

# ANNUAL REPORT 2017-18



**enterprise m3**  
Driving prosperity in the M3 corridor

# FOREWORD



Now more than ever, economic development is a contact sport - whether that's teaming up the public and private sectors, joining up business and universities for collaborative research and development, or standing together to drive exports in an uncertain world. In all of these, the Enterprise M3 Local Enterprise Partnership consistently excels as a key team player.

Increasingly, Central Government is looking to regions and their LEPs to be 'self aware' - to know their specialist strengths and present the evidence about what makes them stand out in competitive global markets. In Enterprise M3, and across the Innovation South region, it is our world class research, business and industry capabilities in transformative digital technologies which are our ace card.

Our results speak for themselves. We have enjoyed a year in which our high performance has been officially recognised by Government and redoubled our determination to aim high as we go forward to support growth in our local economy. I was delighted to receive

the Government's official assessment of Enterprise M3 as a LEP "...with many exceptional features...a strong reputation for collaborative ways of working, and ... close engagement with other LEPs as well as a range of local stakeholders." Our strategic planning and arrangements for governance were highlighted as "exceptional".

We are clear about the way ahead, and where we need to focus. Enterprise M3 understands business growth can be inhibited by many factors: lack of finance, declining demand, inadequate broadband, shortage of skills, increasing mobility of talent. Transport and housing are also critical, and unplugging bottlenecks to growth and productivity is vital.

As Government has acknowledged, Enterprise M3 recognises the importance and value of working beyond our boundaries. Our economy is connected to and provides support for neighbouring economies, including London and the UK as a whole. Enterprise M3's leadership of the six LEP coalition of Innovation South, shown to be a powerhouse of digital technologies, demonstrates our commitment to delivering schemes that have scale, reach and benefit the whole of the UK.

The technology flagship in the Enterprise M3 area is the 5G Innovation Centre (5GIC) at the University of Surrey. Putting the region at the forefront of the digital revolution, the 5GIC is the world's largest

open innovation centre and international test bed for industry/academic development of 5G technologies and has drawn in funding of £63m from industry and £22m from government and regional bodies, including Enterprise M3 and collaborated with other major universities, LEPs and 250 SMEs on real trials and test beds.

The vision and ambition which underpins Enterprise M3's support of the 5GIC is replicated in the following pages, as they set out the achievements of a highly successful year. Of course, these triumphs owe everything to the people who make up Enterprise M3: our public and private partners, our staff and our Board Members. Their consistent talent, commitment and hard work are behind everything the LEP has achieved and, as Chairman of Enterprise M3, I would like to give my particular thanks. Due to the change in my professional status I am stepping down as Chairman. I am delighted that Dave Axam has been successfully appointed as Chair to continue the exceptional work of Enterprise M3 and I look forward to working with him on the Enterprise M3 Board.

**Dr Mike Short CBE**  
Chairman, Enterprise M3 Local Enterprise Partnership

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# WHAT IS ENTERPRISE M3?

Enterprise M3 is a Local Enterprise Partnership (LEP), bringing together the private, public and not-for-profit sectors in a joint endeavour to drive prosperity in the towns and other areas adjacent to the M3.



## OUR ROLE

Our role, set out by Central Government in 2011 for England's 38 LEPs, is to help determine economic priorities and lead economic growth and job creation within local areas.



## OUR VISION

Our vision is for the Enterprise M3 area to be "the premier location in the country for enterprise and economic growth, balanced with an excellent environment and quality of life."



## OUR AREA

The Enterprise M3 area sits at the heart of the Innovation South region and stretches from south and west Surrey to the New Forest, taking in much of Hampshire.



## OUR TRANSPORT HUB

Enterprise M3 sits at the heart of a transportation hub connecting UK businesses to the rest of the world. It is close to Heathrow, Gatwick and Southampton airports, and its own Farnborough Airport is one of Europe's premier business aviation airports. The ports of Southampton and Portsmouth are linked via extensive road and rail connections, which provide excellent access to Growth and Step-up Towns, and throughout our area.



75 stations



Heathrow, Gatwick, Southampton, Farnborough



Southampton, Portsmouth



## OUR EDUCATORS & INNOVATORS

- |                                       |                              |
|---------------------------------------|------------------------------|
| 01 Royal Holloway - Uni. of London    | 10 Sparsholt College         |
| 02 Brooklands College                 | 11 University of Winchester  |
| 03 Pirbright Institute                | 12 Southampton Science Park  |
| 04 Farnborough College of Tech.       | 13 University of Southampton |
| 05 Basingstoke College of Tech.       | 14 Brockenhurst College      |
| 06 University of Surrey               | 15 Solent University         |
| 07 Surrey Research Park               | 16 University of Portsmouth  |
| 08 Guildford College                  | 17 University of Reading     |
| 09 Uni. for the Creative Arts Farnham |                              |

## BOARD MEMBERS

Our powerful and influential board consists of members that are highly experienced, senior leaders drawn from a diverse range of private, public and not-for-profit sectors.

They link our strategic vision to businesses and our wider partners, providing the bridge between local and national policies. They include leaders of corporates, small and medium sized enterprises (SME), and representatives of the Federation of Small Businesses and Chambers of Commerce. Our Local Authority members and Ministry of Defence representative are regularly engaged in dialogues with businesses, and our not-for profit representative has a special interest in social enterprise. Our Higher Education and Further Education representatives are helping us to shape provision to support our business future needs.



### PRIVATE SECTOR



**DR MIKE SHORT CBE**  
Chief Scientific Adviser  
Department for  
International Trade

[in](#) /mikeshort2



**DAVE AXAM**  
Managing Director  
AI2EV Ltd

[in](#) /daveaxam



**LINDA CHEUNG**  
Chief Executive  
CubeSocial

[twitter](#) @LindaCheungUK



**JAMES CRETNEY**  
Chief Executive  
Marwell Wildlife

[twitter](#) @Marwellwildlife



**NICK ELPHICK**  
Director  
Moncel Consulting  
Limited



**ANDREW LAMBERT**  
Managing Director  
Electronic Media  
Services Limited

[twitter](#) @EMS\_Andrew



**ROSS MCNALLY**  
Executive Chair  
Hampshire Chamber  
of Commerce

[twitter](#) @RossMcNally6



**KEN MOON\***  
Chairman of South  
Central Region  
Federation of Small  
Businesses

[twitter](#) @kenmoon1949



**CHRIS TINKER**  
Executive Board  
Director  
Crest Nicholson

#### Our Board Members are fully engaged with our work and lead on projects:

- Dave Axam, Chair of Strategic Economic Plan Steering Group
- Linda Cheung, Lead on Annual Report & Lead on Fund Management Evaluation Panel
- James Cretney, Chair of Programme Management Group
- Nick Elphick, Chair of Enterprise Zone Steering Group
- Andrew Lambert, Chair of Internationalisation Steering Group & Chair of Space Cluster Steering Group
- Cllr Clive Sanders, Chair of Joint Leaders Board & Chair of Resources, Finance and Audit Committee
- Mike Short, Chair of Innovation South & Chair of Nominations Committee

\* SME representative



### ACADEMIA, MINISTRY OF DEFENCE & NOT-FOR-PROFIT SECTORS



**COL. SIMON BROWNE OBE**  
DComd 11 Infantry  
Brigade  
Armed Forces



**JASON GASKELL**  
Chief Executive  
Surrey Community  
Action

[twitter](#) @surreyca



**PROF PAUL HOGG**  
Vice Principal & Dean  
of Science  
Royal Holloway  
University of London



**TIM JACKSON**  
Principal  
Sparsholt and Andover  
College

[twitter](#) @TJacksonSCH

Our new Chair, **Dave Axam**, was appointed on 24 May 2018. We look forward to working with him and his ambitious future plans



## PUBLIC SECTOR



**CLLR DAVID CLIFFORD**  
Leader  
Rushmoor Borough Council

[@davidclifford](#)



**CLLR JOHN FUREY**  
Deputy Leader  
Surrey County Council



**CLLR KEITH MANS**  
Deputy Leader  
Hampshire County Council



**CLLR JULIA POTTS**  
Leader  
Waverley Borough Council



**CLLR CLIVE SANDERS**  
Leader  
Basingstoke & Deane Borough Council



**CLLR PAUL SPOONER**  
Leader  
Guildford Borough Council

[@PaulKGB](#)



## WE LOOK FORWARD TO WELCOMING OUR NEW BOARD MEMBERS WHO WILL BE JOINING US IN 2018/19



**DEBORAH ALLEN**  
Managing Director  
Operations  
Governance  
BAE Systems



**BARNEY ELY**  
Director of Hays  
Human Resources  
Hays



**STACEY KING**  
Regional Partnership  
Director, South East  
BT



**JIM MCALLISTER**  
Chief Executive  
The Rutland Group

### Special thank you to...

We would like to take the opportunity to thank the following former Board Members for their invaluable contribution during their time on our Board: Cllr Moira Gibson, Louise Punter, David Barnes, Col Andy Barr, Tim Colman, Cllr Ferris Cowper and Cllr Peter Martin. And a special thank you to our former Chair Geoff French.



## ACTION GROUP CHAIRS



**MIKE D'ALTON**  
WSP  
Chair of Transport Action Group



**MARK LEBUS**  
LC Energy  
Chair of Rural Action Group



**MIKE RUSHWORTH**  
Reveal Coaching  
Chair of Enterprise and Innovation Action Group



**MICHAEL KNOTT**  
Barton Wilmore  
Chair of Land and Property Group



**BARNEY ELY**  
Hays  
Lead in developing new Skills Action Group



## GET INVOLVED

Want to have your say on our economy, do you have ideas how you can help our work, want to know more about our work?

Connect direct with our Board Members or via [@enterprisem3](#)



## THE ENTERPRISE M3 WAY



I love talking about Enterprise M3 and when people ask me, “What is a LEP?”, I often say, “Let’s not talk about what we are; I’d rather tell you about what we do.” I’m not being rude or evasive - it’s just that doing is the top priority for Enterprise M3 and we never forget that our delivery and impact is quite simply everything we are about.

What do we do? We are a positive force in our region that drives economic growth. To date we have helped create or protect **more than 2,600 jobs**, **build 599 homes** and established **844 apprenticeships**.

How do we deliver this? We are rooted in the region we serve and that means we know what matters to our businesses and their workforce. The Enterprise M3 LEP is governed and led by people who understand the commercial world, how the public sector and not-for-profit sector contribute to people’s prosperity, and how working together we can identify what is needed to make a regional economy flourish.

These insights and expertise are things that have made Enterprise M3 one of the highest performing and most highly regarded LEPs in England. But they are not the key to our success - that lies in the most important word in our title: ‘Partnership’.

It is the forging, maintenance, renewal and extension of our collaborations that drive our impact. Without the engagement and support of regional businesses and industries, their representatives, local authorities, universities and colleges, Enterprise M3 would not be able to make the positive difference and add value to our local economy in the way it does.

When really pressed to describe what a LEP is, I will say, “*The defining characteristic of Enterprise M3 is it is a partnership organisation that excels in bringing together private and public sector bodies, all with a deep rooted desire to work towards the single goal of supporting a prosperous area*”.

In this report we set out in detail the result and impact of those collaborations over the last year. A personal highlight was seeing the new build of the Farnborough Exhibition & Conference Centre open its doors for the first time. This building is an outstanding exemplar of the impact of Enterprise M3 and how we operate, in what we call “The Enterprise M3 Way.”

