

## Enterprise M3 Ltd Board Meeting

8 June 2023 – 10.00am-12.30pm

Online via Zoom

### DRAFT MINUTES

#### Directors in Attendance

Michael Queen - Chair  
Debbie Allen  
Julie Baker  
Virginia Barrett  
Cllr Natalie Bramhall  
Cllr Roz Chadd  
Linda Cheung  
Sarah Jane Chimbwandira  
Barney Ely  
Stacey King  
Cllr Julia McShane  
Daniel Ruiz  
Mark Smith  
Cllr Martin Tod

#### EM3 Team in Attendance

Sue Littlemore  
Stephen Martin  
Chris Burchell  
Justine Davie

#### Apologies

Cllr Paul Follows  
Ren Kapur  
Ross McNally  
Cllr Phil North  
Anne Hibbert  
Richard Turl

#### 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 6 April 2023 were agreed and the actions noted.

#### 3. Declarations of Interest

- 3.1 Julie Baker and Cllr Martin Tod declared an interest in their appointment to the Nominations Committee and Daniel Ruiz to the Enterprise Zone Programme Steering Group, under item 9, and left the conference call during the decision making. There were no further additional declarations of interest to those previously declared.

#### 4. Managing Directors' Report

- 4.1 The Board was advised that Sue Littlemore was leaving the LEP on 21 July to take up a position with the University of Southampton. Michael Queen formally conveyed thanks to Sue, on behalf of the Board, for all her hard work and valuable contribution to the Enterprise M3 area during her seven years with the LEP.
- 4.2 Sue Littlemore highlighted the major achievements by the team since the last Board meeting. Despite uncertainties on the future of the LEP, the team had been carrying on delivering a high calibre of work. The latest delivery plan report showed that 12 out of 14 deliverables were on track to be achieved and the 2 outstanding had been paused pending the outcome of the Chancellor's proposal to cease government funding of LEPs. The evidence gathering questionnaire issued to all LEPs and local authorities by the Department for Levelling Up, Housing and Communities (DLUHC) had been completed and submitted by the Team in May, DLUHC officials expected a decision to be announced by 20 July.
- 4.3 The Technopolis report published by Government provided a national evaluation of Growth Hub performance and the outcome gave a strong endorsement of Growth Hubs, stating that the network of 38 Growth Hubs had a strong reputation for reliability and independence among stakeholders, partners and businesses. Enterprise M3 LEP had been invited to join the

Scaleup Institute masterclass programme, Driving UK Economic Growth through Scale-Up Ecosystems, in Coventry on 12-14 June. Sally Thompson was attending along with a private sector representative and two local authority representatives from Basingstoke and Deane Borough Council and Hampshire County Council (HCC).

- 4.4 Sue attended an event recently regarding the Solent Freeport, two relevant points from the event was that the Chair of Solent Freeport confirmed that the owners of the tax sites had signed agreements to avoid displacing companies from other regions, also Junction 9 of the M3 fell within the boundaries of the Freeport's area outlined for infrastructure improvements.
- 4.5 Stephen Martin advised the Board on the two areas of the delivery plan that were currently paused. The Board was advised at the last meeting that the Fibre Spine project had been paused pending a review. Discussions were being held to explore the potential for one or more local authority partners on the Fibre Spine route to manage the project, in the event of EM3 no longer being able to do so. Local authorities had shown an interest in the proposal but there were a number of questions to be answered before any arrangements could be put in place. Conversations were also taking place with HCC on the Future Fund and the potential to enter into new contracts for projects that could result in ongoing work beyond March 2024. The Board would be updated by correspondence before the next Board meeting, if any significant progress was made on the Future Fund.
- 4.6 The Careers Hub delivery year ended in August 2023 and the team were currently focussed on delivery and providing an outstanding service. From September 2023 the Careers and Enterprise Company (CEC), who commissioned the work, had asked Surrey County Council (SCC) to deliver a single Careers Hub Service and Enterprise M3 LEP would deliver across its area in Hampshire only. SCC had been keen to run a single Careers Hub across Surrey for some time and CEC were clear the decision was no reflection on the work carried out to date by the Enterprise M3 team.
- 4.7 There had been some recent milestones reached on the skills work. The work with the FE colleges on delivering the Strategic Development Fund project had concluded and Surrey Chamber of Commerce had submitted the Local Skills Improvement Plan for the Enterprise M3 and East Surrey area. The LEP had provided a lot of support and Jamie Mackay, Skills Strategy Manager, had been key in the delivery of both of these areas of work.

