

**Enterprise M3 Board Meeting**

**25 March 2024**

**Managing Director's Report – Item 4**

**1. LEP News**

- 1.1. This is the final EM3 Managing Director's Report, ahead of the transfer of responsibility of LEP functions to Hampshire and Surrey County Councils on 1 April. Throughout the LEP integration process, EM3 has engaged positively with both counties and sought to ensure that the transition goes as smoothly as possible, minimising disruption for businesses and other stakeholders.
- 1.2. On 1 April, the EM3 team will transfer to Hampshire County Council's Hampshire 2050 directorate, and where applicable, will continue to deliver former LEP functions; this is a transitional arrangement, pending a future reorganisation within Hampshire County Council. In Surrey, responsibility for LEP functions will transfer to Surrey County Council's existing economy team.
- 1.3. Following the discussion at the last EM3 Board meeting, Hampshire and Surrey County Councils are finalising the arrangements under which EM3 financial assets will be shared between the two counties. Both County Councils have committed to continuing to use these assets for the purposes of economic development.
- 1.4. In Surrey, the governance of LEP functions will be led by the existing One Surrey Growth Board. Hampshire County Council are currently establishing a new Hampshire Prosperity Partnership Board which will perform the equivalent role for Hampshire.
- 1.5. The Joint Leaders Board, which brings together the two counties and thirteen districts and boroughs across the EM3 region, held its last meeting on the 13<sup>th</sup> of March. Local authority colleagues expressed their appreciation for everything that EM3 has achieved over the years, and a desire to continue to work in partnership going forward.
- 1.6. As of today, we and the County Councils are still waiting for confirmation from central government of the amounts of funding in 2024/25 to support the delivery of core LEP functions, and for the Growth Hub. Despite this uncertainty, we have made excellent progress against our transition plan in recent weeks and I am confident that the transfer of responsibility will be implemented effectively at the end of this month. I am very grateful to all of the EM3 staff who have been working in such a professional manner to achieve this, while at the same time maintaining a focus on delivering our programmes and services, right up to the end of 2023/24.

**2. Growth Hub Activity**

- 2.1. The EM3 Growth Hub team have continued with their "business as usual" approach, driving leads so that new and existing SMEs can be assessed and supported, on a tailored basis. The team have developed a strong reputation for providing deep dive business support to growth SMEs, and this continued focus has enabled them to deliver significant impact for businesses that have benefitted from grant-funded support to help them grow.
- 2.2. This year has seen increased business engagement and collaboration with partners / stakeholders, which has helped in driving awareness of the EM3 Growth Hub workshop programme and attendance at events during 23/24.
- 2.3. The events have provided an excellent opportunity to partner with local venues and stakeholders, with face-to-face workshops being held at the Login Lounge in Camberley, RHS Wisley, Bordon Business Centre, Southampton Science Park and Belvedere House. The team regularly support stakeholder events as speakers or panel members and strong relationships are in place, and will continue, as we go through the LEP integration process.
- 2.4. The Growth Hub continues to facilitate stakeholder activity, including monthly business intelligence meetings, scaleup steering group meetings, and EDO meetings, with business support partners, to present a range of initiatives and information to external colleagues to assist in their own business and economic objectives.

- 2.5. This month we have worked with EM3 colleagues and Wessex Health Partners to deliver a Life Sciences round table at Southampton Science Park, to bring together stakeholders and businesses to explore opportunities to drive economic growth, including sector support to SMEs. Work will continue as this cluster evolves and grows. A report will be produced and circulated by the end of the month.
- 2.6. We are working with both county councils, in order to enable a seamless transition of business support services post March 2024 (subject to confirmation of Growth Hub funding, due shortly).
- 2.7. The annual report template from DBT has been received, which we are currently working on to highlight achievements from the EM3 Growth Hub in 23/24.

