

# LEP DIRECTORS BOARD

Tuesday, 19<sup>th</sup> January 2021 at 3.00pm

Via MS Teams

# Paper 0 - Greater Lincolnshire LEP Board Agenda

Time	Item	Lead	Status
3.00	<b>1 Welcome, Apologies, Declarations of Interest</b> 1.0 FOR APPROVAL - LEP Board Minutes - 6/11/2020 1.1 FOR INFO:- Decision Log 1.2 FOR INFO: Review of Actions 1.3 FOR INFO: Investment Board Minutes and Appointments Committee Actions	Chair	Attached
3.10	<b>2 FOR INFO: Chairs Report, including Brexit and Pandemic impacts on the economy</b>	Chair	Verbal
<b>Governance</b>			
3.20	<b>3 FOR DISCUSSION : Board Development</b>	Pat Doody	Attached (Not for publication)
<b>Strategy</b>			
3.30	<b>4 FOR DECISION Humber Freeport Bid</b>	David Gwynn, Bid Team	Attached
4.00	<b>5 For DISCUSSION: East Midlands LEPs Priorities</b>	CX	To follow
4.15	<b>6 FOR DISCUSSION; Output from Strategy Session</b>	CX	Attached
<b>Delivery</b>			
4.30	<b>7 FOR INFORMATION: CX report including quarter 3 Financial Update</b>	CX	
<b>Forward Agenda</b>			
4.45	<b>8 Forward Agenda Plan for debate</b>		
4.50	<b>Close</b>		

Access and Circulation of papers is public unless otherwise stated as confidential, and in line with the [Confidential](#) Reporting Policy.

**Attendees:** Pat Doody - Chair (Non-Executive Director), Cllr Philip Jackson - Vice Chair (NELC), Sarah Louise Fairburn - Vice Chair (L J Fairburn & Sons Ltd), Cllr Craig Leyland (ELDC), Cllr Oliver Hemsley (RCC), Cllr Rob Waltham (NLC), Alric Blake (AllTech), Dean Fathers (Health), Gary Headland (Lincoln College), Zoe King (Epix Media), Nick Worboys (Longhurst), Suraya Marshall (RAF Cranwell), Mandy Watson (Ambitions Personnel), Darren Cunningham (Phillips 66)

**Tentative:** Andrew Crookham (Accountable Body & Section 151 Officer), Debbie Barnes (CX, LCC), Cllr Colin Davie (LCC), Yvonne Adam (Youngs Seafood)

**Apologies:** Simon Green (NELC), Alison Ballard (BAE Systems)

**Observers:** Pete Holmes (BEIS), Clive Tritton (NLC)

**LEP Exec:** Ruth Carver, James Baty, Sue Groves

**For Agenda items:** David Gwynn, Consultants Team Humber Freeports

## Additional Papers

AP1 - Visitor Economy Board Draft Minutes - 15<sup>th</sup> December 2020

### Key Dates in the next quarter

<b>GLLEP Board Quarterly meeting:</b> 26 <sup>th</sup> February 2021 <b>GLLEP Board Monthly meeting:</b> 23 <sup>rd</sup> March 2021	<b>GLLEP Investment Board:</b> 26 <sup>th</sup> February 2021
<b>GLLEP Appointments Committee:</b> 8 <sup>th</sup> March 2021	<b>GLLEP Employment &amp; Skills Advisory Panel:</b> 9 <sup>th</sup> February 2021 9 <sup>th</sup> March 2021
<b>GLLEP Energy Council:</b> 10 <sup>th</sup> March 2021	<b>GLLEP Food Board:</b> 11 <sup>th</sup> February 2021
<b>GLLEP Health &amp; Care Enterprise Board:</b> 5 <sup>th</sup> February 2021	<b>GLLEP Manufacturing Board:</b> 19 <sup>th</sup> January 2021
<b>GLLEP Visitor Economy Board:</b> 23 <sup>rd</sup> March 2021	<b>Annual Performance Review:</b> 1 <sup>st</sup> February 2021
<b>Board Development Workshop</b> 3 <sup>rd</sup> February 2021	<b>AGM:</b> 8 <sup>th</sup> February 2021

# Greater Lincolnshire LEP Board

6<sup>th</sup> November 2020

Via MS Teams

Draft Minutes

**Present: Board Directors:**

Pat Doody - Chair (Non-Executive Director), Cllr Philip Jackson - Vice Chair (NELC), Cllr Craig Leyland (ELDC), Cllr Colin Davie (LCC), Cllr Oliver Hemsley (RCC), Alric Blake (AllTech), Dean Fathers (Health), Gary Headland (Lincoln College, IOD and Lincs Chamber), Suraya Marshall (RAF Cranwell), Mandy Watson (Ambitions Personnel), Alison Ballard BAE Systems), Chris Baron (Non-Executive Director), Prof Mary Stuart (UoL)

**Apologies:** Debbie Barnes (CX LCC), Cllr Rob Waltham (NLC), Cllr Ric Metcalfe (CoL), Stephen Fidler (DfT), Nick Worboys (Longhurst); Zoe King (Epix Media), Sarah Louise Fairburn - Vice Chair (L J Fairburn & Sons Ltd), Yvonne Adam (Youngs Seafood)

**Observers:** Peter Holmes (BEIS), Simon Green (NLC), Andrew Crookham (Accountable Body and S151 Officer), Cllr Richard Hannigan (NLC)

**Officers:** Ruth Carver, Sue Groves (Note Taker)

**For Agenda items:** Andrew Brooks (LCC), Duncan Botting (Chair of LEP Energy Council), Steve Brookes (LCC)

**Apologies and Declarations of Interest -** Apologies were noted as above.

Full declarations of interest for each individual Board Director can be found at: <https://www.greaterlincolnshirelep.co.uk/about/boards/> The LEP Board were reminded that declarations of interest are required as part of LEP governance and must be updated at least annually, and if anything changes to the LEP office at the earliest convenience.

