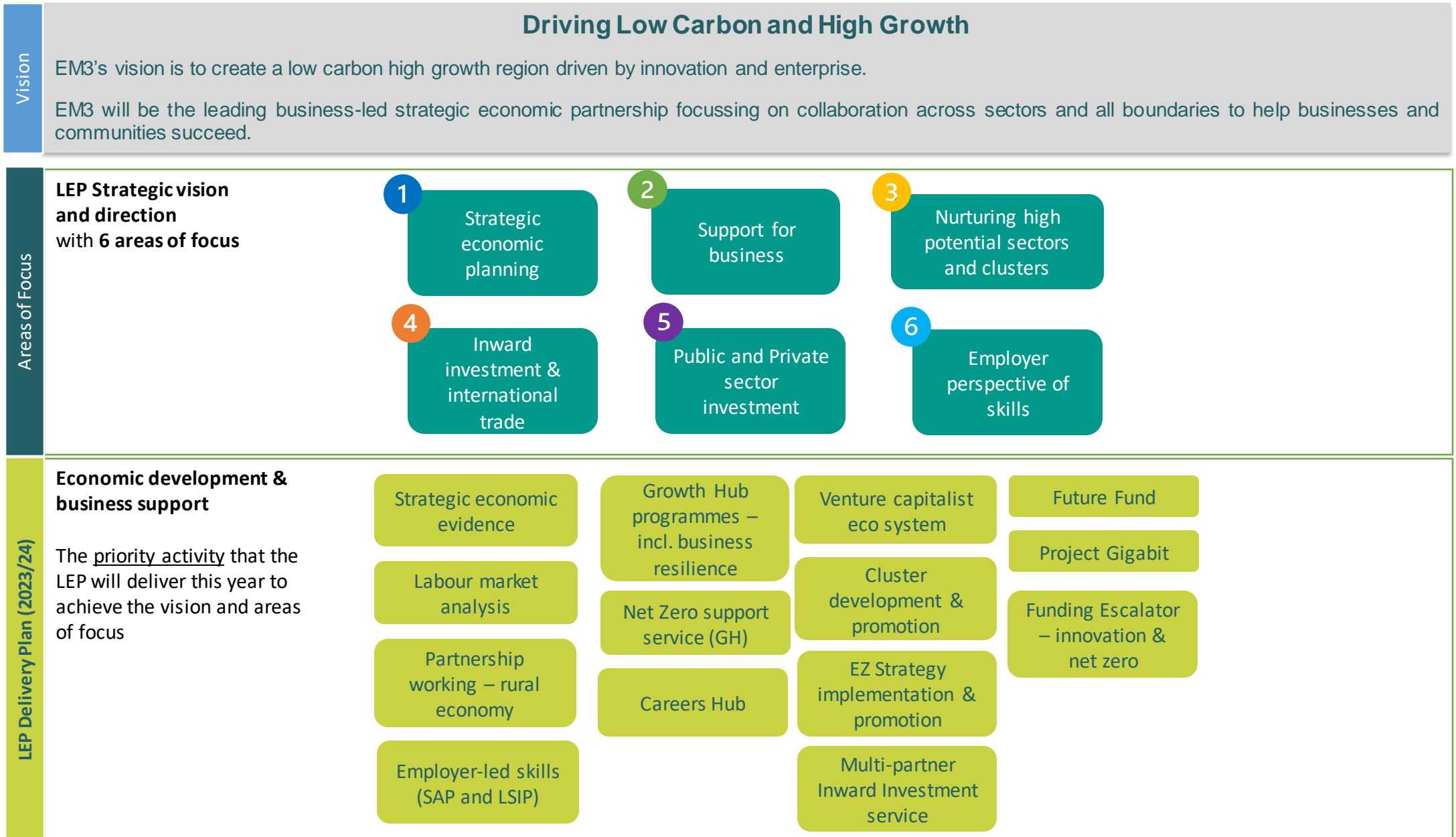
enterprise **m3**

Delivering prosperity through innovation

# DELIVERY PLAN 2023/24

November 2022

# EM3 DELIVERY PLAN SUMMARY 2023/24



# EM3 DELIVERABLES 2023/24

This page shows the key deliverables (1-14) aligned to our Areas of Focus. Some deliverables align to more than one Area of Focus and ALL align to the Vision