### 3. **Growth Hub Cluster**

- 3.1. EM3 continues to lead fortnightly South Central Cluster meetings which allows us to update the group on key points from the national Growth Hub Cluster call with DBT, and to discuss potential collaborations across the cluster area. During the financial year EM3 has attended 24 National Growth Hub cluster lead calls and led 24 South Central Growth Hub Cluster calls.
- 3.2. The cluster has agreed to progress a collaboration focused on AI. This work will progress with greater intensity when the future funding and transition arrangements for the Growth Hubs have been finalised and communicated by the Department for Business and Trade. In the meantime, the cluster Growth Hubs are sharing information on AI related activity and, where possible, making these available to businesses across the South Central area. Representatives from the South Central Growth Hub cluster attended the AI Readiness workshop for business support organisations held on Tuesday 12th March 2024 which was very well received.
- 3.3. Innovate UK Business Growth presented to a recent cluster meeting to discuss our respective priorities and improve cross referrals and collaborations.
- 3.4. DBT has asked all Growth Hubs and clusters to provide case studies highlighting the impact of the Growth Hubs and clusters on the local economy and the business support ecosystem, to inform the case for future funding in the next spending review period.
- 3.5. At the last Growth Hub National Cluster Lead call Tom Smyth, Deputy Area Director Yorkshire & North East, with responsibility for Growth Hubs, joined the call to thank Growth Hubs for their continued work in supporting businesses in the year of the SME, and provided an update on the funding position. With DBT business planning about to be concluded, confirmation of funding for 2024/25 is expected shortly.

### 4. **Trade and Investment**

- 4.1. The latest inward investment figures show a significant improvement in the number of projects landed with nine in February which brings the total for the year to 24 with a further 27 in the pipeline. Projects are in the life sciences, aerospace, food and drink and professional services sectors.

### 5. **Sector/Cluster Development**

#### ***Jet Zero***

- 5.1. We held a successful first meeting of the Jet Zero Task Force at Farnborough Airport, with a number of businesses present including Gulfstream, and chaired by FAC. There were presentations from the University of Surrey on their wide-ranging research activities relevant to the sector and Innovate UK on forthcoming funding calls. The University of Surrey have offered to do some detailed mapping of the innovation ecosystem and a next meeting is planned to take further aspects of the action plan forward.

#### ***Life Sciences***

- 5.2. We delivered a successful life sciences event on Friday 8<sup>th</sup> March at the Future Towns Innovation Hub in conjunction with Wessex Health Partners and Wessex Innovation. This was an introductory session with wide ranging conversations on skills, how the sector drives economic growth and the opportunities to support innovation. It was a well-attended event with representatives from industry, the Integrated Care Boards, local authorities and Southampton University. One of the key actions from the event was for a group to meet and work up a 'value proposition' for the sector.

### ***Animal Health Innovation Network***

- 5.3. The new Surrey University Animal Health Incubator launches on the 17<sup>th</sup> April. The team has introduced a Hong Kong company to the University who are considering locating in the UK.

### ***Creative Industries***

- 5.4. EM3 attended the Guildford Games Festival on 16<sup>th</sup> February. It was the best attended so far, with wide ranging industry talks on careers in the industry and the impact of AI on the sector.
- 5.5. The University of Creative Arts are holding an event on the 14<sup>th</sup> March, to consider a report commissioned by UCA and Surrey County Council on future growth and development of the cluster from a regional perspective.

## **6. Skills**

- 6.1. Since the last report, with project management support from the LEP, the Local Skills Improvement Plan (LSIP) has continued to deliver to the LSIP road map including: successful monitoring meetings with the DfE; meetings with employers and providers about specific skills gaps; updates to the Future Skills Hub website; support for college-led activity, linked to the LSIP; and preparations for a second Future Skills Forum in Farnborough on 26 March. There will also be an annual report due in June 2024.
- 6.2. Since the last report, with project management support from the LEP, the Local Skills Improvement Fund (LSIF) project has continued to focus on capital expenditure and revenue activity. Partners have received delivery of various new equipment and facilities to help them train for skills linked to priority areas identified by the LSIP. By the end of March, the LEP-funded Innovation South Virtual Campus will also see a suite of new courses published.
- 6.3. Learners continue to engage with various Skills Bootcamps and Hampshire County Council (leading on delivery) are now working with EM3 to prepare for a second round of Bootcamps that will be delivered between April 2024 and March 2025, linked to LSIP priorities.
- 6.4. The final meeting of the EM3 Skills Advisory Panel took place on 14 March with a focus on changes to local skills governance and partnerships in anticipation of LEP transition from 1 April. There was also a look back on some of the investments and impacts the LEP and the Panel have made over the years.

