

## **DRAFT MINUTES**

### **Directors in Attendance**

Michael Queen - Chair  
Debbie Allen  
Julie Baker  
Cllr Roz Chadd  
Linda Cheung  
Sarah Jane Chimbwandira  
Barney Ely  
Ren Kapur  
Stacey King  
Daniel Ruiz  
Mark Smith  
Cllr Martin Tod

### **EM3 Team in Attendance**

Sue Littlemore  
Stephen Martin  
Justine Davie

### **Apologies**

Virginia Barrett  
Cllr Natalie Bramhall  
Cllr Paul Follows  
Ross McNally  
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.

## **2. Minutes of the previous meeting & matters arising**

- 2.1 The minutes of the meeting held on 2 February 2023 were agreed and the actions noted. The Board noted that the Chair had written to Sarah Jane Chimbwandira inviting her to extend her term of office and Sarah Jane had agreed to extend her term until March 2026.

## **3. Declarations of Interest**

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

## **4. Government Plans**

- 4.1 The Board received an update from Richard Turl on the current Government focus. The Chancellor's budget announcement that the Government was 'minded to not to fund LEPs from April 2024' was not a final decision. An information gathering exercise was currently taking place, which included the circulation of a questionnaire, workshops and live discussion on the work that LEPs carry out. A final decision was expected in the Summer which would be informed by the information gathering exercise. The announcement in the budget was the Chancellor's decision which sat within the Government ambition for greater devolution across the country. Other Government departments would have an interest in the outcome and would feed in to the information gathering exercise. The Government also needed to make a decision on the future of Growth Hubs.

## **5. LEP Funding Announcement**

- 5.1 Stephen Martin reported on the implications for the Enterprise M3 LEP following the Chancellor's recent announcement regarding future LEP funding. It had always been the understanding that LEP functions would be integrated into local democratic institutions as part of the devolution deal process, however the Chancellor's announcement accelerated the timescale and it appeared to no longer be related to devolution deals. The information gathering questionnaire was being completed by the Enterprise M3 team and the link to the questionnaire had also been circulated to local authority partners. DLUHC welcomed

responses from other partners and therefore the LEP had circulated the link to the universities, colleges and Chambers of Commerce in the Enterprise M3 region to invite them to provide a response.

- 5.2 The Government core funding was a small amount of EM3's overall funding. After the last Board meeting confirmation was received that the LEP would receive £250k core funding and £338,250 Growth Hub funding for 2023/24. The LEP therefore had a mandate and the funding to deliver services in 2023/24 across Hampshire and Surrey. The financial and delivery plans continued to be robust and the LEP remained committed to delivery during 2023/24.
- 5.3 The impact on staff was an issue and the Senior Management Team would work hard to maintain motivation and wellbeing of the team. Communication with the team was important and the Senior Management Team would speak openly to them as the position developed.
- 5.4 The two county councils would play a key role in shaping future arrangements and meetings had been arranged with the Chief Executives and Leaders at both Hampshire and Surrey County Councils and a meeting had also been arranged with borough and district Chief Executives. Consultation discussions would also be held with the universities, colleges and business organisations in the coming weeks.
- 5.5 Michael Queen advised that the LEP was working through a process and it was hoped that there would be some clarity provided sooner rather than later. A letter had been received from Hampshire County Council, in its capacity as Accountable Body for the LEP. The meeting with the Chief Executive and Leader being held the following week would provide the opportunity to clarify the content of the letter. The Board would need to be clear on the LEP's legal responsibilities and legal advice would be sought if required. The letter had paused the Gigabit EM3 Fibre Spine project, pending a review. The team would seek to address any concerns as it was vital that the Fibre Spine project was not delayed any further as it was important to attract businesses to the region. A note would be circulated to the Board to advise on the outcome of the meetings with the two County Councils.
- 5.6 The Board discussed the future funding implications. It was agreed that the key message was the importance of retaining the services delivered and the staff talent and expertise delivering those services. There had been some discussions between Hampshire and Surrey County Councils on services that could be delivered jointly or in collaboration and it was important that the LEP was involved in those discussions on how the LEP functions could integrate into the two organisations. There was also strong agreement that the assets generated through the work of the LEP should remain in the Enterprise M3 region. The Board expressed concern regarding the potential delay in the Fibre Spine project and the importance of the project for the economic regeneration of the area. The Board offered to send in letters of support for the Fibre Spine project if required.

Action to be taken	By Whom	When
Circulate a note to the Board to advise on the outcome of meetings held with Hampshire and Surrey County Councils and borough and district Chief Executives.	Michael Queen/ Sue Littlemore/ Stephen Martin	10 May 2023

## 6. Space South Central

- 6.1 Keith Robson, Interim Head of Space South Central and Louise Butt, Project Manager Space South Central, provided a presentation to the Board on the work and ambitions of Space South Central. Government was now focussing on innovation which supported the need for economic growth and helped the case for investment in the space sector. Space South Central (SSC) was the largest regional space cluster by revenue, around 20% of UK total (£3bn), which was built on the foundations of the Enterprise M3 Space Hub and the Portsmouth SatApp Centre of Excellence. The cluster was led by the universities of Surrey, Portsmouth and Southampton providing the largest regional mass of academic space expertise in the UK. SSC had a high calibre Advisory Board which included Airbus, SSTL, In-Space Mission, UKSpace, Farnborough Aerospace Consortium, Surrey County Council, Hampshire County Council, Enterprise M3 LEP, Solent LEP which was jointly led by the 3 universities. SSC had been awarded £1.32m from the UK Space Agency with £1.2m additional match funding from the universities.

