

Enterprise M3 Ltd Board Meeting

2 February 2023 – 10.00am-1.00pm

Via Zoom

MINUTES

Directors in Attendance

Michael Queen - Chair
Virginia Barrett
Cllr Natalie Bramhall
Linda Cheung
Sarah Jane Chimbwandira
Stacey King
Ross McNally
Daniel Ruiz
Mark Smith
Cllr Martin Tod

EM3 Team in Attendance

Sue Littlemore
Stephen Martin
Martine Baker
Aleks Bennett
Chris Burchell
Sajid Butt
Sally Thompson
Megan Low
Justine Davie

Apologies

Debbie Allen
Julie Baker
Cllr Roz Chadd
Barney Ely
Cllr Paul Follows
Ren Kapur
Cllr Julia McShane
Cllr Phil North

Guests in Attendance

Anne Hibbert – HCC Accountable Body
Richard Turl – DLUHC

1. Welcome and Introductions

- 1.1 Michael Queen welcomed everyone to the meeting and in particular Cllr Martin Tod who was attending his first Board meeting.

2. Minutes of the previous meeting & matters arising

- 2.1 The minutes of the meeting held on 1 December 2022 were agreed and the actions noted.

3. Declarations of Interest

- 3.1 Virginia Barrett declared an interest in the renewal of Board terms of office under item 10 and left the conference call during the decision making. The Board noted that Michael Queen was no longer the Chair of Council at the University of Surrey. 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. Conversations had been held with other LEP chairs across the country particularly those that were going through, or had already been through, the county deal process. A number of meetings had been held with local MP's. There had been some constructive discussion held with Michael Coughlin at Surrey County Council and Max Lu at the University of Surrey regarding supporting innovation in the region, highlighting the importance of the need to look at the wider region not just Surrey. Michael had an inspiring meeting with Sarah Jane Chimbwandira discussing biodiversity and the changes that the Government was enforcing on corporates and the opportunities that existed across Hampshire and Surrey. Michael confirmed the LEP's commitment to providing support on biodiversity rules.
- 4.2 The Board was advised that Hampshire County Council had been approached by Government to invite them to enter into discussions on a Hampshire county deal. It was recognised that this would be an intense process and would involve engagement with the county council,

district councils and partners. A letter had been sent to Cllr Humby to offer support from the LEP to engage in discussions.

5. Managing Directors' Report

- 5.1 Sue Littlemore highlighted the major achievements by the Team since the last Board meeting. The new management team joined the meeting and introduced themselves to the Board: Martine Baker, Head of Operations; Chris Burchell Head of Enterprise & Innovation; Sajid Butt Head of Policy, Intelligence and Communications; Sally Thompson Head of Business, Commercial & Skills; and, Aleks Bennett Head of Finance. The Board welcomed the new management team members.
- 5.2 Over recent months the LEP had been approached by districts and boroughs with requests for assistance in helping them achieve their aspirations and ambitions. Discussions were taking place on a number of areas including economic activity in rural areas and providing strategic guidance on economic growth.
- 5.3 Stephen Martin reported that the activity on skills and careers was at a crucial point with delivery of the Strategic Development Fund project in its final stages with funding ending on 31 March 2023. The focus was on employer engagement to inform and engage with green tech skills courses. Discussions were underway with Surrey Chamber of Commerce regarding further Enterprise M3 support for the Local Skills Improvement Plan (LSIP); the LEP had already provided data and evidence which would be used to develop the LSIP in April/May.
- 5.4 At the beginning of January a draft specification was published for the fibre spine project which provided potential bidders the opportunity to ask questions. The aim was that the Invitation to Tender would be launched as soon as possible after that consultation was complete. It was expected that once the tender process was complete, construction could start in the Summer. There had been a lot of interest expressed in the potential for future extensions to the initial fibre spine route and conversations on those opportunities would be taken forward in due course.
- 5.5 The Annual Performance Review process had started and would be lighter touch than previous years. An indicative outcome had been received which reported that Enterprise M3 had 'Met' the requirements in all 3 categories, delivery, governance and performance. A formal meeting was being held on 10 February and the official notice should be received some time after that.
- 5.6 The Board noted the departure of Kevin Travers and Geoff Wells from the team in February and the Board formally thanked Kevin and Geoff for all the work they had done for Enterprise M3 LEP and wished them well for the future.