Action to be taken	By Whom	When
Update the Board by correspondence if any significant progress made on the Future Fund before the August Board meeting	Stephen Martin	3 August 2023

**5. Government Policy on LEPs and recent conversations**

- 5.1 Michael Queen updated the Board on the recent discussions with partners regarding the future of LEPs and the proposed way forward. Since the last Board meeting the LEP had been working constructively with SCC and HCC to find a solution for the region, but currently a suitable solution had not been agreed. The announcement from DLUHC on county deals that would impact the Enterprise M3 region was expected soon, it was anticipated that HCC would be successful in being granted a deal but nothing had been confirmed as yet. It was hoped that the announcement of the county deals would help provide clarity and galvanise movement on the future of the LEP.
- 5.2 By 21 July DLUHC would provide feedback on all of the 220 responses they had received from the information gathering questionnaires. It was expected that the feedback would advise on how the LEP functions would integrate into upper tier authorities, with or without county deals. It was also hoped that DLUHC would provide guidance on who owned the LEP assets, Enterprise M3 had paused seeking independent legal advice until after the DLUHC information had been provided.
- 5.3 The Board discussed the feedback from DLUHC and the level of detail that would be received. It was expected that the information provided would be quite general and LEPs would be required to reach an agreement with stakeholder bodies. Legal advice would need to be sought to ensure the agreement was a 'reasonable interpretation' of the Government guidance.

It was proposed that the option to extend the LEP function for 12 months should be explored to enable a smooth transition to the upper tier authorities. The Board was advised that this could not be proposed until after the guidance from DLUHC had been issued.

- 5.4 Discussions would continue with SCC and HCC over the next month and it was expected that there would be more clarity on the way forward by the next Board meeting in August.

## 6. **Government Plans**

- 6.1 The update on the current Government focus was included in the update from Michael Queen under item 5 as Richard Turl was unable to attend the meeting.