1 <b>Strategic economic planning</b>	1. To support a globally competitive low carbon high growth region, gather strategic economic evidence and quality business intelligence in partnership with business organisations that clearly articulate the area's economic priorities and high potential sectors. Identify actions needed to support priority sectors, economic growth and labour market needs	1	3
	2. Within available resources, respond to stakeholder interests in specialist areas of the economy for eg, initiate work with District & Borough councils to maximise the strengths within the rural economy	1	
	3. Provide tailored labour market analysis to support the work of the Careers Hub	1	6
2 <b>Support for business</b>	4. Enable high potential businesses to grow and ensure resilience of SMEs throughout the current economic crisis through our Growth Hub services and all LEP business-facing activities	2	
	5. Support our businesses to become net zero by continuing to deliver and promote our specialist Net Zero service	2	
	6. Support innovation in the region by investing in high-potential businesses via the Funding Escalator	2	5
3 <b>Nurturing high potential sectors and clusters</b>	7. Maximise inward investment and economic growth opportunities by continuing to develop our existing clusters (Animal Health, Space/Satellite, Gaming, Jet Zero) and developing and supporting at least one new cluster for the region – potentially HealthTech and Creative Technologies.	3	4
4 <b>Inward investment &amp; international trade</b>	8. Drive the appeal of the region to high growth low carbon companies by activating and promoting the new Enterprise Zone Implementation Plan.	4	2
	9. Strengthen our relationship with DIT and local authorities and adopt a multi-partner inward investment service	4	
5 <b>Public and Private sector investment</b>	10. Review the success of the pilot 'Future Fund' and support at least three new capital growth projects in 2023/24	5	2
	11. Procure and contract with a supplier in order to deliver the Gigabit EM3 fibre spine in 2023/24 and explore potential for extensions with district and borough councils.	5	4
	12. Work with our Investment community and local authorities to develop the venture capital investment eco system	5	4
6 <b>Employer perspective of skills</b>	13. Deliver our Careers Hub service to help employers, schools and colleges prepare young people for careers and develop the future workforce, deliver local skills projects and deliver KPIs set by the CEC	6	2
	14. Support employer-led skills provision, by convening partners through the Skills Advisory Panel and supporting them to develop and implement a Local Skills Improvement Plan (LSIP).	6	2



# **EM3 SUCCESSES AND DELIVERY FOR 20223/24**

## CARRY OUT STRATEGIC ECONOMIC PLANNING IN PARTNERSHIP WITH LOCAL LEADERS THAT CLEARLY ARTICULATES THEIR AREA'S ECONOMIC PRIORITIES AND SECTORAL STRENGTHS.

The LEP gathers high quality business intelligence and economic analysis as part of its role as business-focused strategic lead for the region and thought leader. The business intelligence and data analysis carried out by the LEP is integral part to inform how we and partners best work to secure a strong economic position for the EM3 area. Throughout the year the LEP will host 'round table' events to bring local business leaders together with Education and local authority leaders to understand skills gaps in order to address jointly.

### Successes this year

#### Local Skills Improvement Plan (LSIP)

- The LSIP bid is being led by Surrey Chambers of Commerce (CoC) and was submitted in October 2022. **The LEP are supporting the CoC by inputting to the bid the outline data analysis of the local economy and labour market needs and challenges.** We will work closely with Surrey CoC and other partners, and provide further support, as the development of the LSIP goes forward.