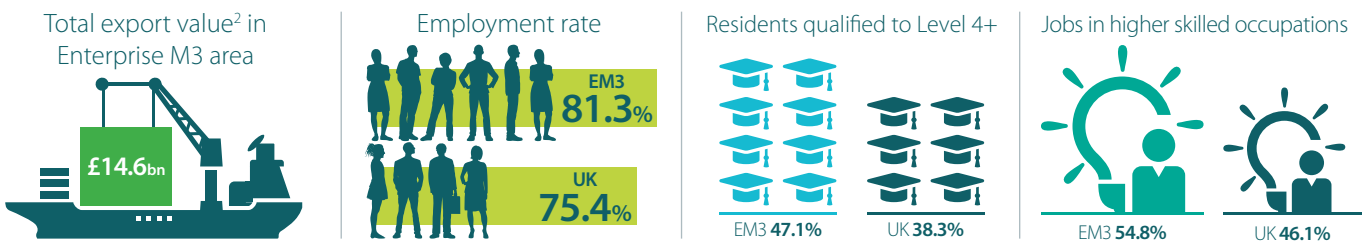
Farnborough has always been world famous for its Airshow, and an important international shop window to the world’s export markets for aerospace, defence, space and security businesses. But The Enterprise M3 Way means always looking to build on existing strengths. The gap left by the closure of London’s Earl’s Court Exhibition Centre spurred our ambition and a vision shared with partners Farnborough International, Barclays Bank, Rushmoor Borough Council and Hampshire County Council. Together we have invested in a new event and exhibition facility that will not only host the Airshow but is the largest exhibition centre for the South, outside of London.

I am delighted and proud to present this report as a demonstration and celebration of our outstanding achievements in the past year. Looking forward, there are those that believe the uncertainty about the country’s future inevitably means a period of ‘wait and see’. I am not one of them. In the coming year, Enterprise M3 will inject more pace and energy than ever before into supporting our local and national economy. With a particular focus on international trade, engaging with our key sectors and businesses, developing a long term Local Industrial Strategy to make a winning case for investment in our area, we won’t wait for things to happen to us; we will make things happen. That’s the Enterprise M3 Way.

A handwritten signature in black ink, reading 'Kathy Slack'.

**Kathy Slack OBE**  
Executive Director

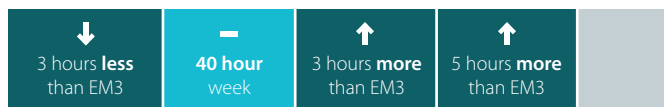
# THE STATE OF THE ECONOMY



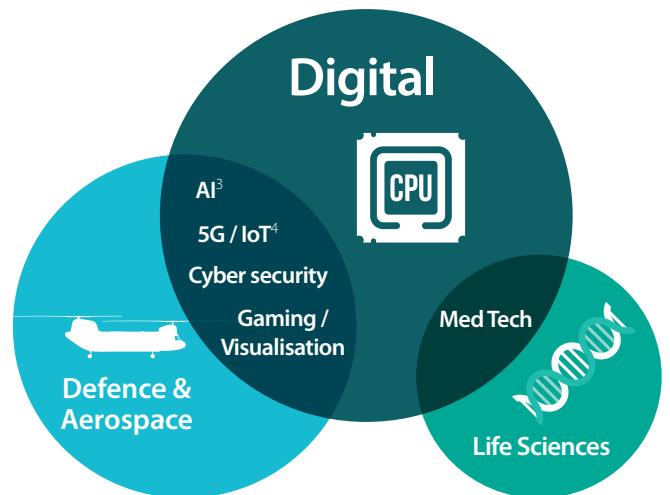
## GVA per hour worked (2015)



To achieve the same level of output as Enterprise M3



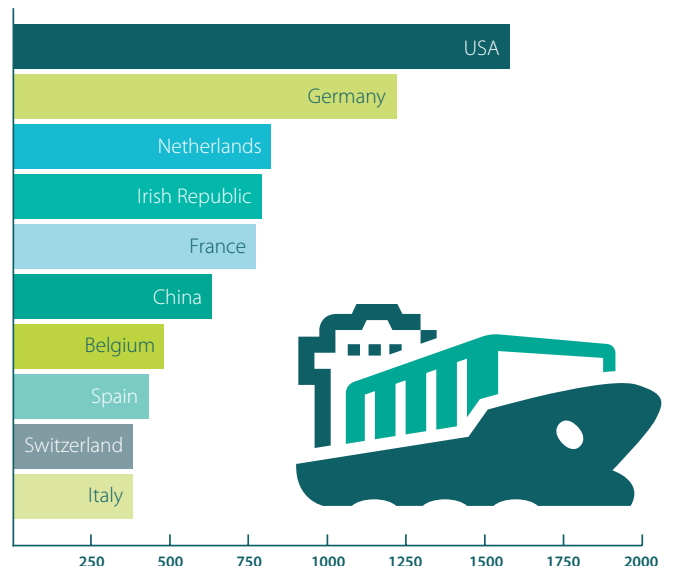
## Key sector representation in the EM3 area



## Key and niche sectors Enterprise M3 Area



## Top 10 partner countries Export value<sup>2</sup> - £m



<sup>1</sup> Source: ONS data 2016. <sup>2</sup> Export value for manufactured goods.

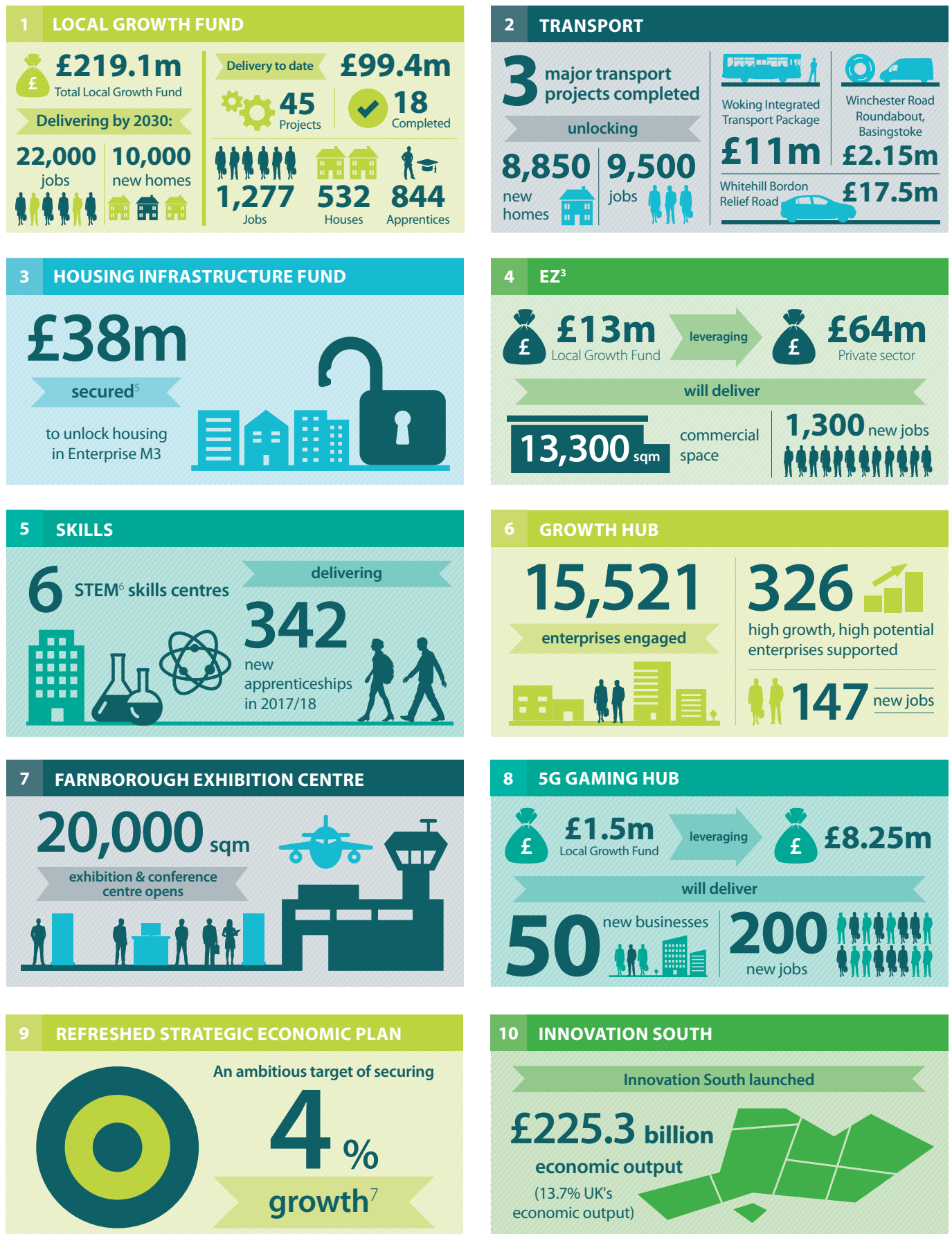
<sup>3</sup> AI - Artificial Intelligence. <sup>4</sup> IoT - Internet of Things







# OUR TOP 10 HIGHLIGHTS IN 2017/18



<sup>5</sup>From Marginal Viability Fund

<sup>6</sup>STEM - Science, Technology, Engineering & Maths

<sup>7</sup>Target drawn from draft proposal; figure to be finalised

# SUCCESSFUL INVESTMENTS

## LOCAL GROWTH FUND DELIVERS FOR ENTERPRISE M3 AREA

**£99m**  
expenditure  
to date

Already  
delivered



**1,277**  
jobs created/  
safeguarded



**532**  
new homes  
completed



**22,680** sqm  
employment  
floorspace created

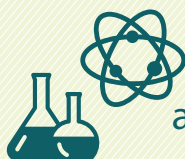


**844**  
apprenticeships  
supported

## LOCAL GROWTH FUND HIGHLIGHTS IN 2017/18

### 3 STEM<sup>®</sup> centres open in 2017/18

3 STEM centres forecast to deliver  
357 apprenticeships per annum



**357**  
apprenticeships

Whitehill & Bordon  
Future Skills Centre



University Centre Farnborough,  
opening ceremony



Brockenhurst College  
new STEM centre

### Bramshot Farm Country Park SANG<sup>9</sup> opens

Unlocking

**1,745**  
new homes  
in future years



Bramshot Farm  
Country Park

<sup>®</sup>STEM - Science, Technology, Engineering & Maths  
<sup>9</sup>Suitable Alternative Natural Greenspace



## Invest for Growth: New office in Liphook

Unlocking

85 new homes



Create/ Safeguard

140 jobs



2,000 sqm

of new employment floorspace



## BASE Bordon Innovation Centre opens



One third is now occupied

Home to

9 businesses



by the launch date in March 2018



BASE Bordon Innovation Centre  
[www.basebordon.co.uk](http://www.basebordon.co.uk)

## 3 major transport projects completed



Winchester Road Roundabout, Basingstoke

### Woking Integrated Transport Package

Providing new and improved links around the town unlocking key development sites



Winchester Road Roundabout, Basingstoke

Completed on time and under budget



### Whitehill Bordon Relief Road

helping to unlock

3,350 new homes





# EUROPEAN FUNDING

Successful ventures for the future



Our European Structural Investment Fund (ESIF) includes money from the European Regional Development Fund (ERDF), European Social Fund (ESF), and European Agricultural Fund for Rural Development (EAFRD).

## EUROPEAN SUCCESSES



**£10.1m**  
ESIF contracted



**150**  
new jobs created



**315**  
businesses supported



**2,260**  
learners supported

## EUROPEAN REGIONAL DEVELOPMENT FUND

To stimulate small and medium enterprises to grow and become successful ventures underpinned by investment to enhance innovation and develop the low carbon economy.

### DIGITAL BUSINESS ACCELERATION HUBS

#### INVESTMENT

- £1.2m ERDF
- £1.2m Match funding
- Complemented by £5m LGF investment in 5G

#### DELIVERY PARTNERS

- University of Surrey

#### PROJECT AIMS

Establish a network of 4 business acceleration hubs, in Enterprise M3's growth towns of Guildford, Basingstoke, Woking and Farnborough. The innovation support will be targeted at 360 digital SMEs (start-ups and established) with high growth, high innovation potential to help them develop new products and services.