**Minutes & Matters Arising (Paper 1)**

The minutes from the Board meeting held on 30<sup>th</sup> September 2020 were accepted as a true record.

**Matter Arising:**

- Top 100 Businesses engagement. The meetings will focus mainly on a sector basis to discuss the impact of Covid, Brexit and what their plans, views, ambitions for the future. Board members will be involved in the meetings.
- Defence Sector Board, this is moving forward and it is anticipated that a scoping meeting will be organised in the next two weeks. The call for Defence Board members is currently live which will need to be considered by the Appointments Committee. Proposed members currently are Alison Ballard and Suraya Marshall.
- Following the recent interviews for LEP Board Director, one candidate was recommended for the Food Board and 3 candidates were asked if they would organise an Apprenticeship Commission with the consultant who will be starting in mid-November.
- Centre for Better Ageing - Seeking a volunteer from the Health & Care Enterprise Board.
- Vice Chair nominations for all GLLEP Boards - approximately 50% of Boards now have nominations.

**Actions:**

- ❖ Defence Board - RC, GH, SM and AB to discuss Defence Sector Board formation, plus advertise for defence leads from the private sector. - RC

**Chairs Report (Item 2 - Verbal)**

- Action plan in place to recruit a post below the Chief Executive to assist with the vacancies in the team and to bring in additional resource, both in the short term and the longer term.

**Chief Executive Report (Paper 2) - CX**

- RC ran through the CX's performance and delivery report, and update on delivery of the LEP across governance, strategy and delivery. The Q2 Financial position was discussed.
- Current focus is on Covid and the Recovery Plan, with the implementation of the re-purposing of funds to focus on recovery (£700k agreed).

- Monthly Jobs and Careers Fair - first one to be held on the 11<sup>th</sup> November and so far 15-20 employers have got involved. DF asked whether disability was on the agenda.
- Launch of the Greater Lincolnshire Manufacturing Network took place 3rd November
- Query raised regarding the section on Strengthening links with China (Hunan). Response was that LCC has had a relationship with Hunan Province for a number of years with a 5 year plan to allow investment in Greater Lincolnshire. A briefing document will be sent to Alison Ballard to give background to the task within the ADP.

**Comments:**

- ❖ MW asked how much will the Jobs and Careers Fair will cost and how will the response be monitored, ie, how many people will actually be employed as a result of this. RC responded by saying that this was the role of the DWP who are working closely with the LEP and that the cost has been £20k for the whole year which is the cost of the platform.
- ❖ ABL said that this ties into the Top 100 and will show which companies are employing in the next year.

**Actions:**

- Job and Careers Fair - a note for the next board pack on key performance indicators, and evaluation, as well as ensuring that under-represented groups are targeted and measured against activity- NP/CH.
- Circulate to the Board both the letter from GL and the response from Matt Warman Digital Minister, following the discussion at Board. CJ
- Briefing on Hunan for Alison Ballard.

**Budget Update and Quarter 2 Expenditure Overview (Paper 2.1) -CX**

**Report from the Finance & Audit Committee:**

- Core funding is on track, following the Board's agreement that an immediate allocation of £700,000 of additional resources should be placed in core funding and a flexible fund of £180,000 to respond to a fast paced agenda. A budget realignment exercise will take place, and be in place for quarter 3.
- Single Local Growth Fund is on track. Claims have now been received for quarter 2 and are currently under review. From an initial assessment grant claims are down by £3Million for that period. This is mainly due to some large invoices from contractors being delayed and not defrayed by September, but will be discussed at the Investment Board to be held on the 11<sup>th</sup> November.
- Getting Building Fund is on track and 5 of the 6 schemes will be discussed/signed off at the Investment Board on the 11<sup>th</sup> November 2020.

**Actions:**

- Approval of appointment of auditor continuation - subject to approval of the accountable body - LHP/KS
- Copy of the full audit report to Alison Ballard - KS

**Freeports (Paper 3) - CX**

- Greater Lincolnshire LEP is part funding ARUP to develop some evidence and produce a prospectus on a Humber Freeport proposal.
- Government is keen to launch the competition for 10 Freeports in the country and this may be carried out when the budget is announced on the 25<sup>th</sup> November. The bidding process is due to start in the Autumn.
- Humber LEP and GLLEP are working together and focussing a Humber Freeport bid on low-carbon and advanced manufacturing, prioritising the creation of high quality jobs through value-adding activities.
- Humber Leaders and the Chairs of the Humber and Greater Lincolnshire LEPs work with MPs and businesses to make a joint representation to Government on the policy issues highlighted in the coming days.

#### Comments:

- ❖ Concerns raised that the Government is setting a cap on the size of Freeports (45km), so wish for GLLEP and Humber LEP to request a special case for Humber, which includes Goole, as this is a much larger than allowed currently.
- ❖ The Humber Leadership Board (consisting of the 4 local authorities) had discussed this and agreed that representations need to be made as a Freeport is beneficial to both banks of the Humber.
- ❖ Should be a single tax site so that benefits would be shared across the Humber.

#### Actions:

- The LEP Board approved the direction of travel for Humber Freeports proposal to be developed - HD.
- The LEP Board tasked the Executive with ongoing briefing for the Board, and to develop a competitive proposal for Humber Freeport alongside partners - HD.
- Organise briefing session for Board directors on Freeports, and other key topics such as Defence Sector, Off shore wind sector, and decarbonisation - CJ

#### Collaboration Board across the Humber (Paper 4) - CX

- Proposal to form a Collaboration Board with members from GLLEP and Humber LEP.
- Nominations for GLLEP are Pat Doody (Chair of GLLEP), Cllr Philip Jackson (NELC), Cllr Rob Waltham (NLC), Yvonne Adams (Youngs Seafood) plus one nomination from the private sector. Nominations have been received from the Humber LEP.
- The Collaboration Board will take forward any actions jointly on economic priorities, inward investment etc.
- Letter received from Minister - ensure that collaboration takes place between the two areas.

