

Enterprise M3 Board Meeting

7 December 2023

Managing Director's Report – Item 4

1. LEP News

- 1.1. EM3 continues to engage constructively with both Hampshire County Council (HCC) and Surrey County Council (SCC) regarding the transfer of responsibility for LEP functions to upper tier local authorities from April 2024. We have provided detailed information about our activities and resources, and are delivering focused sessions to help the counties understand some of our more complex programmes. HCC are also keen to learn lessons from EM3 to feed into the design of the new governance arrangements for local economic development in Hampshire, and we are arranging discussions with EM3 Board members to enable this.
- 1.2. The Government has asked upper tier local authorities to complete and return a “LA / LEP Integration Plan Template” for each LEP area by the 30 November, summarising their intended approach. The draft template produced by HCC and SCC for the EM3 area was circulated to the EM3 Board for comment on the 22 November.
- 1.3. Despite the forthcoming change, the EM3 team has remained highly focused on delivering an outstanding service for businesses and communities across Hampshire and Surrey, during 2023/24. As the rest of this report shows, recent weeks have seen a high level of activity across all areas of EM3's work, from sectors and clusters, to skills and communications. The Growth Hub and Careers Hub teams are both delivering ambitious programmes of events, and continue to push themselves to improve the reach and effectiveness of their services. A key aim is to ensure that all of our programmes are in the best possible shape prior to LEP integration, and that we enable smooth handovers without disruption for customers and partners.
- 1.4. A key priority for the team over the last few weeks has been assessing the applications for capital funding support from the EM3 Future Fund. Seven projects have been shortlisted out of a total of 37 applications, and we will be considering the shortlisted business cases at the EM3 Board meeting on 7 December.
- 1.5. Finally, on 29 November EM3 had its annual scrutiny session with the Joint Leaders Board, which brings together our two counties and thirteen districts and boroughs. We will provide a verbal report at the EM3 Board meeting on 7 December.

2. Growth Hub Activity

- 2.1. The Growth Hub team has had a busy month launching their ambitious workshop programme, supporting stakeholder events through speaker/presentation opportunities, stand presence and attendance. This has resulted in further raising of awareness of the Growth Hub service. The increased recognition has resulted in a boost to business engagement and ensuring we remain on track for achieving and surpassing KPI targets.
- 2.2. The in-house workshops in October and November have included 2 physical leadership sessions and 2 virtual webinars covering funding and NetZero: Making it happen. The latter were run by our Growth Champion, Roya Croudace and Associate, Chris Fry. Going forward to the end of 2023 there will be a NetZero part 2 module and marketing strategy webinars. The average registration for all of these has been between 35 to 40. On 5 December the Growth Hub Artificial Intelligence (AI) workshop will be held, partnering with University of Surrey, Surrey Research Park, Menzies and DMH Stallard. This will be held at the University and already has over 60 attendees registered.
- 2.3. Events and stakeholder activities supported by the Growth Hub team this month include:
 - Women In Business scale up workshop with Surrey Chambers
 - Venturefest within the Innovation area with Solent LEP
 - Royal Holloway University AI workshop
 - Spelthorne Business Award panel and event
 - Gatwick Economic Forum
 - Meetings with Southampton Science Park

2.4. Coaching and business support deep dives continue to focus on themes of business development, funding and revisiting strategy and planning.

3. **Growth Hub Cluster**

- 3.1. EM3 continues to lead a biweekly South Central Cluster meeting which allows the sharing of business intelligence between the four LEPs and also allows us to update the group on key points shared and raised from the national Growth Hub cluster call with DBT.
- 3.2. The Growth Hubs across the region are all doing a big push with workshops and seeing a healthy increase in business engagement. There has been an increase in businesses' sense of uncertainty and requirement for resilience and planning in the present economic times.
- 3.3. Solent LEP, Coast 2 Capital and Berkshire LEP are exploring the opportunity for a commercial arm as they see more UKSPF programmes being launched by local councils. They have also seen an increase in other organisations such as Enterprise Nation and Be The Business looking to see how they can connect and work with the Growth Hubs.
- 3.4. DBT are planning a virtual Growth Hub conference in December which will be followed up by a face-to-face conference early in 2024.
- 3.5. DBT want to arrange a virtual meeting with the LGA (Local Government Association) and Growth Hub regional leads to share intelligence on UKSPF programmes so far and share feedback and best practice.