#### Business intelligence and economic analysis

- **BEIS highlighted EM3's business intelligence reports for their stand out quality amongst LEPs.** An ongoing role of the LEP is to gather high quality business intelligence and economic analysis for Central Government as part of its role as business-focused strategic lead for the region and thought-leader. The LEP convenes all key business representative organisations in the region, from CBI to FSB, to regular meetings to generate "on-the-ground" business intelligence. This information is disseminated to partners and fed back to Central Government every month. Additionally the LEP regularly convenes:
  - Senior Bankers from our region to share knowledge and business intelligence
  - Economic Development Officers from all District & Boroughs for intelligence sharing and joint actions
- Analysis is gathered regularly on Economy & Labour Market evidence which is utilised by partners to shape economic interventions. This is available on our website bi-monthly

### Deliverables for 23/24

1. **In support of a globally competitive low carbon, high growth region, we will gather strategic economic evidence in partnership with local business support organisations that clearly articulates the area's economic priorities/high potential sectors and labour market needs. Identify actions needed to support priority sectors.**
2. **Respond, where practical, to stakeholder interests in specialist areas of the economy for eg, initiate work with District & Borough councils to maximise the strengths within the rural economy**
3. **Provide tailored labour market analysis to support the work of the Careers Hub**

## SUPPORT BUSINESSES TO ACCESS THE EXPERTISE AND FUNDS FOR HIGH GROWTH, GREATER PRODUCTIVITY AND TO MAKE THE TRANSITION TO A LOW CARBON ECONOMY

Providing support to SMEs to achieve their potential through expert advice and resources including online tools - podcasts, training and networking sessions, funding platform, and delivering the **EM3 Growth Hub** focussed on sectors and businesses with high growth potential .

### Successes this year

#### Growth Hub

- *“The Growth Hub supported and helped guide me through a structural review of my business that has enabled me to employ high calibre directors to create a fully functioning C suite-this is ongoing and remains work in progress. My business is doubling every year and the Growth Hub are providing C suite strategic advise as we shape the five year investment plans and exit strategy” UK Connect Limited*
- *“The Growth Hub provided crucial advice to help me develop my business model and shaped my business in readiness for investment, which then led growing my business significantly and securing additional sites to support the growth” James Place Limited*

#### Funding Escalator

- Since inception of the FSE Growth Escalator funding in 2012, EM3 have invested £12.3M into 102 local businesses, leveraging £40.76M of additional matched private capital into the EM3 area.
- The scheme has created or safeguarded 944 jobs including 57 new jobs in the first quarter of this year.

*“Without this funding our 1track platform would see a slower global roll out with developments implemented in stages. Thanks to the more far-sighted approach taken by FSE and the EM3 loan scheme, we are now in a position to expedite our growth strategy and quickly deliver the world’s leading rail booking system, enabling clients to see a full sustainability dashboard and make greener choices accordingly.” Hampshire business International Rail*

#### South Central Cluster

- The EM3-led South Central Cluster comprises 4 LEPs (EM3, C2C, Berkshire and Solent). To achieve economies of scale the Cluster are jointly developing 3 webinars to help businesses navigate current economic challenges- The first of the webinars focussing on operational resilience is set for 7 December; The financial and workforce resilience webinars will be held in January 2023; the webinar with the Trade Remedies Authority (TRA) is likely to be held in January 2023

### Deliverables for 23/24

4. Enable high potential businesses to grow and ensure SME resilience throughout current economic challenges through our Growth Hub services, leadership of the South Central Cluster and all LEP business-facing activities
5. Support our businesses to become net zero by delivering and promoting our specialist Net Zero business support service
6. Deliver ongoing support for innovation in the region by making “recyclable” loans/equity investments in high-potential businesses via the Funding Escalator



## NURTURING HIGH POTENTIAL SECTORS AND CLUSTERS AND THEIR R & D PARTNERS TO ENHANCE OUR REGION'S OUTSTANDING STRENGTHS IN INNOVATION

EM3's outstanding work in the space/satellite and animal health sectors, and in developing the Guildford Games cluster, has already delivered significant benefits for the region. There is further potential to be tapped in these sectors; for example, the combination of 6G innovation capabilities and ultra-low Earth orbit satellite technology could offer Surrey a globally competitive edge. The LEP has continued to extend its cluster nurturing expertise to other sectors, such as environmentally sustainable aviation. Development of these new clusters will foster innovation and help unblock barriers within the industry such as skills supply and access to funding. High performing clusters make our region a powerful proposition to inward investors.