#### Decision:

- Agreed to forward a Collaboration Board between Humber and Greater Lincolnshire LEP.

#### Impact of Brexit on Greater Lincolnshire Economy (Paper 5) - James Baty

- As the transition period for the UK to exit the EU draws ever closer, and with no agreement reached between the UK and the EU, this paper explores the current levels of preparedness amongst businesses and what Greater Lincolnshire LEP and partners are doing to ensure businesses are supported in the right way to the 1<sup>st</sup> January 2021.
- Large companies are already working on challenges, but concerned that smaller companies are not ready.
- The Government has recently released the Check Change Go campaign with an online diagnostic tool to enable businesses and individuals to understand what things they need to prepare for in advance of 31<sup>st</sup> December: <https://www.gov.uk/transition>. This campaign has been coupled with intensive media advertisements and is the default location to steer businesses to understand what they need to prepare for.
- Locally, the Business Lincolnshire Growth Hub maintains their [EU Transition page](#) with resources, access to support via online advice and 1:1 support. The site also has an EU Exit action plan where businesses can receive a tailored report with suggestions on how to prepare for the end of the transition period.
- The Growth Hub has also been running virtual events through the year, with another 8 due between now and early 2021. These webinars cover specific topics such as understanding the new UK Global Tariff and trading under preference, understanding international trade documentation, supply chain management and navigating customs formalities and HMRC compliance. In addition the Growth Hub has provided dedicated one to one time with an international trade specialist who helps businesses optimally prepare for the end of the transition period.
- The Greater Lincolnshire Growth Hub leads the East Midlands Cluster (including D2N2 and Leicestershire LEP) which as a cluster has been rolling out additional cluster-wide support through the Business Resilience.
- The report, titled Labour Market Implications of Brexit outlines the impact that the UK's new

immigration system will have across our key sectors. The report indicates that:

- At least 40% of the workforce in Greater Lincolnshire is paid below the £25,600 salary threshold (there is a lower threshold of £20,480 provided the job is in a Government-defined shortage occupation or the applicant has a relevant STEM PHD).
- Where industries are still reliant on migrant labour, the introduction of this system may require businesses to fundamentally alter their business model to survive and prosper.
- Whilst the pace of automation has accelerated owing to the covid-19 pandemic, many labour-saving automation solutions are still years away. Many roles that are filled by EU nationals are in jobs that have historically been hard to fill by domestic workers therefore there will likely be a painful adjustment in some sectors in the near term.
- The challenge is not limited to the food and care sectors; the manufacturing and energy sector in Greater Lincolnshire is estimated to have over 6,000 EU workers (11% of the workforce) and the Ports and Logistics sector estimated to have just under 3,000 EU workers (11.6% of the workforce). Meanwhile the Visitor Economy sector is estimated to employ around 10,750 EU workers in the sector, 9% of the workforce.
- The report makes some recommendations for the LEP to consider:
  - Promote awareness throughout the businesses community about the coming changes and potential implications, targeting comms at exposed sectors.
  - Advocate for targeted policy change to address the acute and time sensitive issues facing our sectors.
  - Prepare for the long term reality, by supporting businesses to make the decisions required to update their models and practice.

#### Comments:

- ❖ According to Business Advisers, there is still confusion amongst businesses and if the LEP can do more, the LEP should.
- ❖ Suggested a higher profile, using social media etc.
- ❖ Use the LEP network to get message across.
- ❖ Could use the Top 100 to get the message across.
- ❖ 4½ million EU workers have applied for Settled Status, but if this has not been applied for before January, they will have to leave the country.

#### BEIS

- ❖ Would be useful to get intelligence on preparedness and how business are engaging during Covid, use quarterly economic survey
- ❖ Policy on immigration will not be re-visited or the date of transition changed.
- ❖ Home Office officials are keen to talk to businesses.

#### Actions:

- Seek Nominations for a working group to drive communication to business on preparedness,
- Support the national campaign heavily on are you prepared for Brexit -SH
- Develop local LinkedIn messages/video for Board Directors to use on specific issues such as EU settlement status - KS and Growth Hub.
- Use Top 100 discussions to raise key points about preparedness - JB
- Develop actions from the report
  - 1) Promote awareness - Kate
  - 2) Advocate for policy change ...MD
  - 3) Preparation for the longer term - Growth Hub and JB - Board Directors keen to get involved in this.

#### **Humber Industrial Strategy paper and plan (Paper 6) - Simon Green**

- The Humber Leadership Board had an enhanced role in re-writing the Humber LIS and GLLEP LIS (LIS Lite) and is concentrated on Pan-Humber. LEP Chairs are invited to the Board as observers. 4 areas of collaboration were agreed, namely Decarbonisation, Freeports, Flood protection, and



marketing the Humber, which will impact on the coast of East Lincolnshire.

- Programme management will be required, particularly with the Environment Agency, CATCH and Catapult regarding the decarbonisation approach.
- Will need to assign leads to various projects.

Decision:

- The Plan was endorsed.

### **Greater Lincolnshire Recovery Strategy Sign Off (Paper 7) - James Baty**

- The Medium Term Recovery Plan was previously presented to Board on 30<sup>th</sup> September and has now been amended following feedback by Board members and local stakeholders and converted from storyboard to report.

Comments:

- ❖ This recovery plan should also include Brexit, not just Covid, because of the lack of focus of businesses. RC to feedback.
- ❖ Suggested that the evidence should be shown in an appendix.