## **7. Careers Hub**

- 7.1. The Careers Hub continues to make good progress against the benchmarks set by the Careers and Enterprise Company and in the delivery of its strategic plan.
- 7.2. Training sessions are continuing, facilitated by Careers and Enterprise Company colleagues, in Compass Plus engagement and in improving Gatsby Benchmark 1 performance.
- 7.3. The organisation of parent events, to increase awareness of technical and apprenticeship education routes, is underway, with positive feedback from stakeholders. We have provided a case study from this project as an example of best practice to the Careers and Enterprise Company. We will hold 15 of these events across Hampshire before the beginning of the Summer term. Feedback will be evaluated and shared.
- 7.4. As part of the hub's strategic delivery plan, a Degree Apprenticeship Fair with providers from across the region and 800 young people took place at Sparsholt College on the 14<sup>th</sup> of March. We are also collaborating with Hampshire County Council to deliver a SEND Training Conference in March.

## **8. Enterprise Zones**

- 8.1. In January, the LEP undertook workshops led by the Enterprise Zone Programme Steering Group Chair, Daniel Ruiz, which focused on option prioritisation of the possible future investments for each of the EZ sites. These discussions helped to highlight what actions the partners felt may be needed in the future. It also identified new activities that partners could develop jointly to support inward investment at the EZ sites and possible changes to the EZ boundaries for two of the sites. We will seek to take these forward under the new arrangements for the EZ, post-transition of LEPs.
- 8.2. Discussions with Hampshire and Surrey County Councils on future arrangements for operating the EZ have confirmed that both counties intend to continue with the EZ and that Surrey and

Runnymede wish to take the lead for the Longcross site separately from the other two sites. The County Councils intend to set up a new Memorandum of Understanding between themselves and the key partners to take forward future delivery of the EZ. Hampshire CC is meeting with East Hampshire and Basingstoke and Deane local authorities to discuss future arrangements. The final meeting of the EZ Programme Steering Group under LEP governance, which was scheduled for 14<sup>th</sup> March 2024, was deferred until new arrangements are clearer.

- 8.3. One of the major employers at Basing View, the AA, has confirmed that it will be staying in Basingstoke and taking up space within the neighbouring building, Mountbatten House. This is currently undergoing a major renovation and will be renamed Plant when it reopens in summer 2024. The AA have signed up to a 15-year lease and will occupy 41,000 square feet in Plant. This will mean their current HQ site is available for redevelopment.

## 9. **Communications & Stakeholder Engagement**

- 9.1. For the Growth Hub, the comms team continued to promote the range of in-person and online workshops, including:
- Growing your business: Solving the productivity puzzle
  - Net Zero Opportunities: Future Proofing Your Business to Remain Competitive.
  - Strategies to grow your business: turning on your P.R.O.F.I.T.S tap.
  - Enhancing and Embracing Maverick Behaviour.
- 9.2. Over the past four months, we have helped the Growth Hub deliver 12 workshops and three cohorts of Steve Jones's Engaging Leader Programme, benefitting more than 300 businesses.
- 9.3. For the Careers Hub, the comms team:
- Assisted the Careers Hub in providing promotional materials for its Higher and Degree Apprenticeship Fair and its upcoming All Our Talents: Positive Progression for People with SEND event.
  - Added the Careers Hub podcast/video recordings and lesson plans to the resources section of the EM3 website to enhance engagement with/support to careers education professionals.
  - Supported the Career Hub's Higher and Degree Apprenticeship Fair, held at Sparsholt College.
  - Drafted and disseminated a Careers Hub-focused edition of the EM3 newsletter.
- 9.4. In parallel, the comms team has maintained its intensive support to EM3's policy projects, which incorporates PR, as well as deployment of marcomms digital assets and content generated by Carswell Gould, to raise awareness of EM3's work, cement brand identity of each project and secure partner engagement. The projects include:
- Place-based Impact Investing
  - AI readiness
  - The Green is Good programme, covering:
    - The last Net Zero webinar on 31<sup>st</sup> January
    - Promotion of the mini-documentary [The Path to Sustainability](#), featuring select businesses from Hampshire and Surrey, which was shown on Sky TV on 10<sup>th</sup> and 13<sup>th</sup> March.
    - Sustainability Masterclass on 21<sup>st</sup> March
    - Policy briefing to be released w/c 25<sup>th</sup> March
- 9.5. Lastly, the comms team shared the news of EM3 transitioning its responsibilities and functions for economic development to Hampshire County Council and Surrey County Council. This news was featured in several local newspapers, including the [Basingstoke Gazette](#), Andover Advertiser, Hampshire Chronicle, Farnham Herald and the online [Guildford Dragon](#).

Stephen Martin  
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15 March 2024