4. **Trade and Investment**

- 4.1. Although inward investment successes are currently low, just two so far, there are some significant projects that could land in 2023/24. These include DPS Games (100 jobs in Guildford), Macquarie who are looking to establish a new hanger facility at Farnborough Airport (100 plus jobs and a £55 million investment), Fincube and Ace Games looking at a presence in Guildford and Great Wolf (positive discussions still taking place with Basingstoke & Deane Council).
- 4.2. Unfortunately, the international trade week event planned for the 9 November had to be cancelled due to a low take up.

5. **Sector/Cluster Development**

Jet Zero

- 5.1. The work by SQW Ltd is now completed and was discussed by core stakeholders at a Jet Zero Cluster meeting on 29 November. The group considered the proposed action plan and sector proposition documents and have agreed to take this forward.

Defence & Security

- 5.2. We attended a roundtable workshop with HCC colleagues to explore the possibility of establishing a regional defence and security cluster to mirror a number that have been set up across the UK. The event included a presentation by the Defence and Security Accelerator (DASA) who facilitate open innovation (including funding) between SMEs and the MOD.

Lifesciences

- 5.3. In conjunction with the Growth Hub, we are looking to run a roundtable event with healthcare partners to explore the establishment of a 'Hampshire Health Cluster'. The idea is to understand better the priorities for the healthcare system in the county and it can benefit from business innovation. We plan to focus on three key areas: - physical infrastructure, well-being in the workplace and Net Zero.

Creative Industries

- 5.4. We attended a meeting with Netflix, Royal Holloway and Spelthorne BC to discuss how they might contribute to the development of a creative industries cluster. Conversations covered the role of the Co-Star programme at Royal Holloway and various relevant courses including how post-doctoral staff might benefit Netflix. We explained the fundamentals of the Enterprise Zone model at Longcross and how retained rates might help secure some kind of campus for innovative SMEs on site, although we highlighted that future governance arrangements for the EZ³ still need to be established. The team also took part in the University of Creative Arts creative industries online cluster meeting on 9 November which showcased the work by Kent County Council and SECEN in developing and leading its Creative Industries partnership.

Venturefest

- 5.5. The Enterprise and Innovation team presented at Venturefest South highlighting our strategic approach to cluster development and in particular the progress of our work on Jet Zero. It also provided an opportunity to meet with innovative businesses as well as other support organisations that can help grow and develop innovation in the region. The EM3 team were also invited to take part in judging the most innovative businesses at the event as well as new innovation ideas pitched at the Open Mic part of the event.

Sector data metrics

- 5.6. We have commissioned the HCC Economics and Business Intelligence Service (EBIS) to map out key metrics covering all our key sectors so we can better understand how they are performing in terms of business and employment growth (this will include five-year trends).

6. Skills

- 6.1. The EM3 Skills Advisory Panel took place on 22 November with representation from businesses, providers and the two County Councils. Alongside updates from the LEP on the transition and economy and labour market insights, the Panel welcomed presentations covering: an innovative skills badging product, Navigatr; details of the recently launched Skills Bootcamps programme (supported by the LEP); and, an update on the Locals Skills Improvement Fund (LSIF), which the LEP is project managing. Jamie Mackay also presented a comparison of neighbouring Local Skills Improvement Plans (LSIPs) – including Solent, Sussex and Essex – alongside our own. The next Skills Advisory Panel will take place in February with a focus on changes to local skills governance and partnerships in anticipation of LEP transition.
- 6.2. The LSIP project is in full delivery mode. Recent highlights include a Motor Industry Skills Summit at Brooklands Museum with input from the Institute for the Motor Industry, Kia UK, LKQ Euro Car Parts, McLaren and Toyota; the launch of a new 'Opportunities tab' on the Future Skills Hub website to help connect businesses and providers with work experience opportunities; and, a networking session for FE Business Development professionals, including a lively discussion on B2B sales led by the Institute of Sales Professionals.
- 6.3. The LSIF collaboration of 18 providers and other stakeholders, including the LEP, has been successful in securing £6m of skills funding to respond to the LSIP priorities. Delivery has commenced and will result in vital investment in new facilities, equipment and curricula; enhanced employer engagement; and, a strong focus on supporting careers information, advice & guidance, linked to the LSIP priorities.
- 6.4. Skills Bootcamps delivery has commenced with a striking marketing campaign delivered by the LEP. The landing page has further details of this £1.8m collaborative project between Hampshire County Council, the LEP and Surrey County Council: <https://www.hants.gov.uk/business/SkillsBootcamp>