Actions:

- Support the national campaign heavily on are you prepared for brexit - KS
- Develop local linkedin messages/ video for Board Directors to use on specific issues such as EU settlement status - KS and Growth Hub.
- Use Top 100 discussions to raise key points about preparedness - JB
- Develop actions from the report
  - 4) Promote awareness - Kate
  - 5) Advocate for policy change ...MD
  - 6) Preparation for the longer term - Growth Hub and JB - Board Directors keen to get involved in this.

Actions:

- The Board approved the Recovery plan, and delegated the final sign-off to the Chair and Chief Executive.
- The executive were tasked with developing an implementation plan.

### **Innovation Council Update (Paper 8) - Prof Mary Stuart**

- This is a strategic advisory board of the GLLEP and focuses on improved productivity and helping businesses.
- Also supported the development of the LIS and meets quarterly.
- At the last meeting 4 new members joined the Innovation Council.
- At the next meeting, discussion will take place regarding Post-Covid and the connection between skills and innovation.
- Already working with Innovate UK who supplies funding and working with them on agri-food.

Comments:

- ❖ Where do smaller businesses go for funding for smaller innovations? Innovation Council has a programme that works with SMEs for solutions, this was previously ERDF funding, but hope that future growth funds will be available.

### **Energy Council & Local Energy Plans (Paper 9) - Duncan Botting & Andy Brooks**

- Our social and economic well-being depends on a secure, affordable and reliable energy supply. This energy supply needs to be capable of meeting our needs for power, heating and transport within homes and businesses across Greater Lincolnshire. Our energy demands vary depending on the time of day and season of the year. This means the way we supply energy needs to be flexible in order to meet these variations, and the diverse nature of our area provides challenges in matching that demand and supply.
- Schemes around the county can be held up by the lack of energy in the area.

- Workshop was held on 27<sup>th</sup> July where the Northern Powergrid, NHS, LCC were all involved. Key is the lack of understanding of information and where the challenges might be and the gaps in knowledge. Another workshop has been organised on 30<sup>th</sup> November with Western Power Distribution.
- Both Northern Powergrid and Western Power Distribution both serve communities and large conurbations outside of the GLLEP region and therefore will focus on balancing their network resources to best serve the business needs of each - which may not be in the best interests of GLLEP. These stakeholders are key stakeholders along with many others in the GL LEP area that will need to feed into and be recipients of the GLLEP version of its own LAEP. Relinquishing this responsibility will lead to the LEP being accountable but not responsible for the outcomes others deliver on their behalf.
- By preparing a Local Area Energy Plan (LAEP), we can develop an understanding of our energy needs, and identify direct economic opportunities to improve them. However current guidance on LAEPs (in the way of toolkits) needs to be treated.
- Humber - off shore capability of green energy, Lincolnshire has off shore wind farm, but there would be a challenge to produce hydrogen.
- There is a skills opportunity for green energy and could create and attract investment in Greater Lincolnshire.

**Comments:**

- ❖ Energy is key to underpinning all strategies.
- ❖ Humber is the largest decarbonisation site in the country.
- ❖ Fits in with Government agenda, but need local input and to take the lead for all.
- ❖ Roundtable with Minister regarding levelling up agenda. Greater Lincolnshire needs to be smarter or it will miss out on Midlands funding.
- ❖ Local energy production is essential and key for the future.
- ❖ Significant opportunity in this sector, but the challenge is around sustainability.
- ❖ Local Area Energy Plans are asking for £245k over 3 years, will see if there is any LEP budget, but to ask others for contributions, ie, other stakeholders, LCC
- ❖ There will need to be 5 Local Plans, Humber, East Coast, South of the county, Ports (Boston & Humber), Central agri domain

**Actions:**

- The LEP Board welcomed the update on the work of the Energy Council and the priority of local energy action plans.
- Promote 30<sup>th</sup> November session with Western Power to board and stakeholders - AB.
- Need to look at funding and priorities that can be achieved in a short time RC/AB.

**Digital Infrastructure (Paper 10) - Steve Brookes**

- Steve Brookes presented a paper on the current state of digital infrastructure across Greater Lincolnshire, Superfast Broadband across the county is reasonable but fibre to premises is poor. However there are some near term improvements being undertaken.
- In Lincolnshire, a third BDUK contract has commenced which will deliver Ultrafast Broadband to circa 8000 premises. This will effectively increase Superfast coverage in the county by around 2.5% and is focussed entirely on rural/very rural areas. The technology being used is a fixed wireless broadband technology which, since signing Contract 3, has moved on to a higher level of performance potentially utilising a 5G based technology.
- There is a need to focus on developing the digital strategy and helping companies.
- There is a need to engage with MPs - LEP already has meetings arranged and have written to Matt Warman MP.
- Investment in fibre across Greater Lincolnshire from December is positive news but need to lobby Matt Warman MP to make a case for investment to put Greater Lincolnshire in the forefront.

**Comments:**

- ❖ Need understanding of broad level of Broadband in Greater Lincolnshire.
- ❖ Digital infrastructure important to Greater Lincolnshire.

- ❖ Common understanding in Greater Lincolnshire and overlay where development and growth may be.
- ❖ Take up offer of working with BDUK and local authorities.
- ❖ Connectivity between energy and WiFi - could work together.
- ❖ Need consistent 4G across Greater Lincolnshire.
- ❖ Digital infrastructure for Greater Lincolnshire is key - need investment now.

**Actions:**

- Circulate response letter from Matt Warman MP regarding Broadband to the Board.
- Ask the local authorities to develop a Greater Lincolnshire Digital Strategy Group to take forward joint actions, such as digital mapping and evidence base, digital investment strategy and joint bids - LEP Strategy Group .

**Town Deals Update (Paper 11) - CX**

- Summary of bids previously circulated.
- Commonality of bids to be analysed.
- Grimsby Town Deal bid has been updated .
- Assessments of bids already received taking place and announcements due in January.