"Taking part in the ERDF-funded Entrepreneur's Programme has really accelerated the speed in which we've been able to bring Trackener (a device that analyses 24/7 a horse's activity, location, movement, behaviour and heart rate) to market. Getting access to experts is essential when starting any business and that's what SETsquared's so good at."

**Pauline Issard, CEO & Co-founder of Trackener**

#### CONTACT

<http://info.setsquared.co.uk/entrepreneurship-programme>

### INNOVATE TO SUCCEED

#### INVESTMENT

- £0.5m ERDF
- £0.5m Match funding

#### DELIVERY PARTNERS

- Oxford Innovation Services Ltd

#### PROJECT AIMS

Provide 150 highly innovative SME businesses, and those with the ambition to innovate, the support they need to identify and overcome the barriers limiting their innovation performance.

#### CASE STUDIES

- Woking-based game developer **Atom Republic** raised £80k from Angel investors for its new product, Aurora.
- Innovate to Succeed helped **Bespoke Business Software** prepare to pitch to investors, they successfully secured two offers of investment.

#### CONTACT

Business Advisers & Specialists 01865 261487  
or [Innovate2Succeed@oxin.co.uk](mailto:Innovate2Succeed@oxin.co.uk)

#### MORE

For other ERDF funded projects supporting SME access to international markets and SME innovation go to [www.enterprisem3.org.uk/success/european-regional-development-fund-successfulventures](http://www.enterprisem3.org.uk/success/european-regional-development-fund-successfulventures)



## EUROPEAN SOCIAL FUND

A critical element to supporting successful ventures is a skilled and talented workforce, and creating a fully engaged society.

### EMPLOYEES SUPPORT IN SKILLS

#### INVESTMENT

• £1.75m ESF • Co-funded by the Education and Skills Funding Agency

#### DELIVERY PARTNERS

Sparsholt College leading a consortium including Basingstoke College of Technology, Brooklands College, Farnborough College of Technology, Guildford College, DA Training & Consultancy, Construction Skills People, T4C Group and HIT Training.

#### PROJECT AIMS

To support 750 individuals in the current workforce to upskill and progress in their employment, help businesses identify their strategic training needs and support 100 individuals at risk of redundancy.

#### CASE STUDIES

**Farleygreene Ltd**, a manufacturing company, engaged the information advice and guidance programme to identify skills gaps and learning needs for their staff. A bespoke Project Management Essentials course was developed to provide the employees with improved project management skills to support the organisation's goal of sustaining business growth.

"I learned a lot doing this qualification. It taught me the skills I need to deliver our work to the high-standards of the company. With the knowledge I gained it has helped promote me to a more senior position within the company."

**Adam Nosworthy, employed by K & N Surfacing Ltd**

#### CONTACT

An adviser on 0845 850 0916

### INSPIRING ENTERPRISE

#### INVESTMENT

• £0.7m ESF • Co-funded by the Big Lottery Fund

#### DELIVERY PARTNERS

WSX Enterprise Ltd in partnership with Action Hampshire, Surrey Community Action, University of Winchester and Fredericks Foundation.

#### PROJECT AIMS

Helping 500 unemployed and disadvantaged people to become self-employed through creating a social enterprise or conventional business.

#### CASE STUDY

Paul Abney was affected by a series of personal events leaving him finding life difficult and on some days he didn't know how to carry on. Engaging in the Inspiring Enterprise project has helped Paul focus on key skills that he enjoys and which make him money. Paul has now started an upholstery business - for your upholstery needs contact Paul on paulabbey.thewiz@virgin.net

#### CONTACT

Georgiana on 0800 140 4537

#### MORE

For other ESF funded projects supporting unemployed individuals to move into the job market and tackling social isolation go to [www.enterprisem3.org.uk/success/european-social-fund-successful-people](http://www.enterprisem3.org.uk/success/european-social-fund-successful-people)

## EUROPEAN AGRICULTURAL FUND FOR RURAL DEVELOPMENT

Enables us to invest in our booming rural businesses, complemented by ESF skills provision for rural areas.

#### CASE STUDIES

Enabling all-weather facilities by introducing heating/ventilation of an Adventure Farm Park by allowing visitors to use the facilities all year round; attracting an increase of visitors from 50,000 to 150,000 a year, by year 3.  
**Chobham Adventure Farm Park, Surrey**

Support the expansion of wine sales from a local vineyard by building a new wine cellar and winery capacity expansion, to increase the 200,000 bottles of cellar capacity to 500,000 bottles to improve sales. The vineyard was able to develop tourism/visitor facilities and wine event/other entertainment facilities including site shop and tasting room.

**Hambledon Vineyard, Hampshire**

Development of two newly converted office units at Bushey Down Farm in a traditional brick and flint barn giving a hi-spec office in a rural location. Avoiding the need to travel to large towns, the offices provide a stunning working environment for up to 8 people in the rolling hills of the Meon Valley countryside, in the heart of the South Downs National Park.

**G Horn & Sons, Hampshire**



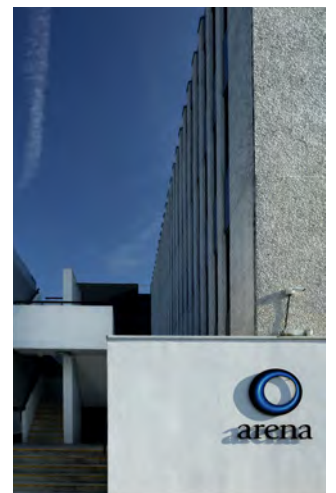
## DELIVERY, SUCCESS & IMPACT

Our activities are having a positive impact on our economy. All of our projects support the ambitions set out within our Strategic Economic Plan. The following case studies are some of the many things that we have delivered across the whole of the Enterprise M3 area. Our Investment map on pages 22-23 illustrates the extent of our activity, which highlights a concentration of investments on our Growth and Step-up Towns, and activity in all of our Local Authority areas.

### CASE STUDIES







Images clockwise from top left: TechForest, Whitehill & Bordon; Tropical House, Marwell Wildlife; Mobile UK & EM3 mobile connectivity event, University of Surrey; Bloom at Longcross, Chertsey; Arena, Basing View, Basingstoke; Bramshot Farm Country Park, Hart; EM3 management meeting; Runnymede Roundabout, Runnymede; Ravneet Viridi, BEIS at EM3 Board Meeting; FE Principals meeting, Farnborough College of Technology; 5GIC, University of Surrey; Housing development, Chapel Gate, Basingstoke; Dave Axam at EM3's AGM 2017.

# INNOVATION SOUTH

A Digital Revolution

**INNOVATION**  
SOUTH  
SWITCHING ON OUR FUTURE

Innovation South, led by Enterprise M3, showcases our region as a powerhouse of world class strengths in digital technologies that are transforming the way we live: better transport; better health; cleaner energy and ever more creative ways to relax and be entertained. Innovation South is a consortium of partners who united to produce a government-sponsored Science & Innovation Audit published in Autumn 2017. Innovation South, our region's answer to the Northern Powerhouse, is dedicated to championing the South of England and its outstanding economic assets as drivers of innovation, growth, productivity and international trade for the whole of the UK.

## AT A GLANCE



### Digital connection

The most digitally advanced region in the UK

### What's our role?

Enterprise M3 is the lead organisation for Innovation South



### Delivery partners

Consortium of more than 120 partners including businesses, universities, independent research institutes, LEPs and local authorities

### Do you know?

Q: Where, outside of London, is there by far the largest share of foreign investment projects in the UK?  
A: Innovation South



### Links

Read more

Video



## ECONOMIC POWER



**13.7%**

of the UK's economic output



The Innovation South region's economy is almost the size of Denmark's



### The workforce vs UK



**6.7%**

employed in science, research, engineering and technology occupations, compared with around 5.4% nationally

### No. of enterprises

**391,000**

active enterprises in the Innovation South area



**45 enterprises** per 1,000 residents

Higher than the national average – 39 enterprises per 1k

### FDI<sup>11</sup> projects



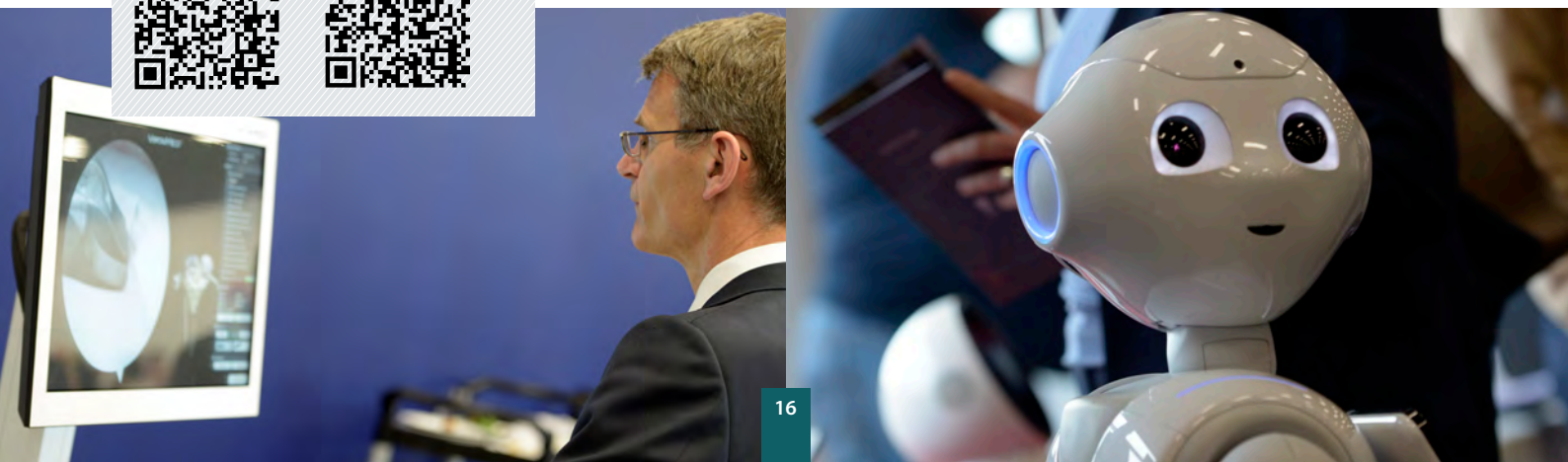
**1,029**

The number of FDI projects over the five years to 2016, the South East region accounted for (around 11.5% of the UK total)



INNOVATION SOUTH REGION

<sup>11</sup>FDI - Foreign Direct Investments





## 5 DIGITAL ENABLING TECHNOLOGIES



### Digital comms

Including fifth generation (5G) wireless communications enabling a step change in the capacity, speed, stability and potential for innovation of internet systems



### Cyber security

The protection of data from theft, damage or disruption



### Big data analytics

The process of collecting, organising, analysing, visualising and optimising large, complex and dispersed data



### Photonics

Involves manipulating light using lasers and optical fibres. It has revolutionised many areas including communications, medicine, aerospace and manufacturing



### Quantum

Quantum devices, components and systems are based on the ability to capture and manipulate single atoms and particles of light

*"Innovation South is a fantastic example of bringing together funding opportunities through Innovate UK, LEPs, big businesses, small businesses; bringing everyone together to collaborate to ensure that the South is competitive - it's a place for innovation, it's a place for growth to allow businesses to make opportunities and collaborate with each other."*

Priya Lakhani OBE, Founder CEO, CENTURY Tech



## 4 HIGH PERFORMING SECTORS

### Connected Digital



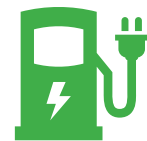
### Marine & Maritime



### Bioscience



### Advanced Engineering



## INNOVATION SOUTH'S AMBITIONS

### Linking innovation hotspots

To maximise collaboration between regional innovation networks



### Digital skills

Securing a supply of high calibre specialist digital talent getting businesses ahead of the game



### Knowledge to market accelerator

Helping entrepreneurs turn their digital and high-tech innovation into business success, driving growth and productivity



### Getting businesses ahead of the game 5G and Quantum

Helping SMEs build capacity to develop products using quantum technology and developing engagement of smaller businesses with the world-leading 5G Innovation Centre



## ENTERPRISE M3 LEADING AMBITION TO ACTION



### Quantum supply chain

A quantum supply chain initiative helping SMEs exploit this emerging technology



### Virtual campus

The Innovation South Virtual Campus for Digital Skills



### Connectivity support

Support for an industry-led project to grow digital connectivity in transport systems and the availability of affordable high-speed mobile connectivity across the UK



### Med Tech innovations

Support for an industry-led project to enable a step change in the adoption of Med Tech innovations by the NHS and other markets



GET INVOLVED

We are shaping the future of our digital economy - for ever innovating and enabling our economy to thrive - join us @InnovationSout1



# ENTERPRISE M3'S GROWTH HUB

Businesses scale up and grow in Enterprise M3



The Enterprise M3 Growth Hub is helping businesses in Enterprise M3 to scale up and grow by delivering business support with innovative capabilities and experience. The Growth Hub makes a fundamental difference to businesses in the Enterprise M3 area by helping to unlock their true growth potential.