### Successes this year

#### Jet Zero cluster

- EM3 is working with aerospace businesses, trade bodies, local authorities and colleges to position a Farnborough-based aerospace sector as an international leader in the development of decarbonised air travel.
- More than 25 organisations came together at a round table event, hosted by Enterprise M3 LEP and Farnborough Aerospace Consortium (FAC) to discuss how best to support the sector in meeting the Government's [Jet Zero Strategy](#) – a UK-wide plan for achieving net zero emissions by 2050.
- The Jet Zero event marked EM3's first steps towards nurturing a new strand of the internationally-renowned Farnborough aerospace cluster. The development of Advanced Materials and Sustainable Aviation Fuel (SAF) were identified as growing areas of strength and potential areas for the region to gain an international and national competitive edge.

#### Space South Central, originally convened by EM3, wins investment from UK Space Agency (UKSA)

- EM3 kickstarted the Space South Central Cluster and the group has evolved into Space South Central with a supporting website <https://www.spacesouthcentral.com/>.
- Space South Central is now a functional cluster organisation with a steering group which includes EM3. Other partners include SSTL, University of Portsmouth, South Coast Centre of Excellence in Satellite Applications, Institute of Cosmology & Gravitation, Surrey Space Centre, Airbus, Inspace Missions and the University of Southampton

- Supported by EM3, Space South Central partners made two strong and successful bids for investment from the UKSA '[Space Cluster Development Funding Call](#)'. Our own analysis places 3,250 people employed across our region in Space related business and a total of £9.7bn turnover. This sector enjoys high potential for growth, putting it among the LEP's priority sectors. The new investment will fund two full time members of staff to develop Space South Central and build upon regional capabilities.

#### Games Cluster

- Another successful Guildford Games Festival was held in Dec '21 where products were promoted on the digital platform Steam. This meant more than 2m people watched our festival video content shining a light on the different career paths and opportunities in the games sector. The Steam sale generated roughly £2m in new revenue for local game developers for the second year running. Guildford Games Festival will be returning to a physical event format in Feb 2023 sponsored by EM3. The Steam Sale will take place again in December 2022.

### Deliverables for 23/24

7. **Maximise inward investment and economic growth opportunities by continuing to develop our existing clusters (Animal Health, Space/Satellite, Gaming, Jet Zero) and developing and supporting at least one new cluster for the region – potentially HealthTech and Creative Technologies.**

## DEVELOP AND PROMOTE A POWERFUL PROPOSITION FOR INVESTMENT IN THE EM3 REGION, WORKING WITH PARTNERS TO SECURE INWARD INVESTMENT AND PROMOTE INTERNATIONAL TRADE

Successful inward investment is not delivered alone. A strong relationship with key strategic partners across EM3 is vital. This partnership includes public, civic and private sector knowledge and experience to ensure credible and valued engagement with investors. Alongside Department for International Trade, the LEP will target existing investors in our key sectors to rapidly scale opportunities.

### Successes this year

#### Enterprise Zone Implementation Plan

- The LEP has appointed a new Head of Enterprise and Innovation, whose role includes leading on the delivery of new developments on the Enterprise Zone sites and the agreement of a second 5-year implementation plan for the Zone
- Procurement to bring together the additional skills and expertise to support the development of a new Implementation Plan, including a forecast of potential income from Business Rates Growth, is underway with the aim of achieving the completion of the plan by end of March 2023.

#### Investment Zones

- The LEP worked closely with partners and provided data and evidence to support the Local Authority partners' bid for Investment Zone status

#### Foreign Direct Investment (FDI)

- [Sledgehammer Games](#) is the most recent big FDI win for the games sector, they expect to employ hundreds of people in Guildford eventually (working on Call of Duty franchise).