**Actions:**

- Add in Grimsby Priorities and recirculate mid -November when Scunthorpe's priorities are agreed - CJ
- Arrange a follow up meeting with Chairs to explore next steps, briefing MPs and commonalities - CJ to lead

**Forward Plan (Paper 12) - CX**

**Actions:**

- Board members asked for contributions to agenda.

**Any Other Business**

- None

**Meeting closed**

**LEP Board Decision Log for the year to date**

<b>Date</b>	<b>Decision Making Body</b>	<b>Decision Made</b>
<b>27/09/19</b>	<b>LEP Board</b>	<ul style="list-style-type: none"> <li>• Appointments Committee approved Paul Scott join the Business Lincolnshire Board</li> <li>• Appointments Committee approved Mike Gallimore, Nick Broom and Robert Willey join the Manufacturing Board</li> <li>• The process of recruiting the new LEP Chair agreed</li> <li>• The Job Description for the Chair was approved</li> <li>• The composition of the chair's Appointment Panel and to seek nominations by email for the Appointments Committee to decide was agreed</li> <li>• The Vice Chair Job Description was approved</li> <li>• Agreed that the Terms of Reference for the Board will be reviewed annually and that all other Boards would be reviewed every two years, the Terms of Reference and Policy planner to be updated</li> <li>• The LEP Board approved the skills analysis, subject to further changes by the Employment &amp; Skills Board during October</li> <li>• Apprentice Levy Scheme - Board Directors approved the allocation of £30,000</li> <li>• The Strategic Partnership Agreement with Cambridge &amp; Peterborough Combined Authority was approved by the Board</li> </ul>
<b>29/11/19</b>	<b>LEP Board</b>	<ul style="list-style-type: none"> <li>• Pat Doody private sector deputy chair was appointed as the Interim LEP Chair.</li> <li>• Cllr Philip Jackson was appointed as public sector deputy chair</li> <li>• The Chairs Appointment Panel was agreed as follows: Prof Mary Stuart, Dean Fathers, Pat Doody, Cllr Colin Davie and Gary Headland, the panel will be supported by the LEP Executive.</li> <li>• Gary Headland to join the Appointment Committee. Existing members are the Chair, the two deputy chairs, and Dean Fathers, Diversity Champion.</li> <li>• Members of the LEP's Energy Council, an energy advisory council for the LEP were agreed as follows: Duncan Botting, MD of Global Smart Transformations, Emma Bridge, Chief Executive Community Energy England, Justin Brown, Assistant Director for Growth, Lincolnshire County Council, Jacqui Bunce, Programme Director Lincolnshire STP NHS, Arnie Craven, External Affairs Director, Cadent Gas, Marie Harley, CEO Blue Castle, John Henry-Looney, Sustainable Direction, Juergen Schaper, FCC Environment, Lea James, Siemens Smart Infrastructure team, Cllr Barry Dobson, Executive Councillor Economic Growth LCC and SKDC, Simon Green, Deputy CX, North</li> </ul>

		Lincolnshire Council, Martin Haworth, Director Singleton Birch and Mark Hutchison, Distribution Director, Western Power
31/01/2020	LEP Board	<ul style="list-style-type: none"> <li>• Agreed to accept the offer from SUFC regarding legal costs.</li> <li>• Health &amp; Care Enterprise Committee and Food Committee to hold a joint meeting to explore common areas</li> </ul>
30/03/2020	LEP Board	Meeting cancelled
29/04/2020	LEP Board	<ul style="list-style-type: none"> <li>• Decision on the GLGF was deferred pending a wider discussion on repurposing LEP funds</li> <li>• Sarah Louise Fairburn was appointed as Private Sector Deputy Chair</li> <li>• Dean Fathers was appointed to the Investment Board</li> <li>• A monthly zoom call with our 10 local MP's is being established during Covid - action from the first call is collective lobbying on increased broadband speeds - action for a collective letter and PR?</li> <li>• Annual Budget for core funding was agreed by the Board</li> <li>• Draft delivery plan agreed subject to final sign off by the Board by email, and further guidance from CLG</li> <li>• Draft Lincolnshire Recovery Plan to come back to the June Board for a business view</li> <li>• Refresh LIS to be considered at the June Board</li> </ul>
06/05/2020	Board Brief	<ul style="list-style-type: none"> <li>• Agreed that Board members briefings would be held every 2 weeks</li> <li>• Next Board meeting to be held on 10<sup>th</sup> June</li> <li>• Sarah Louise Fairburn confirmed as Deputy Chair (private sector)</li> <li>• Dean Fathers appointed to the Investment Committee</li> </ul>
10/06/2020	LEP Board	<ul style="list-style-type: none"> <li>• Circulate Annual Delivery Plan to be signed off by Board Directors by 10<sup>th</sup> July 2020.</li> <li>• Agreed that Clare prepare a letter for Government incorporating views of the Board, employers and the ESB</li> <li>• LEP will work with DWP and SHDC on redeployment and retaining</li> <li>• Amended LIS to be published locally subject to further business engagement and buy in from the business community.</li> </ul>
24/07/2020	LEP Board	<ul style="list-style-type: none"> <li>• Report on progress on board membership noted</li> <li>• Chairs/vice chairs of Strategic Advisory Boards to be invited to attend future Board meetings - Forward Plan</li> <li>• Impact of Covid-19 - LEP Board approved the paper and agreed the new actions</li> <li>• Re-purposing funds for Recovery Post Covid-19 - Option C was favoured reallocation of £2.4m, with a contingency amount of funding for flexibility purposes of up £500,000 for future use. The £700,000 allocation of additional resources to the LEP for the activity above was approved, with business cases being developed for Digitisation, responding to redundancies, supply chain and transforming skills being brought back to a subsequent board to discuss and agree. Budget would be incorporated into the budget process, and reporting on progress would be undertaken through</li> </ul>