## AT A GLANCE

### Investment



**£1.8m**

Funded by EM3 and BEIS



**£825,000**

Leveraged additional investment

### Delivery partners

BE Group leading a consortium that comprises SETSquared, Business South, Surrey County Council & Hampshire County Council.



**14** growth champions

### Links

Read more



Video



## GROWTH HUB ACTIVITY



**15,521**  
enterprises  
securing  
information  
from the portal



**326**  
HIGP<sup>11</sup> enterprises  
receiving support



**45%**  
businesses  
supported in  
the Digital/  
Tech sector

## ECONOMIC IMPACT



**147** new jobs  
created

**£23m**

**total increase in turnover**  
based on 35 businesses that  
reported an increase in turnover



**£45m**  
increased net profit

## CUSTOMER SATISFACTION



**100%**  
very satisfied

Following their first interaction  
with the Growth Hub



**91%**  
very satisfied

Following a meeting with a  
Growth Champion



**97%**  
would recommend

The service following their  
meeting with the Growth  
Champion

*"Running a single business and then getting heavily involved in two more is massively time consuming and mentally tiring. Mike has helped me process information, given me direction and guidance and I now feel much more structured and in control."*

Accrue Workplaces, Surrey

<sup>11</sup>HIGP- High innovation and high growth potential

Chillistick, Basingstoke -  
supported by Growth Hub  
[www.chillistick.com](http://www.chillistick.com)



## GET IN TOUCH

The Enterprise M3 Growth Hub is ready to do more for our businesses and economy. Get your business growing and connect with the Enterprise M3 Growth Hub  
@EM3GrowthHub  
[www.enterprisem3growthhub.co.uk](http://www.enterprisem3growthhub.co.uk)

# EZ<sup>3</sup> – THE LONDON & SOUTH INNOVATION VALLEY

Your perfect business location



EZ<sup>3</sup> – The London & South Innovation Valley went live on 1 April 2017 and within a year we have already approved funding of £13m for the delivery of a 153 room hotel, a discovery centre providing incubator space, enhanced power supply and improved public realm. We have marketed EZ<sup>3</sup> to investors and occupiers with a high calibre promotional film, funded via our successful bid to DCLG<sup>12</sup>, and premiered it at MIPIM UK, the premier property exhibition and conference, in October 2017 to further raise the profile of the Enterprise Zone sites.

## AT A GLANCE

### Investment

**£13m** **£64m**

Local Growth Fund  
in first year

leveraged private  
sector investment

### EZ<sup>3</sup>



#### 3 sites, 49 hectares

- Basing View
- Longcross
- Whitehill & Bordon

### What's our role?

Enterprise M3 is the lead organisation for EZ<sup>3</sup>

### Delivery Partners

Basingstoke and Deane Borough Council, East Hampshire District Council, Runnymede Borough Council, Hampshire County Council, Surrey County Council, Crest Nicholson, Aviva Investors and Homes England



### The digital connection

5G test beds connecting to a network of other sites and 5GIC at University of Surrey

### Do you know?

EZ<sup>3</sup> is the closest Enterprise Zone to Heathrow - providing global connectivity



### Links

Read more

Video



## EZ<sup>3</sup> 25 YEAR TARGETS



**11,000**  
jobs



**130**  
businesses



**193,000** sqm  
of new grade-A  
commercial space



**£200m**  
business rate income

## INVESTMENTS TO DATE DELIVERING

**13,300** sqm

of new  
commercial  
space



**153**  
room hotel



**over 1,300**  
jobs

**£50m**

business rate income  
(from the initial investment  
of £4.5m of £13m)



Basing View, Basingstoke



GET INVOLVED

Next year we will see further investments into the Enterprise Zone and we look forward to businesses moving into the sites at EZ<sup>3</sup>. Want your business to be in the perfect location connect with us @Ez3EnterpriseM3

<sup>12</sup>DCLG - Department for Communities and Local Growth, now Ministry of Housing, Communities and Local Government



# OUR INVESTMENT FOOTPRINT

Enterprise M3 investments meet a need identified in our Strategic Economic Plan, we view them in an integrated and joined up way, bringing together our place and sector priorities.

Projects are delivered not only on a thematic basis, but also on a geographical basis, creating a strong narrative for unlocking growth within an area, particularly in the Growth and Step-up Towns but also in support of rural locations. The map below shows the coverage and impact of our continued investment, initiatives and partnerships in the Enterprise M3 area.

## LOCAL GROWTH FUND

- 5G Innovation Centre, University of Surrey
- Whitehill & Bordon Business & Enterprise Centre
- Woodfuel Hub Network (Enterprise M3 wide)
- Animal Health Innovation and Enterprise Centre, Pirbright
- Farnborough Exhibition & Conference Centre
- Enterprise M3 Growth Hub (Enterprise M3 wide)
- Andover Technology and Skills Centre
- Brockenhurst College STEM Advancement
- Whitehill & Bordon Future Skills Centre
- Brooklands College STEM Centre, Weybridge
- Enterprise M3 Transforming Colleges, EM3 Wide
- University Centre Farnborough, Farnborough College of Technology
- Suitable Alternative Natural Green Space (SANG), Surrey Heath
- Energy for Life Marwell, Winchester
- East Hants Invest for Growth Initiative
- Lower Thames Flood Defences
- Aldershot Town Railway Station
- Local Sustainable Transport (Enterprise M3 wide)
- Basingstoke North Corridor A340
- Basingstoke NE Corridor to Growth - A33 (3 projects)
- A30/A331 The Meadows, Camberley
- Runnymede Roundabout
- Whitehill Bordon Relief Road Phase 2
- Basingstoke SW Corridor to Growth (3 projects)
- Farnborough Growth Package (A325)
- Guildford Town Centre Transport Infrastructure Package
- Woking Town Centre Transport Infrastructure Package
- Camberley Town Centre Highways Improvements
- SARP/Clay Lane Link Road, Guildford
- Gateway to National Parks, Lepe Country Park
- Risual Microsoft Academy, Sparsholt College
- Juniversity, University of Winchester
- Bramshot Country Park (SANG), Hart
- Guildford Housing Zone, Guildford
- Unlocking Guildford - Transport Package, Guildford
- Regional Cyber Security and Big Data Innovation Centre - Royal Holloway, Egham
- Blackwater Valley Gold Grid, Cross County
- Station Approach - Winchester, Winchester
- Centre of Excellence in Horticultural Science and Learning - RHS Wisley
- Aldershot Games Hub, Aldershot
- Niche Sector Incubation, Cross LEP
- Invest for Growth - Elmbridge
- EZ<sup>3</sup> Enterprise Zone, multi-site
- Aldershot Town Centre Regeneration, Aldershot
- Guildford Town Centre Walnut Tree Bridge, Guildford

## EUROPEAN FUNDING

### ERDF

- Digital Business Acceleration Hub, Growth Towns
- South East International Business Growth, Cross LEP
- Innovate to Succeed, EM3 wide
- EM3 Innovation Support Programme, EM3 wide

### ESF

- Skills support for the workforce, EM3 wide
- Skills support for the unemployed, EM3 wide
- Inspiring Enterprise, social enterprise, EM3 wide
- The Alliance Programme, social inclusion, EM3 wide

### EAFRD

- Hambledon Winery, Hambledon
- Chobham Adventure Park, Chobham
- G Horn & Sons Office Conversion, Droxford

## EZ<sup>3</sup> ENTERPRISE ZONE The London & South Innovation Valley



### EZ3 Enterprise Zone

- Longcross, Chertsey
- Basing View, Basingstoke
- TechForest, Whitehill & Bordon



## PROJECT TYPES

- Local Growth Fund
- Growing Enterprise Fund
- Other Projects
- European Funding
- Public Works Loan

## OTHER PROJECTS

### 1. Enterprise M3 Funding Escalator

- Conversor, Knaphill
- IMA, Bramley, Basingstoke
- Measure My Energy, Winchester
- EMS Business Solutions, Liphook
- Chillistick, Basingstoke
- Observants Technology, Winchester
- i-Abra, Petersfield
- Razorsecure, Basingstoke
- Communico Ltd, Weybridge
- Basemap Ltd, Guildford
- The Business Software Centre Ltd, Basingstoke
- On The Menu Ltd, Winchester
- Cloud Business Ltd, Guildford
- WyndyMilla Ltd, Seale
- Dinks Ltd, Basingstoke
- Luminos Lighting Ltd, Basingstoke
- Gooseberry Planet Ltd, Rotherwick
- Greentree Software Ltd, Winchester
- Utomony, Basingstoke
- ATP Projects Limited, Bentley
- Cyclotricity Limited, Basingstoke
- Lifestream Limited, New Forest
- Local Treasures Limited, Petersfield
- Locus Software Limited, Farnborough
- MARsoftware Limited, Basingstoke
- Plantwork Systems Limited, Alton
- Widgety Limited ("Icruise"), Ashurst / Totton
- StaffConnect, Staines-upon-Thames
- Sentiment, Farnborough
- TriCIS, Farnborough

### 2. Enterprise M3 Apprenticeship Ambassador Network

- Amey, Winchester
- Arqiva, Winchester
- Aspire Learning, Portsmouth
- Be Wiser Insurance, Andover
- Hampshire County Council, Hampshire
- Hampshire Hospitals NHS FT, Winchester
- Middlesex Group, Basingstoke
- Pickering Software Services, Farnborough
- Pinetree Enterprises, Alton
- Surrey County Council, Surrey
- Winchester City Council, Winchester
- Invotra Ltd, Woking
- East Hants District Council, Petersfield

### 3. Digital High Street Skills Programme

- Andover
- Basingstoke
- Brockenhurst
- Camberley
- Egham
- Farnborough
- Farnham
- Fleet
- Guildford
- Staines-upon-Thames
- West Byfleet
- Whitehill & Bordon
- Winchester

### 4. Careers & Enterprise Company - Enterprise Advisor Network

- Rushmoor
- Waverley

## GROWING ENTERPRISE FUND

- Chapel Hill, Basingstoke
- Enterprise M3 Funding Escalator (Enterprise M3 wide)
- Brightwells, Farnham
- Farnborough International Infrastructure Improvements
- Activation Aldershot
- Aldershot Enterprise Centre
- Tannery Studios, Send near Guildford
- Sheerwater Access Road, Woking
- Addlestone One, Addlestone
- Farnham Road Bridge, Guildford

## PUBLIC WORKS LOAN

- Addlestone
- Camberley



# WHITEHILL & BORDON

A new economic town

Whitehill & Bordon is being transformed into a prosperous 'green and healthy town' with a new town centre, 3,350 new homes and 5,500 new jobs. An economic regeneration is happening and Enterprise M3 is at the heart of it with £28.7m investment in an Innovation Centre, a Skills Centre, Relief Road, a Sustainable Transport Package and Enterprise Zone site, all to help unlock Whitehill & Bordon's potential and support housing growth. It will also foster innovation in 5G communications, cyber security and sustainable technologies.