7. Careers Hub

- 7.1. In addition to the day-to-day support provided to schools, the EnterpriseM3 Careers Hub has planned activities which support priorities chosen by the Careers and Enterprise Company, and which link to Hampshire County Council objectives and the local LSIP.
- 7.2. EM3 Careers Hub priorities for the academic year 2023/24 include increasing the use of Compass Plus in all schools. A Compass Plus workshop took place in the EM3 office in Basingstoke on 7 November, with 20 colleagues from schools. A follow up session will be held in January 2024.
- 7.3. Online Gatsby Benchmark 1 training took place in September 2023. The online session was attended by five schools and another session to encourage others to increase achievement against Gatsby Benchmark 1 will take place in January 24. Each Enterprise Coordinator within the Hub will work with schools to achieve above benchmark returns.
- 7.4. A SEND training conference will be held in March 2024 in collaboration with Hampshire County Council and will be held in Ashburton Hall, Winchester. A further programme of SEND events connecting schools to employers will follow. We aim to increase employer links and experiences of the workplace to above benchmark in Gatsby Benchmarks 5 and 6, which covers links with employers and experiences of the workplace for mainstream and SEND schools. EM3 Careers Hub are sponsoring the Get Inspired event in February 2024, where schools in our region will attend.
- 7.5. A Degree Apprenticeship Fair is confirmed for March 2024 at Sparsholt College. We plan to host 50 exhibitors. The aim is to increase parental engagement, particularly around apprenticeships and technical education routes. This will be further supported by 15 parent events, held in January, February and

March. New support for teachers and parents will be available on the EM3 Careers Hub's new web pages from January 2024. This includes updated information, lesson plans and podcasts.

- 7.6. Careers Leader training will take place for all new Careers Leads in January 2024. Lunchtime Live sessions to support an increase in Gatsby Benchmark 1 and Compass Plus engagement are being organised.
- 7.7. EM3 have collaborated with Winchester University to support disadvantaged students, through the widening participation programme. This event will provide progression route information and access for all. We will specifically target Free School Meals, Pupil Premium and potential NEET (Young People Not in Education, Employment or Training) students in all our activities to impact Gatsby Benchmarks 3, 5 and 6. We will provide support for disadvantaged pupils and those at risk of becoming NEET in all our projects.
- 7.8. A second awards event will be held in July 2024 to continue to increase the reputation of the Enterprise M3 Careers Hub and recognise the achievements of careers leaders.

8. Latest evidence on the economy and labour market

- 8.1. The latest Economy and Labour Market dashboard is included as item 14 on the agenda. The dashboard indicates the following key changes to the area's business and employment fields:
 - The macro-economic data demonstrates that while inflation has fallen sharply, interest rate rises have impacted on growth and business activity.
 - The EM3 labour market continues to demonstrate resilience, with growth in PAYE employment, although job postings have eased in higher skilled roles, offset by seasonal recruitment for lower skilled and temporary jobs in sales and warehousing.
 - This dashboard also focuses on the exporting performance of the region. This shows that the value of exports of goods and services from EM3 businesses amounted to £23 billion in 2022, which equates to 25% of the total for the South East region.
- 8.2. A revised SLA with Hampshire County Council's EBIS team will include the following outputs to March 2024:
 - The final economy, skills, and labour market dashboard for 2023/24
 - A refresh of the LSIP evidence base
 - 3 'deep dive' reports:
 - Beyond GVA
 - Green economic transition
 - Sectoral baselining to improve sector plans

9. Enterprise Zones

- 9.1. The Enterprise Zone was promoted at a recent property event – the South Coast Property Show – which took place in Portsmouth. This was alongside Basingstoke and Deane Borough Council's promotion of development opportunities in the Borough.
- 9.2. Cushman and Wakefield are now in the process of finalising their report and Business Rates model which the Programme Steering Group will discuss further at its meeting on 14 December. Alongside this, the partners will be considering how the Zone operations will be taken forward as part of the LEP transition process.
- 9.3. The Chair of the Programme Steering Group, Daniel Ruiz, had the opportunity to visit the Whitehill and Bordon EZ site and joined in with a business networking event at the Base Innovation Centre on 10 November. It was a chance to meet the businesses that operate from the centre as well as those in the local area. The Base centre is now fully let and the managers, Oxford Innovation, have opened a waiting list for prospective new tenants.
- 9.4. The LEP also joined Basingstoke and Deane Borough Council at their commercial property event at Basing View on 15 November. The occasion brought together developers, commercial agents and occupiers as part of the local authority's inward investment promotional programme 'Invest in Happy'. It provided updates from developers that are currently working on new schemes on the EZ part of Basing View including Longstock Capital, who have taken over Mountbatten House and are in the middle of a complete refurbishment to the building to provide 150,000 square feet of office space. This is due to

reopen in July 2024 and will be known as 'Plant'. It's been confirmed that the AA will move its office base from Fanum House to Mountbatten House, thereby retaining its HQ on Basing View.