		<p>the normal quarterly reporting mechanisms.</p> <ul style="list-style-type: none"> <li>• Finance &amp; Audit Report - 19/20 Financial Statement was approved by the Board and agreed for publication and 19/20 Audit Report was approved by the Board</li> </ul>
<b>26/08/2020</b>	<b>LEP Board</b>	<ul style="list-style-type: none"> <li>• Approval of minutes from 24<sup>th</sup> July 2020.</li> </ul>
<b>30/09/2020</b>	<b>LEP Board</b>	<ul style="list-style-type: none"> <li>• Seek vice chair nominations for all boards</li> <li>• In the New year 2021 Officers to arrange an additional workshop on the Local Assurance Framework</li> <li>• GL CSR asks - Board Directors to discuss with their link or local MP</li> <li>• Equality and Diversity Action Plan to be developed</li> <li>• Reallocation of funds for Team Lincolnshire from MIPIM to Team Lincolnshire Business Plan - £15,000.</li> <li>• ESAP member to join the Centre for Better Ageing board.</li> </ul>
<b>06/11/2020</b>	<b>LEP Board</b>	<ul style="list-style-type: none"> <li>• Approval of minutes from 30<sup>th</sup> September 2020.</li> <li>• Approval of appointment of auditor continuation - subject to approval of the accountable body</li> <li>• The LEP Board approved the direction of travel for Humber Freeports proposal to be developed</li> <li>• Agreed to forward a Collaboration Board between Humber and Greater Lincolnshire LEP</li> <li>• The Board approved the Recovery plan, and delegated the final sign-off to the Chair and Chief Executive.</li> </ul>

## GREATER LINCOLNSHIRE LEP BOARD ACTION LOG

Date	Item	Action	Actioned by	Status
29/03/19	Minutes	<ul style="list-style-type: none"> <li>Project workshop to be held with Board Directors on lessons learned and impact.</li> </ul>	Halina Davies	<b>completed</b>
27/09/19	Minutes	<ul style="list-style-type: none"> <li>Growth Hub to provide an update on sectoral coverage within the next annual review</li> </ul>	Samantha Harrison	
13/05/2020	Board Briefing	<ul style="list-style-type: none"> <li>Board to lobby Government of the horticultural sector and campaign for Defra to see if there is anything additional they can do</li> <li>Discussion paper on Freeports to be prepared for Board meeting</li> <li>To lobby Government on speedier Broadband</li> <li>To write to government on extending Job Retention Scheme for the Visitor Economy Sector</li> </ul>	Martin Collison  Done Cathy Jones  Ruth Carver	<b>Completed - response letter received</b> <b>Completed</b> <b>Completed</b>  <b>Completed</b>
27/05/2020	Board Briefing	100 top companies to be split into 5 groups of 20. A series of 5 calls with two or three Board members supporting each of the calls to the top 100 companies, but will include those below the top 100. JB to organise, either by sector or geography. A set of the same questions to be used for each group so that comparisons can be made.	James Baty	<b>ongoing</b>
10/06/2020	Board Meeting	<ul style="list-style-type: none"> <li>Circulate draft Transition Board Terms of Reference to be signed off by Board Directors</li> </ul>		<b>Collaboration Board</b>

		<ul style="list-style-type: none"> <li>• Top 100 businesses list, the need to reach out to larger businesses for information, will be circulated next week and to ask for volunteers to host/support these meetings which will be in sector groups, ie, Visitor Economy, Food, Ports and Logistics.</li> <li>• Impact analysis to be circulated to the Board</li> </ul>		<b>Underway</b>
				<b>Completed</b>
24/07/2020	Board Meeting	<ul style="list-style-type: none"> <li>• Complete Defence Sector Board</li> <li>• DF to update the Board on the diversity and equality at the November meeting.</li> <li>• North Lincolnshire, North East Lincolnshire, Rutland to supply key stakeholders</li> <li>• Nominations for the Collaboration Board with Humber and GL LEP to be sent to CX</li> <li>• RC to email PH regarding the non recycled allocation on the Growing Places Fund</li> <li>• Seek outline business cases for the four remaining areas of Programme for November Board of digitisation, responding to redundancies, supply chain and transforming skills.</li> <li>• Do a summary of the emerging priorities in the Local Investment Plans and share with Board</li> <li>• Make contact with Newark Town Board to understand synergies</li> <li>• JB to contact NW to see if there are any specific gaps in intelligence regarding the housing sector that could be utilised and potentially filled</li> <li>• JB to develop an economic dashboard to share regularly with the LEP Board, and wider partners and publish.</li> <li>• Scunthorpe Steelworks - Board members to contact SG if they would like to attend</li> <li>• Forward Plan to be updated to include invited Board Chairs</li> </ul>	Ruth Carver Dean Fathers  Cathy Jones  All RC Halina Davies  Cathy Jones Cathy Jones James Baty  James Baty Sue Groves Ruth Carver	<b>Ongoing</b> <b>Complete</b>    <b>Complete</b> <b>Complete</b> <b>Complete</b>  Live and ongoing   Completed  Ongoing <b>Completed</b> <b>Completed</b>