## AT A GLANCE

### Investment

**£28.7m**

Local Growth Fund

**£14.3m**

other investment

### Whitehill & Bordon potential



**3,350**

new homes



**5,500**

new jobs



new town centre  
and recreational  
facilities



**1** new  
secondary  
school



### Environmentally aware

Transforming to a green  
and healthy town

### Links

Read more



**1,554**

new jobs



**29**

new businesses



**26,336 sqm**

commercial floorspace



**75**

new apprenticeships

## BASE INNOVATION CENTRE



**236**

jobs



**900** sqm

commercial floorspace

**Oxford Innovation**  
provides on-site  
business support



"We moved here to access Richard's expertise through Oxford Innovation, networking opportunities with other businesses, on-site events, superfast broadband, not having to commute a long way, the fact that Whitehill & Bordon is on the up through regeneration and having, in our office, a comfy sofa."

Barry Fisher, Real Life Digital

## TECHFOREST - EZ<sup>3</sup>



**1,318**

new jobs



**29**

new businesses



**24,252 sqm**

commercial floorspace



Hi-tech &  
low carbon business

## WHITEHILL & BORDON FUTURE SKILLS CENTRE



**75**

new apprenticeships



**1,184 sqm**

training space



Construction  
skills focus

## WHITEHILL BORDON INNER RELIEF ROAD



Relief road and  
A325 integration works

## SUSTAINABLE TRANSPORT PACKAGE



encourages residents  
to walk and cycle



reducing  
car journeys

# BASINGSTOKE HIGHER LEVEL SKILLS

Wanted: High Flying Talent for Future Basingstoke

Many Basingstoke employers, struggling to recruit local people with the necessary high skills, would welcome an expansion of higher education and skills training based in Basingstoke. Through a study we undertook, funded by DCLG<sup>13</sup>, we found that there is a particular need for highly qualified people in specialist areas such as software development, robotics, AI, digital technologies, clinical sciences and engineering - sectors critical to the town's growing high-tech economy. Basingstoke businesses also said they need quality technical level skills; and our investigation found good evidence of opportunities to release untapped potential both among some school/college leavers and the existing workforce. We are using findings from our investigation to shape proposals for implementation.

## BASINGSTOKE'S LABOUR MARKET



**85.6%**  
employment rate  
(higher than EM3)



**66%**  
residents work  
in Basingstoke



**47.7%**  
higher level occupations  
(lower than EM3)



**38.6%**  
residents qualified to Level 4+  
(lower than EM3)

## AT A GLANCE



### Delivery Partners

Enterprise M3, Basingstoke and Deane Borough Council, Hampshire County Council, universities, colleges and schools



### The digital connection

Digital skills are an essential need by businesses in Basingstoke



### Environmentally Aware

Environmental technologies are a growing sector in Basingstoke, skills related to these industries will be an increasing demand

## Manydown outputs



**3,400**  
new homes



**2**  
new business, shopping  
& community centres



**1**  
new secondary  
school



**2**  
new primary  
schools



**250** acre  
new country park

## Links

Read more



## GET INVOLVED

Enterprise M3 & the Basingstoke area, with the development partner Urban&Civic, are working together to create something different for Basingstoke skills. Have ideas how we can develop these new ways of thinking? Connect with us @enterprisem3

<sup>13</sup>DCLG - Department for Communities and Local Growth, now Ministry of Housing, Communities and Local Government, funded the study as part of the capacity work for Western Basingstoke (Manydown)

# THE FARNBOROUGH EXHIBITION & CONFERENCE CENTRE

Doors to manual – The Farnborough Exhibition & Conference Centre opens

Enterprise M3 have played a leading role to see the largest exhibition facility in the South, outside of London, open. The newly purpose-built venue has the capacity to accommodate 2,500 delegates and can cater for almost any kind of exhibition, conference, meeting, dinner or launch event thanks to 12,500 sqm of flexible conference and exhibition space, and nine purpose-built function rooms. The exhibition centre will be pivotal to the Farnborough International Airshow, this and other events will increase visitor expenditure and tourism employment in the Enterprise M3 area, with a direct economic impact in the ten years after opening of £64 million, contributing both locally and nationally.



Farnborough Exhibition & Conference Centre

## PROJECT HAS DELIVERED

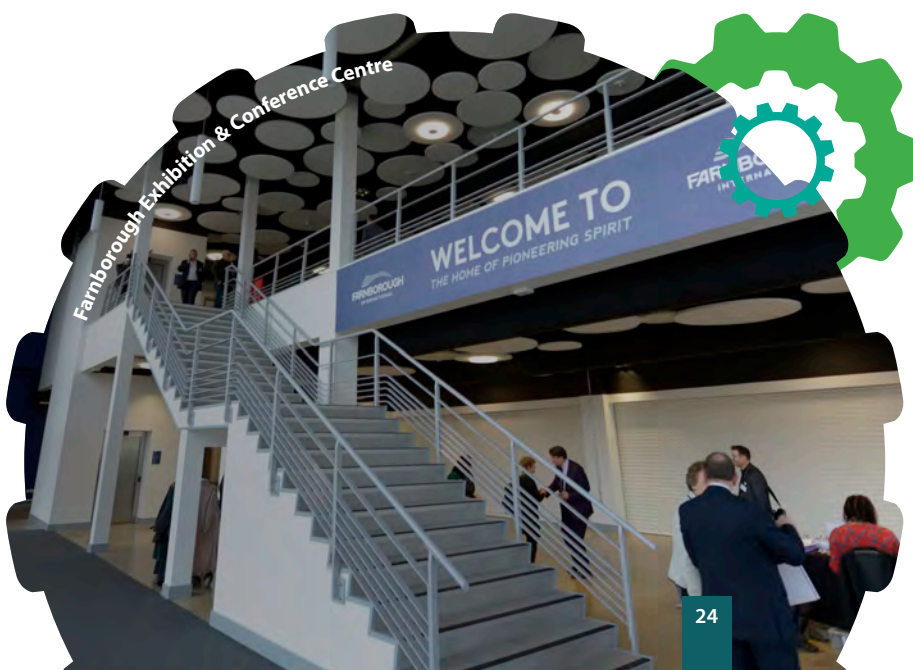
**20,000**  
sqm  
multi-purpose  
flexible event  
space



**250**  
jobs created  
during  
construction



**50%**  
of bookings  
for next year  
secured



## AT A GLANCE

### Investment

**£5m**

Local Growth Fund  
Loan

**£32m**

Total project value



### Delivery Partners

Enterprise M3, Barclays Bank, Rushmoor  
Borough Council, Hampshire County Council  
and Farnborough International Ltd



### Do you know?



Total floor area  
20,000sqm equal  
to fitting over 1,200  
double decker buses  
on top of each other  
into the hall



### The digital connection

WiFi capability  
with superfast  
speeds allowing  
more than 50,000  
devices to connect  
simultaneously

**50,000**  
devices



### Economic Impact

Over £64m to the local  
economy from increase  
visitor expenditure & tourism  
employment (inc Airshow)

### Links

Read more



Video





# 5G GAMING HUB

World's First 5G Digital Gaming Hub

Enterprise M3 has invested £1.5m into 5G Digital Gaming Hub, this will enable an upgrade of the 5G test bed from '4G plus' to full 5G standard, the production of a walk through live virtual reality (VR) demonstrator and a live 'tactile internet'<sup>14</sup> demonstration, where a robot manipulator provides real time video and force feedback to operator. The development of virtual reality and augmented reality (AR) in gaming is enabling other sectors such as med tech, defence, transport etc to explore new products and engage with mobile technologies, e.g. use of VR in medical rehabilitation.

## AT A GLANCE

### Investment

**£1.5m**  
Local Growth Fund

**£8.25m**  
additional funding

### Gaming Industry

Sixth largest consumer market in the world and globally estimated to be worth over £80 billion by 2018

**£80m**  
**2018**

### Gaming in EM3

UK is home to 2,260 games firms 100 of which are in the Enterprise M3 area<sup>15</sup>

**100**  
games firms

### Games design communities

- Guildford
- Aldershot
- Camberley



### Do you know?

5GIC successfully demonstrated holoportation, VR & AR, between London ExCel and the University of Surrey campus a distance of more than 50km



### Links

Read more



## PROJECT OUTPUTS

**50**  
new business starts



**200**  
new jobs

**300**  
Businesses supported

**£5m**

Leverage more than £5m private sector investment

<sup>14</sup>Tactile internet is a network combining low latency, a very short transit, a high availability and high reliability with a high level of security  
://gamesmap.uk/#/map



# INTERNATIONALISATION

## Local Action, Global Attraction

International trade is critical to the Enterprise M3 economy and improving our productivity. We are working with our partners to ensure we retain and attract international businesses and help our businesses sell themselves and their goods and services to the world. With our partners, we have a joint Internationalisation officer who is the first point of contact, coordinating enquiries and acting as a gateway into our international activity, able to offer the 'red carpet' treatment to new and existing investors. Through our work we are maximising resources and connecting and linking funded activity to ensure a joined up approach to promote Enterprise M3 to the world and its markets.

### AT A GLANCE

#### Foreign Direct Investments



In 2017/18 recorded successes are expected to be 41. 31% of these are from EMEA with 29% from the USA

#### Delivery partners



Invest in Hampshire, Invest in Surrey, Local Authorities, Department for International Trade, Growth Hub, Chambers of Commerce

**£14.6bn**  
goods exported<sup>16</sup>



#### Links

[Read more](#)



#### GET IN TOUCH

Contact Paulina Piotrowski:  
[paulina.piotrowski@enterprisem3.org.uk](mailto:paulina.piotrowski@enterprisem3.org.uk)

**INVEST IN GREAT**  
BRITAIN & NORTHERN IRELAND

<sup>16</sup> Export value for manufactured goods



# INFLUENCING TRANSPORT

## Speaking Up for Strategic Transport

We need economic growth to remain central to strategic transport infrastructure plans and investment of our partners. We have provided evidence via a number of routes: directly to consultations, to the Transport Select Committee and in partnership with strategic transport groups. Our responses highlight the need for economic metrics, digital connectivity and supporting housing developments. Our continued pressure has ensured the voice of business is heard in relation to airport capacity, identifying Heathrow as the favoured location for expansion. All the 'Strategic Transport Asks' contained in our first Strategic Economic Plan have been included and taken forward as identified schemes in the forward programmes of Network Rail and Highways England.

### AT A GLANCE



**7**  
consultations



#### Strategic partners

Heathrow Strategic Planning Group, Network Rail, Highways England



#### Do you know?

Improved transport connectivity would benefit the economy by £20bn per annum and create 100,000 new jobs<sup>17</sup>

#### Transport for South East

Working together for the delivery of a quality, integrated transport system - to make the area more productive, competitive & improve the quality of life for all whilst protecting the environment

#### Links

[Read more](#)



### TRANSPORT CONSULTATIONS



Airport National Policy Statement



National Infrastructure Commission's Vision & Priorities



Highways England Second Route Investment Strategy



Major Roads network



South Western Railway new timetabling



Great Western Rail Franchise



Longcross Station stopping patterns

<sup>17</sup>Figures are from the four LEP study into Strategic Transport for the South East - regarding improving connectivity on a range of corridors across the South East. Facts relate to the South East area and includes the Enterprise M3 area





# THE FUNDING ESCALATOR

Businesses rising to the top with The Funding Escalator



Enterprise M3's Funding Escalator provides a loan and equity fund for earlier stage SMEs with high growth potential. 33 businesses have been boosted by the fund, these businesses are the future growth machines of the local economy driving business investment, innovative practices and high value job creation.