We have also been working closely with [The Game Assembly](#) (TGA) to encourage them to land in Guildford. We hosted them on a visit to Guildford this year which included a meeting with Guildford Borough Council and local game developers, some of which have already signed contracts with TGA making their move here more likely.

Overall, current figures (as of October 2022) show that there have been four new businesses land to the EM3 region, three of these are on single sites and one on multiple sites. This investment has brought 58 new jobs to the region. We expect a further 17 new businesses to 'land' in the region within the year. This compares to 25 new businesses landing last year, bringing 1052 new jobs to the region

### Deliverables for 23/24

8. Drive the appeal of the region to high growth low carbon companies by implementing and promoting the new Enterprise Zone Implementation Plan.
9. Strengthen relationship with DIT and local authorities and adopt a multi-partner inward investment service

## WORKING WITH PARTNERS TO MAXIMISE PUBLIC AND PRIVATE INVESTMENT TO SUPPORT A LOW CARBON, HIGH GROWTH REGION DRIVEN BY INNOVATION AND ENTERPRISE

The LEP has funded £260m of capital projects in the region through Local Growth Deal funding. This year the LEP launched the new **Future Fund** – a small fund to support innovative capital projects in the region focussing on net zero, digital, green skills and digital skills. The LEP will work with partners to identify issues/barriers which form an opportunity for LEP involvement, then develop concepts in partnership to address them together. EM3 is already pioneering this co-investment approach through the **Gigabit EM3** fibre spine project - a project to build and operate new digital infrastructure stretching from Basingstoke to Guildford which will help to make a step change in the region's digital connectivity and address the digital divide between urban and rural communities.

### Successes this year

#### Gigabit EM3 Project (fibre spine)

- The specification and ITT for a supplier to build, operate, maintain, and commercialise the fibre spine are in final stages of development. Final issues are being worked through with HCC and legal advisors. We are aiming for procurement commencement by the Autumn, and for contract close and mobilisation in early summer.

#### Login Lounge example

- The LEP funding support for this scheme had an important role as an enabler and catalyst for action. Apart from providing funding, the LEP was able to use its convening power to “nudge” investment by others. At a simple level we nurtured the project by providing funding for the Log-in Lounge as one of our pilot projects as well as promoting the facility and using it ourselves. The market for co-working space continues to grow and we have used our experience to share best practice and offer advice about opportunities.
- The lessons learned from this pilot project will be a stepping stone to further success in Camberley as well as being used to develop additional co-working projects, innovation centres and facilitate further networking between businesses. We are considering further projects as part of our Future Funding programme, focusing on innovation and where we can add value to commercial funding as well as lever in additional investment from the private sector.

#### Animal Health and Welfare Research Centre at Sparsholt College

- Her Royal Highness The Princess Royal officially opened the Enterprise M3 funded Animal Health and Welfare Research Centre (AHWRC) EM3 invested £1.5 million in the £2,5m project, to modernise and double the size of the centre, which involved match funding provided by the college. The new centre will advance welfare practices with the use of digital technology, adding to the range of techniques, skills and industry know-how of graduating student

#### Future Fund

- The Future Fund has now been launched and a new website is live <https://enterprisem3.org.uk/futurefund>
- The first 6 innovative projects have been reviewed by LEP officers and assessed for suitability for being advanced to the next step of our governance process.

### Deliverables for 23/24

10. Review the success of the pilot 'Future Fund' and support at least three new projects in 2023/24
11. Procure and contract with a supplier in order to deliver the Gigabit EM3 fibre spine in 2023/24 and explore potential for extensions with district and borough councils
12. Work with Investment community and local authorities to develop the venture capitalist eco system

## BRING THE EMPLOYER PERSPECTIVE TO ALL SKILLS ISSUES. SUPPORT SKILLS PROVISION TO ENABLE BUSINESS GROWTH. TO BE THE AUTHORITATIVE SOURCE FOR ROBUST ANALYSIS OF THE LOCAL LABOUR MARKET, SKILLS NEEDS AND SKILLS ACTIONS.