## 7. **Jet Zero Sector – SQW Research Report**

- 7.1 Chris Burchell, Enterprise M3 Head of Enterprise and Innovation, introduced Christine Doel and Stuart Wells from SQW and representatives from Glass AI and Oxford Brookes University who were attending the meeting to present their Jet Zero research work. The work was a high priority for the Enterprise M3 region as Jet Zero was an aspirational sector area and a key area to grow.
- 7.2 Stuart Wells advised the Board that the purpose of the study was: to identify jet zero strengths, challenges, barriers and new opportunities; gather evidence to produce a business and R&D database; set out a compelling narrative for a sector proposition; and, provide recommended actions/interventions for taking the cluster forward over the next 24 months. The report highlighted that Jet Zero was not an industry, it was a set of objectives which would lead to a desired outcome which was net zero in aviation. The Department for Transport ambition was for net zero in aviation by 2050, the areas of work taking place to achieve the ambition included: system efficiencies including improvements to airports, airspace and aircraft; developing sustainable aviation fuels; exploring novel forms of aircraft to achieve zero emission flight; compensating for and capturing residual emissions into 2050; influencing consumers to make sustainable aviation choices; and, addressing non-CO<sup>2</sup> by understanding and mitigating other climate impacts.
- 7.3 As part of the research SQW had looked at the value chain across the aviation sector and the wider cluster. Skills and training providers were identified as being key to all areas including the aviation infrastructure and manufacturing, research and innovation and the wider environment. Across the Enterprise M3 area and nearby there were a number of parts that sat within the aviation system including Farnborough, Southampton and Heathrow airports, the local authorities, FE and HE establishments and businesses.
- 7.4 Glass.ai were building a database/cluster map searching for key words to identify new candidate cluster members. The process was ongoing, and so far had produced a sample of around 75, the list was being cleaned for the final database which should be completed shortly.
- 7.5 Christine Doel informed the Board that the assets/competencies across the geography of the EM3 area in the journey towards net zero would inform the action plan and proposition. It was a legal requirement to transition to net zero in aviation, which in principle was a big opportunity. However, there were risks and uncertainties and any commitment/investment would need to be for the long term. Innovate UK had some major programmes focussed on net zero, some cross sectoral, and some focussed on aviation.
- 7.6 The key themes and emerging findings from the work were set out. The nature of the jet zero cluster in the Enterprise M3 area currently was fragmented, there were pockets of significant expertise and there were research based collaborations, but it was generally across a broader area. Organisations leading the way in terms of the transition to net zero across the aviation supply chain locally were Farnborough Airport, some small companies seen as champions, major companies like McLaren and Qinetiq, and universities with relevant expertise. The four priority areas identified were advanced materials, airport operations, sustainable aviation fuels and Hydrogen production and related infrastructure. At a local level work could be done on awareness raising, bringing together interested parties and developing networks, making a case to Government, building on the work of the Farnborough Aerospace Consortium and investigating whether the Aerospace Research and Innovation Centre could play an enhanced role in relation to net zero transitions in aviation.

- 7.7 The Board discussed the information and asked whether there were examples of good practice elsewhere that could be adopted. SQW confirmed that they were looking at what was taking place in the UK and also in other countries. It was proposed that a steering group should be established in future to take the work forward and operate in a similar way to Space South Central. The Chair thanked SQW and the Enterprise M3 Team on the work carried out and the significant progress that had been made to date.

Action to be taken	By Whom	When
Copies of the SQW presentation slides to be circulated to the Board	Justine Davie	12 June 2023

## 8. EM3 Life Sciences Sector

- 8.1 Sue Littlemore advised the Board on the findings from the investigation into the region's life sciences sector. One of the ambitions in the Enterprise M3 delivery plan was to nurture high performing knowledge intensive sectors and clusters. There was the potential for fusion between the life sciences sector and other areas including AI and big data and the pressures on health services could benefit from the fusion of these areas.
- 8.2 The Enterprise M3 area had over a quarter share of the life science businesses in the South East region. There was a split in the core activities, which developed and produced medical or pharmaceutical products, and service activities, that offered services or were part of the supply chain. In the Enterprise M3 area, 58% of the sites were delivering core activities. The employment share of the sector in this area was just above the national average. There was an overrepresentation of very small or medium sized businesses in the Hampshire, Solent and Surrey region. The Life Sciences sector across the Hampshire, Solent and Surrey region generated £1.9bn in GDP. Specialist areas in the region were research and development, especially in digital health, and there was a specialism in med tech manufacturing, particularly in SME's.
- 8.3 The Southern Policy Centre report showed the strength of life science activity and opportunities in the Central South area which highlighted the strong partnership working in the area, the expertise in testing and the targeting of national challenges leading to commercialisation.
- 8.4 The actions and interventions to consider from the findings were to: provide support to the relationship management of pharmaceutical companies and other large life science companies; develop specialist growth support for life sciences SMEs and micro businesses; nurture the regional life sciences sectoral cluster; connect the health tech businesses with the Surrey-based EM3/NHS Health Tech Accelerator; and, draw on actions highlighted in the Southern Policy Centre Life Sciences Report.
- 8.5 The Board discussed the information presented from the investigation into the regional life sciences sector. The promotion of the life sciences sector in the region was discussed and the message needed to attract inward investors. It was suggested that the collaboration culture, testing facilities and trials should be the key marketing message. The ability to offer research facilities would attract investment.