## AT A GLANCE

### Investment

Enterprise M3's Funding Escalator provides:

**£4m**

Expansion  
Loan Scheme

**£1.5m**

Growth (Equity)  
Fund



### Delivery Partner

The FSE Group

### Sectors

Artificial intelligence, machine vision, dry ice manufacture, cyber security, assisted hearing devices, biofuels



### Coming soon

New £10m funded product coming in 2018

**£10m**

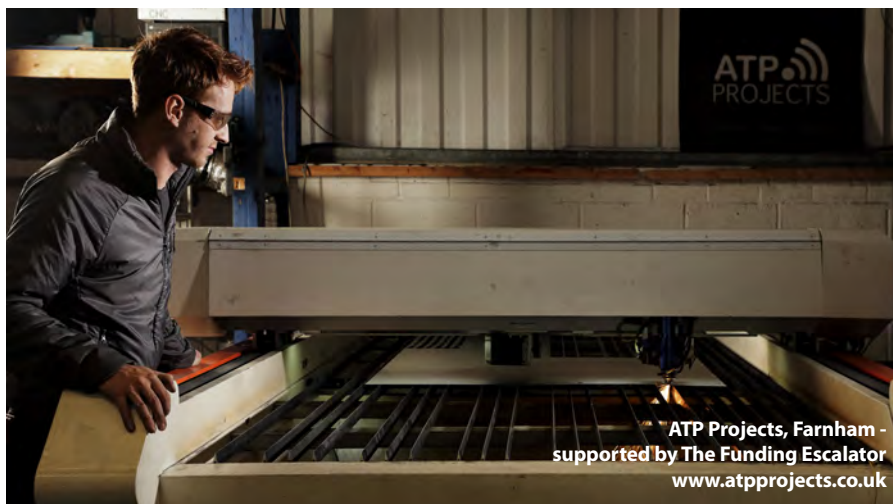
### Links

Read more



**GET IN TOUCH**

@FinanceSE  
www.thefseggroup.com



ATP Projects, Farnham - supported by The Funding Escalator  
www.atpprojects.co.uk

## EXPANSION LOAN SCHEME IMPACT

**£4.2m**

Total amount loaned

Number of loans  
**30**



**26**  
Businesses supported

**264 156**  
Jobs created Jobs safeguarded

## GROWTH (EQUITY) FUND IMPACT

**£1.07m**

Total amount invested

**£4.63m**

Total amount leveraged

**7**  
Number of investments made

**78**  
Number of jobs created/safeguarded

## KEY FINDINGS FROM EVALUATION



High levels of additional funding secured and high value jobs in excess of the levels predicted

Impact

**SIGNIFICANTLY**

greater than had been initially forecast



**£4.63m**

Significant leverage of further investment (£4.63m) to support these businesses

"We are a small but growing firm focused at providing bespoke, innovative engineering solutions to our customers. This funding will allow us to expand our team with the recruitment of a new manufacturing technician and also help us with the development and roll-out of our new eCommerce platform. The platform will include a custom panel builder, allowing clients to design their own panel work on-line, which will enable us to reach businesses of all sizes."

Andrew Pennington Managing Director, ATP Projects

# LOW CARBON IN ENTERPRISE M3 – ENERGYSOUTH2EAST

Clean Growth, Healthy Economy

We have developed our Energy Strategy which provides a framework for transition to a low carbon economy including actions to reduce carbon emissions across the heat, power and transport sectors. It will help us to ensure that clean growth is at the heart of what we do, and that we can take full advantage of new opportunities in the clean growth sector - which is projected to grow four times faster than the rest of the economy and make up 8% of the UK's total economic output by 2030.

## AT A GLANCE



### Strategic Partners

Coast to Capital LEP, South East LEP and Siemens

### National target

UK to reduce emissions by 80% by 2050



### Environmentally Aware

Transforming the way we produce and consume energy locally is vital for the sustainability of our future.

### Do you know?

There are 83,403 electric charging points<sup>19</sup> in Enterprise M3

**83,403**



### Links

Read more



## CARBON EMISSIONS ACROSS THE SOUTH EAST



Enterprise M3 has the **lowest carbon emissions** compared to South East & Coast to Capital LEPs



Enterprise M3 has **higher carbon emissions from grid** than gas, meaning a higher need for power integration than heat integration



Emission generated from **transportation, domestic, commercial and industrial** sources in SE halved between 2005 to 2015



Reduction due to **decarbonisation** of the grid, uptake of **EV cars** and/or the increased installation of **renewable energy sources**

## FROM STRATEGY TO ACTION



**11 LEPs** covering the South East, East of England, Greater London and the Oxford, Milton Keynes, Cambridge growth corridor

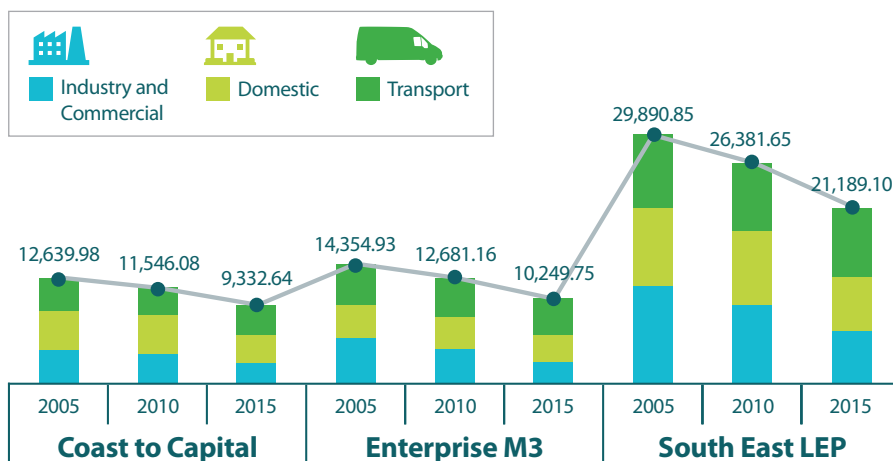


Create **The Greater South East Energy Hub**, (funded by BEIS<sup>18</sup>, is one of five across the country)



The Hub will co-ordinate, manage and create the **technical feasibility studies** needed to promote and accelerate **delivery of new local energy infrastructure**

## LEP CO<sub>2</sub> EMISSIONS ESTIMATES 2005-2015 (kt CO<sub>2</sub>)



GET INVOLVED

Energised by the work we are doing and care about sustainability in our economy? We welcome all sparks of ideas to develop and transition to a low carbon economy @enterprisem3

<sup>18</sup>BEIS - Department for Business, Energy and Industrial Strategy  
<sup>19</sup>Figure sourced from Draft EnergySouth2East, Energy Strategy produced by Siemens for Coast to Capital, Enterprise M3, and South East LEPs

# FACILITATING CONNECTIVITY

## Digital revolution in transport

We brought together industry experts, more than 100 business and public sector leaders to discuss mobility and connectivity in the Enterprise M3 area and to consider the future. Our 'Facilitating Connectivity' conference explored smart mobility programmes that place the UK among the top four countries globally for implementing smart cities. We highlighted the digital revolution in transport and considered the potential for connected and autonomous vehicles. We are working with partners to help them invest in connecting transport to the digital age, including our new smart motorway. We have invested in WiFi on buses and trains helping employees and businesses be more productive whilst travelling the area.



### AT A GLANCE

#### Investment

Enterprise M3 has already invested:

**£1.5m** into digitally connecting our buses & train stations



#### Smart cities

Enterprise M3 area as part of the wider South East, ranks 3<sup>rd</sup> out of 222, for innovation in Europe

#### The digital connection

WiFi on buses and trains. Plus UK's first 5G-enabled autonomous vehicle



#### Environmentally Aware

Connecting to ultra-low emission vehicle technologies and encouraging reduction of car journeys



#### Partners

Heathrow, Cross Rail 2, Farnborough International, Transport for South East, McLaren

#### Links

Read more





# APPRENTICESHIPS

Going up with Higher level apprenticeships

The demand for higher level skills in the Enterprise M3 area is increasing. Enterprise M3 has been working with the Enterprise M3 Apprenticeship Ambassador Network and apprenticeship providers to promote the opportunities of apprenticeships to our businesses. We have seen a growth of 360% in higher level apprenticeships<sup>20</sup> over the last 5 years, helping to meet this demand and improve productivity. We are continuing to work with our partners to develop the higher level apprenticeship offer for our levy and non-levy paying businesses.

## AT A GLANCE

### Higher apprenticeship growth



**Links**  
Video



<sup>20</sup>Higher Level Apprenticeships include Degree & Higher Apprenticeships

Apprenticeship Ambassadors working with Whitehill & Bordon Future Skills Centre apprentices



**GET INVOLVED**

Want your business to be more productive? Talk to one of our Apprenticeship Ambassadors to find out more **@AmbassadorsEm3**



# HOUSING INFRASTRUCTURE FUND

Unlocking new homes

Enterprise M3 acted as a catalyst to support Local Authorities bidding for an allocation of the £2.3 billion Housing Infrastructure Fund for infrastructure projects to unlock additional housing. The Joint Leaders Board identified Enterprise M3 as an independent lead to coordinate the proposals from across the area. We worked alongside the Local Authorities on the proposals and wrote to Homes England seeking support for these important schemes. This partnership working has seen the Enterprise M3 area being successful in securing £38 million from the marginal viability fund. A further £288m in proposals are progressing through to co-development for the longer-term 'forward funding' infrastructure projects. A final announcement is expected in Autumn 2018.