Facilitating and collaborating with skills providers and partners to understand the labour market issues and respond. The LEP produces regular analyses of the economy and the regional labour market. These include up to date tracking of the skills/jobs demand by industry/sectors and news of business investment, takeovers and closures. This evidence is presented to EM3 Board Directors and members of the Skills Advisory Panel in order to maintain a deep understanding of our economy; the challenges and opportunities facing businesses and employers; and to provide a sound evidence base for good decision-making. The data is made available to all LEP partners and is published on the EM3 website.

### Successes this year

#### Strategic Development Fund (SDF)

- The LEP has provided a Project Team to support the consortium of 8 colleges for the management and delivery of the region's £2.6m SDF. The fund is to be spent this year to help reshape the technical skills provision in the area to align to local employer skills needs and the wider economy. Projects will include new facilities/ equipment and new courses. The aim of project is to develop skills for the region in the following areas: - a) land-based skills; b) retrofit homes and buildings; c) ultra-low carbon vehicles; d) carbon literacy (16-18 and 18+).
- Current progress includes establishing programme governance, assembling a project team, and building the programme structure. All spend must be complete by March 2023, and outputs and outcomes to be complete by March 2025. Key measurements from DfE of the project will be expenditure profile, collaboration, and employer engagement.

#### Skills Advisory Panel (SAP)

- The EM3 SAP has developed a reputation as the "go to" place for employer-focused skills advice and insight. The SAP enables diverse partners in the skill arena to share experience and knowledge of recruitment and skills needs between employers, providers and others. Up to date local economic and labour market evidence is presented and along with EM3 SAP skills reports this analysis has been invaluable to all partners and to inform both SDF and LSIP bids. This evidence is also used by the Careers Hub and partner organisations.

#### Careers Hub

- The Careers Hub works directly with businesses to ensure that skills gaps are identified, and that potential skills shortages and gaps do not become a barrier to growth

- The Enterprise M3 LEP Careers Hub was formally established as of September 1<sup>st</sup>, and tasked with supporting 90 mainstream and SEND (Special Education Needs and Disability) schools, Colleges (FE and 6<sup>th</sup> form) and pupil referral units (part of behaviour management facilities). That new model will involve creating local cluster groups, which will enable careers leaders to work collaboratively and share best practice.

#### Careers Enterprise Impact quotes

- A Proctor & Gamble event in partnership with the EM3 Careers team showcased the company's degree apprenticeship programme and examples of best interview practice. As a result of both the event and their other promotional work, P&G have received **five times** the number of applications than last year.
- *"We were delighted to welcome so many students and their parents to hear more about the opportunities at P&G. We recognise our responsibility as a local employer to inspire and develop talent that will help our business, our employees and our communities thrive."*

### Deliverables for 23/24

13. To help employers, schools and colleges prepare young people for careers and develop the future workforce, deliver local skills projects and deliver KPIs set by the CEC.
14. Support employer-led skills provision, by convening partners and supporting them to develop and implement a Local Skills Improvement Plan (LSIP).

# DELIVERY PROGRAMME KPIS

## Growth Hub targets\*

	ACTIVITY	TARGET NUMBER OVER TWELVE MONTHS 23/24
1	Businesses with Growth Potential Receiving Medium/High Intensity Support	190 (95 per growth Champion)
2	Referrals to Specialist Business Support Services for medium and high intensity clients  eg DIT, Innovate UK, Help to Grow, FSE, Apprenticeship Hub	96 (48 per growth Champion)
3	Business Enquiries to EM3 GH & LEP	1,950
4	Businesses Signposted to Other Business Support Organisation	830

\*Subject to approval by BEIS

## Careers Hub targets

Performance	Target
Coverage	90 schools signed MOU
Enterprise Advisor (EA) Recruitment	90 An EA to be recruited for every school / college in the Careers Hub
EA Matching (%)	98% 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