- 6.2 The focus point of the Advisory Board was to address economic growth and international collaboration, address major skills shortfall, coordinate support for start-ups and inspire and engage more SMEs. The basic skills required for the space sector had been identified as systems engineering and data analytics. SSC were looking at the potential transition of people from different sectors across to the space sector. A skills working group had been established along with a specific working group to coordinate start-ups and SMEs.
- 6.3 Since its launch, SSC had been working on marketing and communicating the message to highlight the strong space sector in the region. A number of new staff were being recruited to strengthen the team. An engineer had been recruited from the aerospace industry to lead the SpaceCraft – Surrey working with SME's. A regional Space Community Event was held in December which brought together space clusters across the UK. Orbit South Central was a monthly networking event alternating between Guildford, Southampton and Portsmouth which was currently oversubscribed. There had been a number of international activities including increased engagement in international online traffic and there had been an opportunity to work with the Taiwanese Space Agency which enabled leverage of the space cluster network to provide a programme of activities. More activity was planned through the International Partnerships Manager.
- 6.4 The Chair thanked Keith and Louise on behalf of the Board for their attendance and providing an insightful presentation. The Board were particularly inspired by the collaboration and good will of the Advisory Board that had been key in contributing to the success of SSC.

Action to be taken	By Whom	When
Circulate Space South Central slides	Justine Davie	13 April 2023

## 7. Delivery Plan Implementation

- 7.1 The Board received an update report on the progress of the Enterprise M3 delivery plan. The LEP had a successful year supporting a high-growth low-carbon economy and Sue Littlemore highlighted some key areas. The Growth Hub was performing well following a successful marketing campaign. A review of the Future Fund was going to be carried out by the Senior Management Team. The college consortium in the EM3 area was working together to deliver Strategic Development Fund projects focussing on green skills, with EM3 providing project management and financial administrative support. The Skills Advisory Panel also had been increasing its reputation in addressing skills shortages and bringing together experts in particular areas.
- 7.2 Work was already underway to work on the delivery plan for 2023/24. SQW had been appointed to carry out analysis of the aerospace industry in the region to support the Jet Zero work. SQW would be contacting stakeholders involve them in the analysis work. A secondee had been appointed from Rushmoor Borough Council to work with the LEP for 2 day per week on the Jet Zero work. The work on the rural economy with Test Valley, Winchester and East Hants councils was underway and there was now a good evidence base looking at sectors and activities. Sarah Jane Chimbwandira was supporting the work providing advice on potential opportunities. There would be discussions on possible interventions on the rural economy findings in the coming months.

## 8. Nominations Committee Report

- 8.1 Linda Cheung reported to the Board on the recommendation of the Nominations Committee to halt plans to recruit any new Directors to the Board for the foreseeable future. At the last Board meeting it was agreed that work would start on Board recruitment, however following the Chancellor's announcement in the March Budget Statement, with the future of LEP's uncertain, it was felt it was not the right time to recruit new Board members. The Board agreed that plans to recruit new Board Directors at the current time should be halted.

## 9. Resources, Finance and Audit Committee Update

- 9.1 Debbie Allen proposed the final Revenue Budget for 2023/24, which was reviewed by RFAC just after the Chancellor's announcement. The proposed budget provided a robust baseline to ensure the LEP continued to deliver for EM3's businesses and communities during 2023/24,

in accordance with the Board approved delivery plan. The LEP finances were in a healthy position, partly due to an increase in income from interest on balances. The proposed budget showed the reserves at the start of 2023/24 at £3.1m, with a minimum reserves level of £1.1m. Reserves at the end of March 2024 were expected to be maintained at the same level, as in year income and expenditure was expected to balance. RFAC would hold an additional meeting in the coming weeks to review some of the planned activity, and consider how to plan for the implications of Government’s announcement, once they became clearer. The Board approved the final Revenue Budget for the 2023/24 financial year.

**10. Joint Leaders Board**

10.1 Cllr Roz Chadd provided feedback from the Joint Leaders Board meeting held on 22 February 2023. The LEP update provided by Michael Queen focussed on the future of the LEP and JLB were urged to ask their MPs to raise the profile of Hampshire and Surrey. The economy and labour market dashboard was shared which had previously been circulated to the Board. A report was provided on the EM3 delivery plan for 2023/24 which JLB agreed was ambitious and focussed.

**11. Any Other Business**

11.1 The Board asked how they would be kept updated following meetings that were being held as the position was likely to change. Michael Queen advised that a note would be sent around to the Board members following next week’s meetings and any actions arising would depend on the outcome of those meetings. An update would be sent round monthly and there would be opportunities for dial-in discussions; if decisions were required at pace, these might change to weekly. The Board offered to send messages out through their own networks. A marketing document would be prepared regarding key messages on the delivery plan and focus for 2023/24 which would be shared with the Board to highlight that the LEP was, this year, operating as business as usual.

Action to be taken	By Whom	When
Share the marketing document on the focus of the LEP for 2023/24 with the Board	Sue Littlemore	4 May 2023

**12. Chairs Report**

12.1 The Board noted Michael Queen’s report on the activities and events undertaken since the last Board meeting.

**13. Managing Directors’ Report**

13.1 The Board noted the Managing Directors’ report which highlighted the major achievements by the Team since the last Board meeting.

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

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

**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 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**