## MARGINAL VIABILITY FUNDING



**£38m**  
funding secured



Unlocking

**5,774**  
new homes

## FORWARD FUND



Funding  
proposed

**£288m**



Total project  
costs

**£768m**



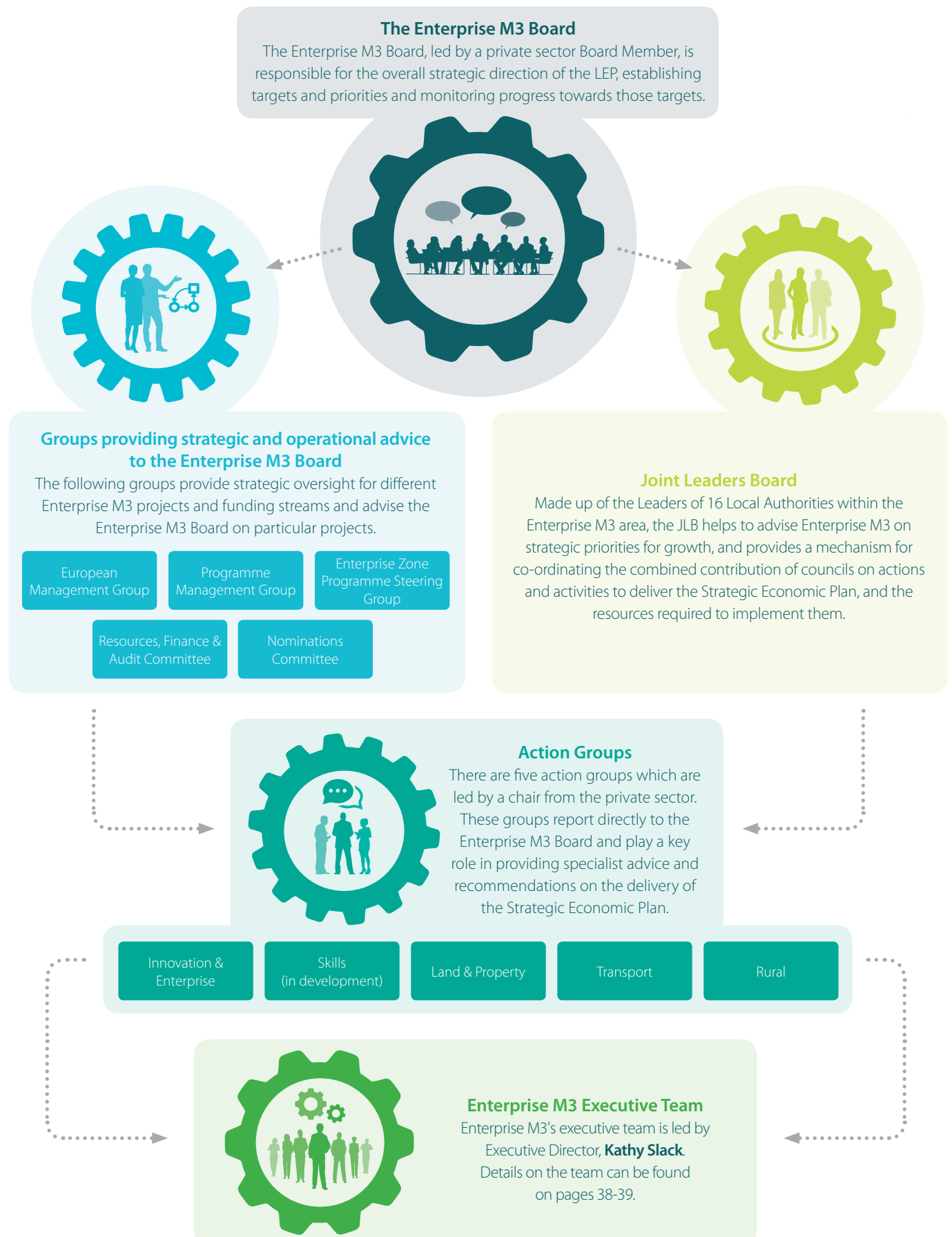
Unlocking

**23,993**  
new homes



Chapel Gate Housing  
Development, Basingstoke

# STRUCTURE OF ENTERPRISE M3





# GOVERNANCE

## Assurance Framework

Enterprise M3 operates in line with an Assurance Framework which is reviewed on an annual basis and is published on our website ([www.enterprisem3.org.uk/document/assurance-framework-2018](http://www.enterprisem3.org.uk/document/assurance-framework-2018)). The Assurance Framework is central to the way that Enterprise M3 operates and determines the practices and standards necessary to provide assurance that decisions over funding are proper, transparent and represent value for money. The Assurance Framework sets out the way that Enterprise M3 manages the public funds for which it has responsibility and we supplement this through the information available on our website, including information on all of the projects funded by Enterprise M3 ([www.enterprisem3.org.uk/projects](http://www.enterprisem3.org.uk/projects)) and the publication of our Board Papers, Agendas and minutes ([www.enterprisem3.org.uk/the-board](http://www.enterprisem3.org.uk/the-board)). The Assurance Framework also sets out the roles and responsibilities of the Enterprise M3 Board and its wider governance structure, including the process for recruitment of new Board Members.

Over the course of 2017/18, Enterprise M3 has continued to improve its policies and procedures in line with best

practice and government guidance. This has included updating our approach to recording Declarations of Interest for Board Members and staff, refreshing our Code of Conduct for Board Members and staff and introducing a whistleblowing policy and a policy for the confidential reporting of complaints. All of these documents are available on Enterprise M3's website ([www.enterprisem3.org.uk/how-we-operate](http://www.enterprisem3.org.uk/how-we-operate)).

## Board Recruitment

In July 2017 Geoff French CBE completed his maximum tenure as Enterprise M3 Chair. We have been very proud to have had Geoff as the Chair of Enterprise M3 since it was established in 2011. Dr. Mike Short CBE took over as Enterprise M3 Chairman in August 2017, after playing a significant role as an Enterprise M3 Board Member since his appointment in November 2014. In October 2017, Mike was appointed as the Chief Scientific Adviser by the Department for International Trade (DIT). This new role as a civil servant meant that he had to step down as Chairman, as he no longer met the criteria of working in the private sector – which is a requirement for leading a LEP. A new Chair was appointed in May 2018.

The Enterprise M3 Board agreed to co-opt Mike Short onto the Board to continue his input and expertise in telecommunications to our work.

We were delighted to re-appoint James Cretney, Dave Axam and Andrew Lambert for a second term with the Enterprise M3 Board. Over the course of the year we have also welcomed the following new Board Members:

- Linda Cheung, Chief Executive, CubeSocial
- Ross McNally, Executive Chair, Hampshire Chamber of Commerce
- Ken Moon, Chairman of South Central Region, Federation of Small Businesses
- Colonel Simon Browne, representing the Ministry of Defence
- Cllr John Furey, Cllr Julia Potts, Cllr David Clifford representing the Joint Leaders Board.

With Geoff French stepping down from the Board following his maximum tenure, James Cretney took over the role as Chair for Programme Management Group.

## Staff Recruitment

We have recruited a joint Internationalisation post, part funded by Enterprise M3, Hampshire County Council and Surrey County Council, as a dedicated resource for our focus on our International work. As Enterprise M3's responsibilities and remit has increased we have reviewed the structure of the organisation and will be implementing new posts including Assistant Directors for Operations and Business Delivery. Full details of our existing team are on pages 38-39 and full contact details on who to contact on issues is set out on our website.



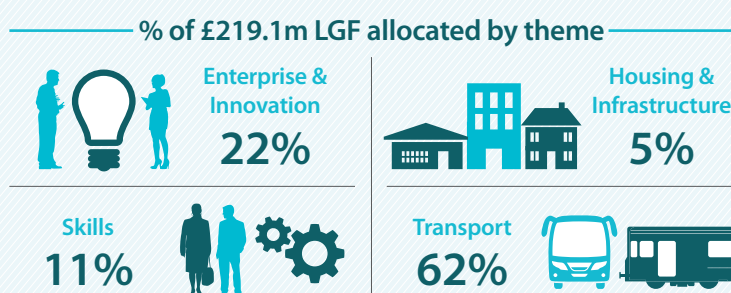
# FINANCE AND FUNDING

Enterprise M3 has secured significant programme funding to deliver our priorities as set out in our Strategic Economic Plan, supporting enterprise and innovation, skills, housing and infrastructure, and transport.

## LOCAL GROWTH FUND

We have secured **£219.1 million** Local Growth Fund through three rounds of Growth Deal to deliver **22,000 new jobs** and **10,000 new homes** by 2030. We invest this allocation as a grant and on a loan basis on capital investment which has the potential to bring considerable benefit to our local economies and support the achievement of the productivity-driven growth ambition.

	LGF Allocated (£m)	LGF Distributed <sup>21</sup> (£m)	% of Allocation Distributed
2016/17	40.8	40.2	99%
2017/18	45.7	30.5	67%
<b>TOTAL</b>	<b>121.8</b>	<b>99.4</b>	<b>82%</b>

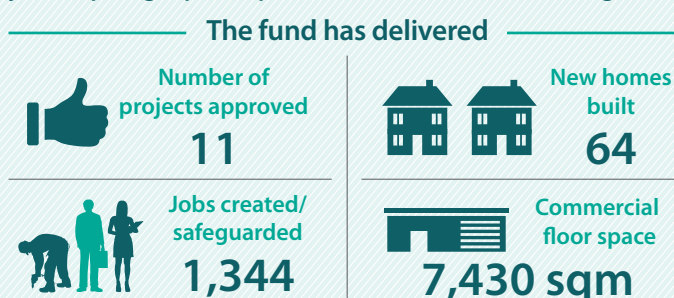
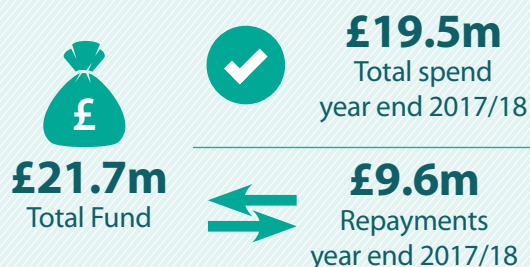


Outputs	Delivered in 2017/18	Total to date
Jobs	319	1,277
Apprenticeships	342	844
Houses	306	532
Floorspace <sup>22</sup> (sqm)	24,480	24,480

Our current approved projects are forecast to create/safeguard **10,500 jobs** and support the completion of **15,700 new homes** in future years.

## GROWING ENTERPRISE FUND

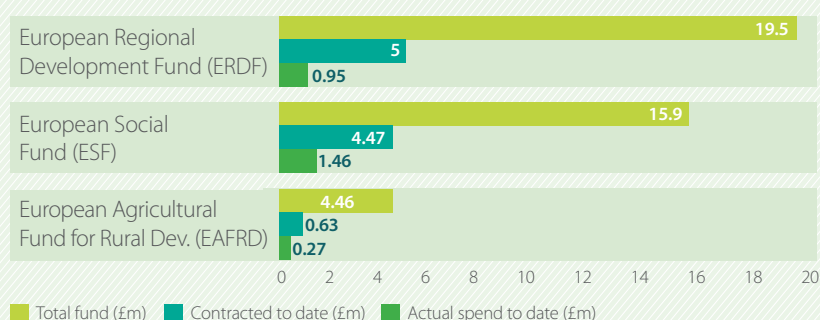
The Growing Enterprise Fund is a revolving loan fund for projects requiring capital expenditure to accelerate economic growth.



## EUROPEAN STRUCTURAL AND INVESTMENT FUNDS

Enterprise M3 has received a notional allocation of €50 million (approximately £40m) of ESIF, this is mainly revenue funding which is of particular significance to our area. This funding will support the delivery of initiatives for investment in research and development, skills for the employed and unemployed, and support for SMEs in rural areas.

**Total Funds and value of funding opportunities from ESIF funds:**



<sup>21</sup>Funding not distributed is carried forward into 2018/19 financial year to support delivery of projects. The programme for 2018/19 envisages all underspends being allocated to projects before 31 March 2019

<sup>22</sup>Floorspace includes commercial, exhibition, employment

# FINANCIAL REPORT

## Enterprise M3 LEP receives funding from Central Government and local partners to support its day to day activities, ensuring delivery of the priorities identified in the Strategic Economic Plan.

In addition to core programme funding received from Government, we receive further funding and investment from our partners. The continued direct support from Local Authorities, Universities and Further Education Colleges across the area, provide a significant resource to support our work and activities to directly impact Enterprise M3's economy.

Furthermore, we have been successful in attracting one-off income to support specific projects and programmes. In 2017/18 this included funding for the Science and Innovation Audit, which was used to launch Innovation South; funding for the Local Energy Strategy, which we developed with our cross-border partners; and funding to support careers and skills activity in the area.

The Resources, Finance and Audit Committee, a sub-group of the Enterprise M3 Board, was established in 2017 to support the Board on a range of operational issues. It provides oversight of financial monitoring and reporting, scrutinises the overall financial position,

advises on future sustainability, and acts as a sounding board offering internal scrutiny, problem solving and supportive advice. It is chaired by Cllr Clive Sanders, Enterprise M3 Board Member and Chair of our Joint Leaders Board.

The Financial Statements for the year ended 31 March 2018 were presented to the Enterprise M3 Board in May 2018. They will be audited as part of Hampshire County Council's external audit, which will be completed in July 2018. Once audited the accounts will be available on our website ([www.enterprisem3.org.uk/how-we-operate](http://www.enterprisem3.org.uk/how-we-operate)).