6. Government Plans

- 6.1 The Board received an update from Richard Turl on the current Government focus. The announcement on future funding for LEPs was due shortly, it was currently awaiting ministerial sign off. The outcome was expected to be broadly positive for 2023/24 funding and ministers were discussing whether they could announce the funding provision beyond 2023/24, this was a live discussion with the LEP Network. The Growth Hub funding was subject to BEIS internal business planning therefore the funding announcement for the Growth Hub may not be made at the same time as the LEP core funding.
- 6.2 Rushmoor Borough Council and Southampton City Council had been successful in securing levelling-up funding, no others local authorities in Hampshire or Surrey had been awarded funding. It had been a very competitive funding round with over 500 bids received. Government had announced that if a local authority had already received Levelling-Up funding they would not be eligible to bid again. There would be a third round of Levelling-Up funding but no decision had been made on how the round would be run, there was £1bn funding still available.
- 6.3 The Investment Zone programme was still a live issue but it would be a smaller than the initial programme that was launched. The Chancellor would decide on the number of investment zones, and there was the potential that the greater South East might not feature, with the rationale that the market economy already drove investment well in the South East.

- 6.4 Mark Smith raised a question regarding the Horizon Europe research and innovation programme and whether remaining funding from that programme could be used for other innovation programmes and could be impacted by the Government's focus on levelling up. Richard Turl would make some enquiries as to the current position with Horizon Europe.

Action to be taken	By Whom	When
Investigate the current position with Horizon Europe and report back to the Board	Richard Turl	6 April 2023

7. Enterprise M3 Careers Hub

- 7.1 Megan Low provided a presentation on the transition to a Careers Hub and was joined by David Watkins, Deputy Head Teacher at Brighton Hill School; Maxine Hart, Enterprise Adviser (and Managing Director of Wote Street People) and Scott Green, Regional Lead from the Careers and Enterprise Company.
- 7.2 The Careers and Enterprise Company (CEC) was set up in 2015 to support careers programs in all schools in England. Enterprise M3 LEP had been running its careers and enterprise service with CEC since 2018. The main aims of CEC were to train and support careers leads; bring employers, educators and providers together; and, share practical digital tools and resources. There were around 45 careers hubs in the country, mainly aligned to and part funded by LEP areas, although each hub worked differently and aligned with its own local areas and priority needs. In Enterprise M3 the priorities included: to help schools and college be better at providing careers support; develop the future talent that employers need; and, help employers engage with education to help address skills issues.
- 7.3 The Enterprise M3 Careers Hub worked in clusters, aligning with local authorities. It supported 90 schools and colleges in the area with a team of Enterprise Coordinators who each supported around 20 schools and colleges. The offer of support included 1:1 support, bringing institutions together, funded careers leader training, knowledge sharing and sign posting.
- 7.4 David Watkins provided an overview of the careers programme at Brighton Hill Community School and of the Enterprise M3 Careers Hub Network. Working with the Careers Hub on the schools careers policy had enabled the school to be more strategic in its approach. Networking facilitation had been a critical element for the school to be able to demonstrate its commitment to developing a powerful careers programme and provided added strategic direction. The cluster meetings enabled Brighton Hill Community School to expand beyond the school and build relationships with Special Educational Needs and Disabilities schools and share best practice. The school had found the signposting opportunities important, as the Enterprise Coordinator collated and triaged the information to highlight what was important for the school. The school was also able to access templates from the CEC to help with strategic work. In April 2022 Brighton Hill Community School received an outstanding rating for student development from Ofsted.
- 7.5 The Careers Hub linked up with 150 businesses, from the Enterprise Advisers and their networks through to large scale projects. In 2022, the Careers Hub supported Gulfstream to set up an education outreach program in one of its local schools. It was intended that the programme would be rolled out to all schools in that local authority area which would raise the awareness of the company and opportunities available. Enterprise Advisers were business volunteers which come from a wide range of industries and employers such as Santander, HM Revenue and Customs, Aspire, Ramsac and many more.
- 7.6 Maxine Hart was an Enterprise Adviser for Brighton Hill Community School. The benefits as an Enterprise Adviser were being able to give the school access to the small entrepreneurial businesses in Basingstoke. The Enterprise Adviser could help schools understand the jobs that were available and growing, and the skills required to help schools understand the future of work, as the school curriculum could change slower than the world of work. Many students attended universities further afield and stayed there for work so it was important to provide students with access to local companies they could aspire to work for in the future.