26/08/2020	Board Meeting	<ul style="list-style-type: none"> <li>Two national reports, Capability &amp; Capacity and an Evaluation Report to be circulated to Board Directors</li> <li>Organise a virtual meeting with British Steel and other identified businesses</li> <li>Humber Transition Board - Draft a letter to the minister, Simon Clark, from Greater Lincolnshire LEP for members to discuss at the next meeting on the 30<sup>th</sup> September</li> <li>Discuss Tourism Sector Deal at next MPs meeting</li> </ul>	Ruth Carver		Completed
			Ruth Carver/Sue Groves Ruth Carver		Completed
			Ruth Carver/Pat Doody		Completed
30/09/2020	Board Meeting	<ul style="list-style-type: none"> <li>Response not received from Secretary of State regarding Digital infrastructure in Greater Lincolnshire</li> <li>For one-to-one meetings with MPs, invite Board Director for the area.</li> <li>Economic Dashboard to take forward</li> <li>Progress on Top 100.</li> <li>Workshops held recently were very useful, with a need for more to be arranged as a follow up</li> <li>Economic Recovery Plan - Comments and feedback to be sent to Ruth Carver and James Baty</li> </ul>	Cathy Jones		Completed
			Sue Groves		Ongoing
			James Baty Ruth Carver Halina Davies		Ongoing Ongoing
			All		On the agenda
06/11/2020	Board Meeting	<ul style="list-style-type: none"> <li>Defence Board - RC, GH, SM and AB to discuss Defence Sector Board formation, plus advertise for defence leads from the private sector.</li> <li>Job and Careers Fair - a note for the next board pack on key performance indicators, and evaluation, as well as ensuring that under-represented groups are targeted and measured against activity.</li> <li>Circulate to the Board both the letter from GL and the response from Matt Warman Digital Minister, following the discussion at Board.</li> <li>Briefing on Hunan for Alison Ballard.</li> <li>Copy of the full audit report to Alison Ballard</li> <li>The LEP Board tasked the Executive with ongoing briefing for the Board, and to develop a competitive proposal for Humber Freeport alongside partners.</li> </ul>	RC/GH/SM/AB		
			NP/CH		
			CJ		
			KS KS		
			HD		

		<ul style="list-style-type: none"> <li>• Organise briefing session for Board directors on Freeports, and other key topics such as Defence Sector, Off shore wind sector, and decarbonisation .</li> <li>• Brexit - The executive were tasked with developing an implementation plan</li> <li>• Promote 30th November session with Western Power to board and stakeholders.</li> <li>• Energy - Need to look at funding and priorities that can be achieved in a short time.</li> <li>• Circulate response letter from Matt Warman MP regarding Broadband to the Board.</li> <li>• Ask the local authorities to develop a Greater Lincolnshire Digital Strategy Group to take forward join actions, such as digital mapping and evidence base, digital investment strategy and joint bids.</li> <li>• Add in Grimsby Priorities and recirculate mid -November when Scunthorpe's priorities are agreed.</li> <li>• Arrange a follow up meeting with Chairs to explore next steps, briefing MPs and commonalities</li> </ul>	CJ  LEP Exec  AB  RC/AB  RC  LEP Strategy Group    CJ  CJ		
		<ul style="list-style-type: none"> <li>•</li> </ul>			

## GREATER LINCOLNSHIRE LEP APPOINTMENTS COMMITTEE

### 14<sup>th</sup> December 2020

### Published Actions

Present: Gary Headland/ Pat Doody/ Debbie Barnes/ Philip Jackson  
 Exec: Ruth Carver/ Kate Storey  
 Apologies: Dean Father/ Sarah Louise Fairburn

Declarations of Interest: Gary Headland: Rona McKenzie applicant - recommended to apply  
 Gary Headland: Defence applicant - Nicolas Gordon - served together

#### APPROVALS

Item	Date	Owner
Mary Stuart agreed to stay on as Chair of Innovation Council and report annually into Board - approved by AC	14.12.20	Complete
AC Terms of Reference agreed pending final simplification of clause 3.2 - 3.4, for approval from main board.	14.12.20	Kate Storey
Scheme of Delegation Policy 14 amendments approved for split of AC or Exec approval	14.12.20	Kate Storey
GH proposed and approved as new Diversity Champion, to be agreed at main board	14.12.20	Kate Storey
UoL to be invited to offer successors for MS on Board with strong Innovation / R&D angle	14.12.20	Gary Headland
AC shortlisted Darren Cunningham and Katherine York for invitation to interview	14.12.20	Kate Storey
AC approved matrix scoring process going forward with some changes. To include in Director vacancy ads for candidates to self-score as well as CV	14.12.20	Kate Storey

#### ACTIONS

Item	Action	Completion deadline/ update	Owner
1	Identify further members and progress apprenticeship commission with Steve Gelder, Angela Borman and Robert Parker. Chair volunteered to be involved in the shaping of the commission	1-2 months	Clare Hughes
2	Produce a table of board attendance for statutory LEP boards for AC to review. Rolling activity.	For next meeting	Sue Groves

3	Terms of Reference - Final amends agreed and KS to simplify membership in 3.2 - 3.4 before final version is recommended to Board	Complete	Kate Storey
4	Scheme of Delegation - change wording for approval to make clearer (AC recommends to Board) before final version is recommendation to Board	Complete	Kate Storey
5	GH & KS to finalise a Diversity & Equality plan for completion before FYE	31.03.21	Gary Headland
6	Set up a buddying/ new-recruits group for Directors	1-2 months	Ruth Carver
7	Fine tune Director candidate scoring matrix for use going forwards	31.01.21	Kate Storey
8	GH to write to VC M Stuart in early Jan 21 to invite her to propose UoL candidates to succeed her following AC standard recruitment process. Based upon the response from M Stuart, GH to email Board of Directors to seek approval to appoint a director from UoL.	31.01.21	Gary Headland
9	Re-open VE Director vacancy ad to end of January	18.12.20	Kate Storey
10	Review / headhunt potential candidates for VE board post, plus F&A committee	1-2 months	All