- 9.5. Packaged Living, who are leading the redevelopment of the current Viewpoint site also provided an update on their proposals. The intention for this site is that the existing office block will be demolished and redeveloped as a build to rent residential scheme including commercial space on the ground floor.

10. Communications & Stakeholder Engagement

- 10.1. The team has promoted the Growth Hub's series of workshops via social media and provided support by attending in-person events and participating in the webinars. Articles summarising the workshops have been posted on the EM3 website and shared via social media also. These include:
- [Businesses explore how to grow](#)
 - [Funding and Finance webinar](#)
 - [The Net Zero Opportunity, first webinar](#)
 - [Become A Great Leader](#)
- 10.2. For the Growth Hub, the team has also:
- Promoted International Trade Week, Green Careers Week and Venturefest via social media
 - Promoted Hampshire Chamber of Commerce's [Unlocking Hampshire's Green Potential event](#), which was sponsored by the EM3 Growth Hub. A news article was published and shared on social media focusing on EM3 Growth Hub Associate, Chris Fry, who spoke on our behalf at this well-attended event
 - Issued a Growth Hub-specific newsletter (23 November)
 - Promoted the Growth Hub's 'Engaging Leader' programme, resulting in the initial 20 places being fully-booked with a second programme set to take place next year.
- 10.3. For the Careers Hub, a successful [careers event held in Andover](#) was posted online, plus news of a [careers grant](#) awarded to Queen Mary's College in Basingstoke
- 10.4. As part of EM3's support for the Skills Bootcamps programme, being led by Hampshire County Council, the communications team have been working closely with the delivery team from HCC to coordinate the launch of a microsite and marketing campaign. Work is underway (with design support from Carswell Gould) to deliver the site and a wide range of advertising assets for the end of 2023/early 2024. The initial campaign themes have now been signed off and EM3 supported the initial launch of the Hampshire/Surrey bootcamps via a website news story and social media posts.
- 10.5. The filming for 'Responsible Business – A Green (Sustainable) Approach', which is to be shown on SKY TV in the New Year, took place on 22 November across several locations in the region. We are grateful for the support of EM3 Associate Chris Fry, Test Valley Borough Council, Surrey County Council, University of Surrey, and participating businesses in helping EM3 LEP to package this opportunity for showcasing the region's sustainability credentials.
- 10.6. The EM3 website is continuing with its refresh to retain visitors to it and to make the user experience more engaging. Since the last Managing Directors report, the following is now in progress:
- Simplification of the EM3 News and Events section
 - Two new sections:
 - Drivers for economic growth – to illustrate the strategic work of EM3 from inward investment and innovation to skills and infrastructure.
 - Documents library – to house an easily accessible repository of all EM3 research, publications and other reference materials.

11. European Funding

- 11.1. On 7 September 2023, The UK Government announced that the UK rejoined some of the EU funding streams through a bespoke new agreement with the EU. UK organisations are now fully eligible to apply under future Horizon Europe and associated Copernicus calls as well as the Eureka programmes.
- 11.2. A funding review of both UK and EU funding opportunities has been carried out for the Jet Zero Cluster. This report highlights the main funding opportunities in support of the implementation of an action plan.

- 11.3. All ESF projects are now working towards the preparation of their final claims and reporting for the 31 December 2023 closure.
- 11.4. The ESF Technical Construction Skills Project (TCS) presented its final achievements to the steering committee on 23 November. This 2-year project supported over 1000 people comprising 89% unemployed and 11% inactive, with an outcome of 360+ jobs meeting the skills shortages in the construction industry. Key facts show 25+ Ukrainians, 16% 50+, 18% BAME, 10% female were supported. This project as a legacy is looking at Skills Boot Camps funding in the green sector and applications under the Open Framework for Skills Development for Hampshire 2023-2033.

12. Gigabit EM3

- 12.1. An update on the Fibre Spine project is provided under Item 8 on the Agenda.

Stephen Martin - EM3 Managing Director
24 November 2023