Action to be taken	By Whom	When
Copies of the life sciences sector presentation slides to be circulated to the Board	Justine Davie	12 June 2023

## 9. Nominations Committee Report

- 9.1 Linda Cheung reported to the Board on the revised Terms of Reference, which had been reviewed and updated, and the Board were asked to approve the changes. The Board was also asked to approve the extension of Ren Kapur's term of office to July 2026, and several appointments to Board Groups.
- 9.2 The Nominations Committee Terms of Reference had been updated and changes had been made to the frequency of the reports to the Board, the number of Board members on the Committee and the frequency of meetings.

- 9.3 When Linda Cheung stepped down from the Board in July 2023 a number of vacancies would need to be filled. Ren Kapur had agreed to join the Funding Escalator Steering Group, Daniel Ruiz had agreed to Chair the Enterprise Zone Programme Steering Group and Julie Baker had agreed to Chair the Nominations Committee. In addition Cllr Martin Tod had agreed to join the Nominations Committee to fill the public sector vacancy.
- 9.4 The Board approved:
- (i) the revised Nominations Committee Terms of Reference
  - (ii) the extension of Ren Kapur's term of office to July 2026
  - (iii) the appointment of Ren Kapur to the Funding Escalator Steering Group
  - (iv) the appointment of Daniel Ruiz as Chair of the Enterprise Zone Steering Group
  - (v) the appointment of Cllr Martin Tod to the Nominations Committee
  - (vi) the appointment of Julie Baker as Chair of the Nominations Committee
- 9.5 Michael Queen thanked Linda Cheung for the energy and enthusiasm she has brought to the LEP over her six year term and wished her well for the future.
- 9.6 Michael Queen had spoken to all Board members in groups and individually over the last few weeks and all Board members had asked how they could help the LEP. Daniel Ruiz had offered two-days a week of his time to provide some executive support after Sue Littlemore had left. Daniel had immense skills in building teams and would provide great support over the next 12-months. The Board were asked to provide approval for Michael to engage with HCC's HR Team to agree terms of employment for Daniel.
- 9.7 The Board discussed the employment of Daniel Ruiz to provide executive support. There were questions raised regarding Daniel being a member of the Enterprise M3 Team and a Board Member. The Board was advised that it was common practice for a company executive to be appointed as a Board Member. It was agreed that Michael would discuss the terms of Daniel's employment with HCC and consider his capacity on the Board and then circulate a paper to the Board for approval.

Action to be taken	By Whom	When
Circulate paper to Board on the terms of employment for Daniel Ruiz following discussion with Hampshire County Council	Michal Queen	3 August 2023

## 10. EM3 Annual Conference and Annual Report

- 10.1 Sue Littlemore informed the Board on the progress with the planning for the Annual Conference and shared a draft of the design for the Annual Report. The key theme was to celebrate Enterprise M3 as an innovation region and highlight achievements of some of our key businesses.
- 10.2 The Annual Report would be predominantly visual to provide impact on the messages, the final report would also include information on the LEP's accounts and governance arrangements. Both Debbie Allen and Linda Cheung had been consulted during the preparation of the Annual Report. The final draft would be presented to the Board in August.
- 10.3 The preparations for the Annual Conference were well underway which was taking place on 3 October at The Village Hotel, Farnborough. Sue would be reaching out to ask some Board members to sit on the Board panel at the conference. The theme of the conference would also be celebrating Enterprise M3 as an innovation region.

## 11. Any Other Business

- 11.1 The Board formally thanked Linda and Sue for all they had done for the LEP and wished them both well for the future.

## 12. **Chair's Report**

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

## 13. **Delivery Plan Update Report**

13.1 The Board noted the Delivery Plan update report.

## 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 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***