2017/18		2018/19 (Budgeted)	2017/18 (Unaudited)	2016/17 (Reported)
<b>INCOME</b>		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Central Government	Note 1	787	825	787
Local Government		232	236	238
Further/Higher Education		80	80	80
Application Fees		333	87	0
Project Income		93	211	200
Enterprise Zone	Note 2	250	161	0
EU Funding		60	47	47
Interest on balances	Note 3	150	300	359
		<b>1,985</b>	<b>1,947</b>	<b>1,711</b>
<b>EXPENDITURE</b>				
Resource related costs		908	770	735
Due diligence		100	77	58
Research consultancy and studies	Note 4	461	415	94
Stakeholder engagement and events		92	41	39
Running costs		134	102	35
Accountable body support		70	50	35
Growth Hub costs		350	350	350
EU funded costs		60	47	47
Enterprise Zone	Note 2	250	199	0
		<b>2,425</b>	<b>2,051</b>	<b>1,393</b>
<b>NET INCREASE/(DECREASE) IN FUNDS</b>		<b>(440)</b>	<b>(104)</b>	<b>318</b>

Notes to 2017/18 activity:

- Income from Central Government includes core funding for operational activities of Enterprise M3 and the Growth Hub.
- Enterprise Zone expenditure in its initial years is largely funded by a loan from Hampshire County Council (HCC), to be repaid from future Business Rates Income Growth. In 2017/18 some funding was supplemented by a Government capacity grant.
- EM3 accumulates interest on all funds held by HCC on its behalf, at a rate matching the Bank of England's base rate. EM3 also earns interest at varying rates, from loans issued from the LGF/GEF capital funds.
- Research, consultancy and studies activity included the development of EM3's Local Industrial Strategy, and Strategic Economic Plan; development of the Energy Strategy with our cross-border partners; commissioning of the Access to Finance fund for SMEs; and the work to take forward Innovation South incorporating the Science and Innovation review.



# LOOKING TO THE FUTURE

## Developing our Local Industrial Strategy

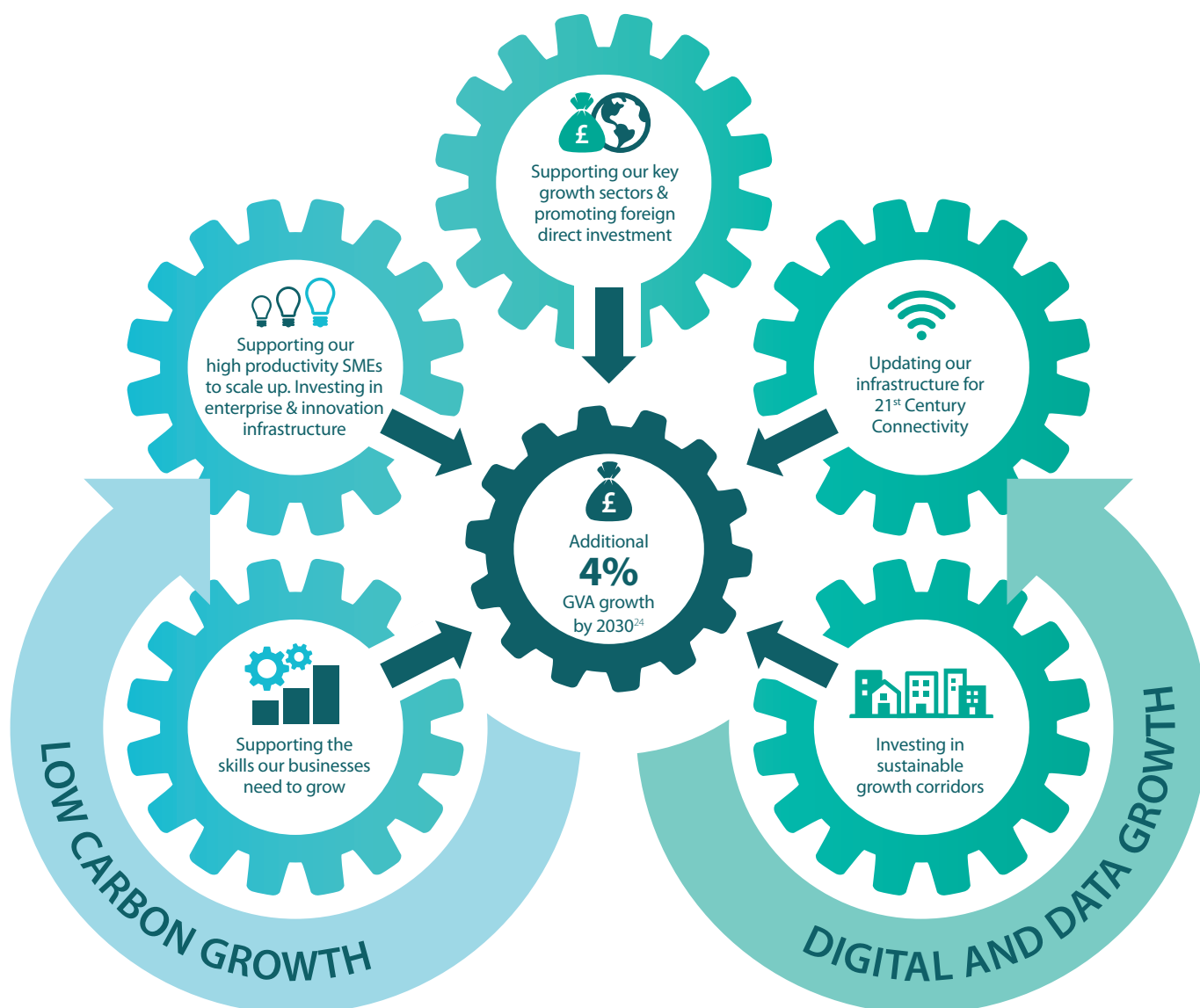
**We have been actively talking to businesses, stakeholders and government on the needs of our area and bringing these views together into our refreshed Strategic Economic Plan (SEP).**

Views have been backed up by experience and successes to date plus evidence and data drawn from a variety of sources. This process has been rigorous spanning a period of 12 months and culminating in a document for discussion 'Developing an Industrial Strategy for our

Area - Consultation Paper'<sup>23</sup> published in the Autumn 2017, which was positively received.

Our refreshed SEP aims to provide a 'single voice' into Government backed up by compelling evidence and data on the opportunities and challenges facing us and the need to work together to secure investment. It will reflect the priorities of Central Government set out in its Industrial Strategy published in November 2017 and our aim is to publish our SEP in July 2018.

Our original SEP published in 2014 has served us well but we now need to respond to new challenges, such as the implications of Brexit and the importance of international trade, the emergence of new digital technologies such as AI, and the necessity of achieving sustainable, clean growth. Our strong belief is that the future for this area and the impact this will have wider afield lies in fully embracing technology and digital advances, excelling ourselves in the very areas where we have strengths.



<sup>23</sup><https://www.enterprisem3.org.uk/enterprise-m3-strategic-economic-plan-consultation-2017>

<sup>24</sup>Target drawn from draft proposal, figure to be finalised



# ENTERPRISE M3 TEAM

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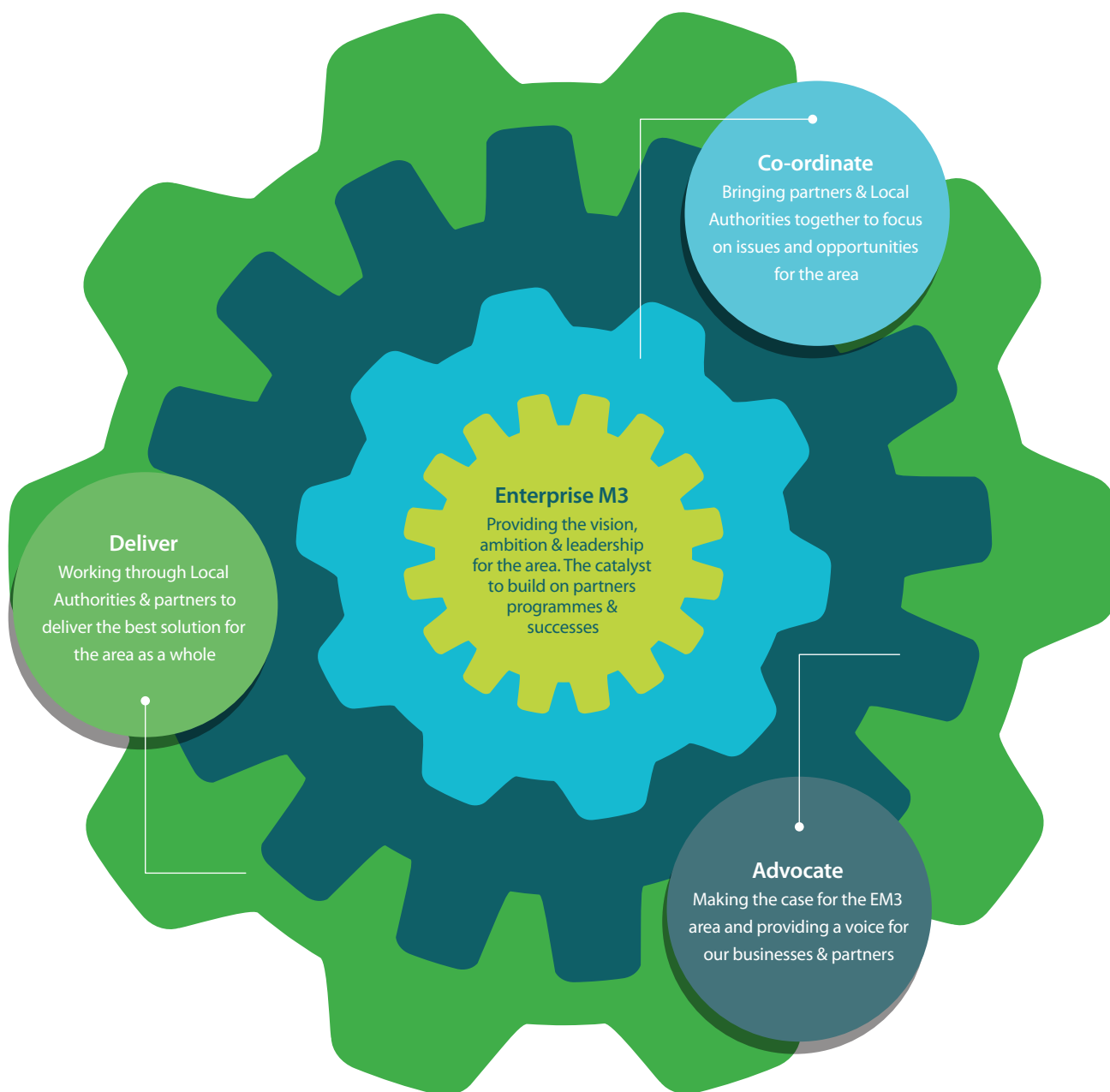
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Enterprise M3 would like to say thank you to everyone who has contributed to our work in 2017/18 including Lucy Crabtree, Alan Elder, Rachel Ford, Kirsty Morrison, Nikki Nicholson, Toju Ogbe, Mark Pearson, Susie Pipe, Kathy Vuillaume, Deborah Wyatt, Roya Croudace & her team at Enterprise M3 Growth Hub, and Enterprise M3 Enterprise Adviser Network team. A special mention for 'lover of life' team member Ganesh Selvarajah, who sadly passed away in April 2018, he will be sorely missed.





enterprise**m3**

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Enterprise M3 would like to thank all partners who have contributed to our Annual Report 2017/18  
Printed on recycled paper, responsibly sourced to protect our environment  
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