- 7.7 The Careers Hub had carried out a number of successful activities in 2022. A degree apprenticeship fair was held with Esher Sixth Form College. It was attended by 1,700 students and parents and provided the opportunity for them to meet with 33 employers from a wide range of sectors. It was hoped that the event would be run again this year. The Careers Hub supported HSDC Alton to open an immersive operating theatre learning space. Following the event 86% of students expressed an interest in working for the NHS. The programme would continue in schools for those that were not able to access the Alton Hub. An up and coming project was working in partnership with Coast to Capital Careers Hub and Surrey County Council to provide 100 experiences to 40 science and geography teachers to link green skills more closely with the curriculum.
- 7.8 The key priorities for the Careers Hub were: i) prepare the strategic plan, which would be shared with the Board once available; ii) set up a steering group to monitor delivery and provide accountability, a member of the Board would be invited to join; iii) set up a cornerstone group with businesses to talk about industry and skills needs; and iv) recruit further Enterprise Coordinators to bring the team up to full capacity.
- 7.9 The KPI for signing up 90 schools and colleges to the network was met, however some of the other KPI's were still to be achieved. The target for 98% schools to be matched with an Enterprise Adviser was currently at 56%, this was a difficult target but was going to be the focus of a new member of staff starting on 1 March. A minimum of 90% of schools and colleges achieving no fewer than 3 Gatsby benchmarks was at 83% and the team were targeting those schools not meeting the target. The target for the Careers Hub to achieve an average of at least 5 benchmarks was currently sitting at 4.9, this should improve throughout the academic year. Schools and colleges to achieve benchmark 1 should be at 80% and was currently at 55%, this target rose significantly from 40% last year. The Careers Hub was actively targeting schools and providing additional support where required.
- 7.10 The Chair thanked the speakers on behalf of the Board for bringing the activity to life. The Board members were asked to help with engagement with companies to become Enterprise Advisers. There was a suggestion to include a section at the AGM about the Careers Hub and skills.

Action to be taken	By Whom	When
Provide details to Megan Low of any organisations interested in becoming Enterprise Advisers	All	--
Consider inclusion of Careers Hub and skills on AGM agenda	Sue Littlemore	6 April 2023

8. Review of EM3 Committees and Sub-Groups

- 8.1 The Board received a report on a review of the structure of committees and groups. A review of Board effectiveness had been carried out last year and the assessment was generally positive but identified a few areas to make improvements, one of which was to review committees and groups that the LEP had set up over the years. The aim of the review was to ensure that Enterprise M3's governance was effective and suitable for the LEP's future role and functions.
- 8.2 The existing structure was established when the LEP was responsible for significant capital programmes and the focus had now shifted, meaning that some of the existing groups and committees were no longer needed.
- The **Programme Management Group** was established to make decisions on projects for capital funding and had last met in March 2022. Going forward capital funding projects would come through the Future Fund which may need 1-4 investment decisions a year which it was proposed should come to the main Board for decision. However it was proposed that at least 1 Board member should take part in business case assessment to provide challenge and to be able to discuss the proposal when it was presented to the Board. It was therefore recommended that the Programme Management Group should be disbanded.

- The **Clean Growth Forum** was established to bring together low carbon, energy, sustainability and environmental expertise to embed best practice into all Enterprise M3 LEP work. Clean Growth was now an integral part of all Enterprise M3 activities and should be mainstreamed across all strategic and delivery groups. It was therefore recommended that the Clean Growth Forum should cease to meet as a separate entity.
- The **Transport and Smart Mobility Group** evolved from the Transport Action Group which was established to oversee the extensive transport related capital programme. The Group was currently dormant. As the LEP's involvement in transport was now reduced it was recommended that the Group be disbanded and liaison with transport stakeholders would be carried out directly when required.
- The **Enterprise and Innovation Action Group** had been dormant for some time and had, in effect, been replaced by sector specific groups. It was therefore recommended that the Action Group be disbanded.

8.3 The Board discussed the report and agreed the recommendations that:

- (i) the Enterprise M3 Programme Management Group be disbanded.
- (ii) investment decisions required for EM3's Future Fund be approved by the Board.
- (iii) the Clean Growth Forum be disbanded
- (iv) the Transport & Smart Mobility Group be disbanded; and,
- (v) the Enterprise & Innovation Action Group be disbanded

8.4 A diagram would be developed to set out the revised structure of committees/groups, highlighting whether each is a strategic or operational group and a decision making or steering group.

Action to be taken	By Whom	When
Develop a diagram setting out the structure of committees and groups to share with the Board	Stephen Martin	6 April 2023

9. Resources, Finance and Audit Committee Update

9.1 Virginia Barrett reported on the Outline Revenue Budget for 2023/24 and the 2023-26 Medium Term Financial Plan (MTFP). The assumptions set out showed the LEP was in a good financial position into the medium term with a reserves position at the end of March 2026 of £0.45m above the minimum reserves level threshold. Work had been carried out on scenario planning, considering funding implications and other economic variables. Should funding significantly reduce the reserves would still remain at a sufficient level to cover activity in 2023/24, as proposed in the outline revenue budget.

9.2 The Board endorsed the outline revenue budget for 2023/24 and noted the 2023-26 Medium Term Financial Plan, the forecast outturn position at the end of December 2022 and the key financial risks associated with the 2023/24 Revenue Budget and 2023-26 MTFP. The Board thanked the Head of Finance, Aleks Bennett, for preparing such a clear and concise paper which provided an excellent financial summary.

10. Enterprise M3 Board Appointments and Governance

10.1 Linda Cheung presented a paper on the current position with Board renewals and forthcoming vacancies. Julie Baker's initial 3-year term of office ended in January 2023 and Julie had confirmed she would like to renew her term for a further 3-years. Virginia Barrett and Sarah Jane Chimbwandira's initial 3-year term of office was due to end in March 2023. Virginia had confirmed she would like to renew her term for a further 3-years. Michael Queen had met with Sarah Jane and would write and invite her to extend her term for a further 3-years.

10.2 The Board noted that Linda Cheung was due to retire from the Board in July 2023. It was proposed that work would start now to look at options for advertising and ensure that procurement requirements were in place. If there were sufficient suitable candidates as part of the recruitment campaign it was proposed that two private sector Board members be

appointed. Linda highlighted that, following her retirement, new Chairs would need to be appointed to the Nominations Committee and to the Enterprise Zone Programme Steering Group, any Board members interested were invited to speak to Linda for further information.

- 10.3 The Board agreed the renewal of the terms of office of Julie Baker until January 2026 and Virginia Barrett until March 2026. The Board agreed the proposed process for succession planning for Board members due to retire. The Board noted the review of the Assurance Framework scheduled to take place during the next 12 months.

Action to be taken	By Whom	When
Write to Sarah Jane Chimbwandira inviting her to extend her Board term for a further 3-years	Michael Queen	28 February 2023

11. Enterprise M3 Risk Register

- 11.1 Stephen Martin reported on the risk register, which was reviewed by RFAC at each meeting, and reported to the Board annually. There were currently 3 risks flagged as red which related to:

- **changes in Government policy** resulting in a reduction in funding - this was mitigated by the LEP having a healthy budget position
- **uncertainty relating to integration with local democratic institutions** – this was mitigated by maintaining focus on delivery, emphasising the message about the importance of the LEP’s work, and fully engaging in dialogue with local partners about devolution deals
- **difficulty in recruiting particularly in less senior roles** – mitigated by advertising as widely as possible.

- 11.2 The Board discussed the risk register and questioned whether the recruitment risk should be reduced from red to amber following recent recruitment successes. It was acknowledged that the risk was expected to reduce once the new staff were fully embedded within the team. The Board also discussed the impact of any staffing gaps. The Managing Directors were confident on delivering on the vision and priorities on the whole, there could potentially be a couple of areas that would underperform as a result of vacancies but with no substantial effect on the delivery plan as a whole.

- 11.3 The Board comments would be reported to RFAC to consider at its next meeting.

Action to be taken	By Whom	When
Report Board comments on the Risk Register to RFAC at its next meeting	Stephen Martin	16 March 2023

12. Transport for the South East (TfSE) Final Strategic Investment Plan

- 12.1 Daniel Ruiz reported on the TfSE paper which provided details on the final draft of the Strategic Investment Plan for the South East. The Plan was a well-balanced document which contained the development of a long-term strategic programme of multi-modal transport interventions to facilitate economic growth, improve quality of life and enhance the environment. The Plan aspired to be a holistic strategy. The full document was available on the TfSE website <https://transportforthesoutheast.org.uk/our-work/developing-our-strategic-investment-plan/>.

- 12.2 The LEP had commented on the draft document as part of the consultation; the comments were responded to constructively and incorporated into the final draft. The Plan would be presented to the Government in the Spring and considered for funding alongside other sub-national transport bodies. The Board thanked Daniel for representing the LEP on the TfSE Board and for his input into the Plan. The Board agreed to support the final draft of the TfSE’s Strategic Investment Plan for the South East. A letter would be sent from Enterprise M3 LEP to the TfSE Lead Officer to formally endorse the Plan.

Action to be taken	By Whom	When
Send a letter to the TfSE Lead Officer to formally endorse the TfSE Strategic Investment Plan	Stephen Martin	6 February 2023

13. Any Other Business

13.1 No other business was raised.

14. Enterprise M3 Economy, Labour Market and Skills Dashboard

14.1 The Board noted the Economy, Labour Market and Skills Dashboard. Sue Littlemore advised the Board that the Bank of England was predicting that the recession would be shorter and less severe than initially predicted. The Enterprise M3 economy remained resilient although the area was losing its entrepreneurial edge as people were looking for security in PAYE employment. The number of over 50's that had stepped out of the workforce was an important area of resource and skills and the tight labour market would not be addressed without looking at coaxing them back into the workforce. The demand for high-level skills made up a large proportion of vacancies.

15. Forward Programme

15.1 The Board noted the Forward Programme.

16. Dates of Future Meetings

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

- Thursday 6 April 2023 – ***in person only in the Village Hotel, Basing View followed by a meet the EM3 team lunch***
- Thursday 8 June 2023 – ***online only***
- Thursday 3 August 2023 – ***in person only***
- Tuesday 10 October 2023 – ***online only***
- Thursday 7 December 2023 – ***in person only***
- Thursday 8 February 2024 – ***online only***
- Thursday 4 April 2024 – ***in person only***