#### PREVIOUS ACTIONS

Action	Completion deadline/ update	Owner
Appointments Committee to meet quarterly with 2 hours in the diary - next meeting December	Complete	
Terms of Reference to be reviewed - Phase 1	Complete	
Future meetings - Sarah Louise Fairburn to be invited (Private sector Deputy Chair)	Complete	
<b>Diversity &amp; equality to be added to the risk register</b>	<b>For next meeting</b>	<b>Laura Spittles</b>
Diversity - action plan and statement on next agenda - phase 1	Complete	
Pat to speak to Andy Gutherson re appraisal and remuneration of CX	Complete	
Approach Simon Telfer to stand as Chair and Amanda Watson to be the Vice Chair of ESAP for an interim period	Complete	
Apprenticeship role for Steve Gelder, with Robert Parker and Amanda Borman supporting and Richard Priestley for the Food Board	Complete	
Cllr Metcalfe, Prof Mary Stuart, and Chris Baron retiring from the Board at the end of December.	Complete	
<b>Keep record of attendance at Board</b>	<b>Current Action</b>	<b>Sue Groves</b>
Recruit 2 private sector directors to join the Board	Complete	
RC to enquire as to whether Mary would be continuing her role on the Innovation Council	Complete	
RC and PD to have one to one meetings with new Board members to see how they are settling in and ask about training	66% Complete	

Agreed the principle of recommendations regarding appointments to be electronically approved in between meetings	Complete
Board Development Workshop to be arranged	Complete

Kate Storey 14.12.20

# LEP INVESTMENT COMMITTEE

27<sup>th</sup> November 2020

Via MS Teams

Draft Minutes

**Present:**

<b><u>Board Directors:</u></b>	Pat Doody - Chair, Cllr Colin Davie (LCC), Cllr Philip Jackson (NELC), Chris Baron (Non-Exec Director),
<b><u>LEP Officers:</u></b>	Halina Davies, Ruth Carver, Sue Groves (Note Taker)
<b><u>Observers:</u></b>	Pete Holmes (BEIS), Jo Dexter (BEIS), Andrew Crookham (Accountable Body & S151 Officer)
<b><u>Apologies:</u></b>	Dean Fathers (Health), Cllr Rob Waltham (NLC)
<b><u>Guests:</u></b>	Rachel Lister (Paper 3) , Russell Copley, Michelle Davis (Paper 4)

**Welcome by the Chair**

**Apologies and Declarations of Interest**

The meeting was quorate, and proceeded.

**Declarations of Interest**

Cllr Colin Davie -GBF Capital Skills Fund (Paper 3)

Full declarations of interest can be found at

<https://www.greaterlincolnshirelep.co.uk/documents/declarations-of-interest-register-nov-2016/>

**Minutes from Previous Meeting (Paper 1)** -The minutes from the Investment Committee held on 11<sup>th</sup> November 2020 were accepted as a true record and agreed that they could be published as a final version.

**Matters arising:**

Discussion took place regarding how businesses will be affected since the announcement that Greater Lincolnshire would be in Tier 3 from 2<sup>nd</sup> December, particularly those self-employed who had not received any financial assistance.

**Single Local Growth Fund Update (Paper 2, 2.1 and 2.2)**

Halina Davies, Programme Manager asked the IB to note the progress made in delivery of the Growth Deal Programme and the impacts of project slippage and re-profiling since the quarter 2 claims.

The paper showed forecast targets for 2020/21 based on Q2 claims, a review of each project within the programme (Paper 2.1) and actual figures for Quarter 2 of 2020/21 as per the dashboard. The programme has seen continued success with the financial completion of projects and many of the other projects remain on track to deliver SLGF spend fully by 31 March 2021. The overall assessment on the government dashboard (Paper 2.2) shows a risk rating of Green/Amber.

It was identified on the 11<sup>th</sup> November that there is £34 million of SLGF grant still left to spend on contracted projects and that this would be funded by the last £18m tranche of SLGF from government, but also with previous freedom and flexibilities and repaid monies. The position in August for Quarter 1 claims identified 5% of our total programme grant will be spent post March 2021 and since then the profiles have changed slightly with an additional 0.55% of the total SLGF Grant being beyond March 2021. This is still within the delegated limit of maximum £10million post March 2021, which was previously agreed and still relates to the 4 projects, ie, The Bridge, Grantham Southern Relief Road, Sleaford Growth Project Phase 2 and Unlocking Rural Housing Programme. The slippage in Quarter 2 has resulted in a grant release underspend of £3 million, and a further £690K of grant has moved post March 2021, leaving £2.3m to be spent in Q3 and Q4 of the 2020/2021 financial year. Figure adjustments relate to Grantham Southern Relief Road and The Bridge.

Pipeline - It is a requirement for the LEP to publish a pipeline of schemes for Greater Lincolnshire. To date there have been two separate processes in GL - a LEP Pipeline, and SIDP. These two pipelines are being brought together as part of a combined call. The board was informed that the call was being released on Monday, 30<sup>th</sup> November. Projects will be appraised following the usual process for call analysis, however infrastructure scheme assessments will involve the SIDP working group for strategic scoring and moderation. There will be two categories:

**Category A** - Capital projects that can financially complete before March 2025 (short or medium term)

**Category B** - Capital projects that are still in development (long term) or concept stage

Closing date - 15<sup>th</sup> February 2021 with a decision expected in April and notifying outcomes in April or May.

A discussion took place on the Chancellor's announcement of £4bn funding for levelling up which is for "everyday infrastructure" in communities up to £20m, with a prospectus to be launched early in New Year, so there is a need for Greater Lincolnshire to understand where the priorities lie now and in the mid-term.

PH wanted to thank the LEP team for a good report, which contained a lot of detail and wanted to acknowledge an outstanding action on his part about the focus on outputs. At previous meetings, discussions have taken place about the realism and deliverability of output targets, particularly job targets, still seeking a policy view and wanted to reassure GLLEP that this is still in hand.

Actions:

- ❖ PH to follow up the query regarding the ERDF contract for The Bridge
- ❖ HD to review outputs for SLGF and GBF and the impact of Covid-19

#### **Getting Building Fund - Skills Capital Investment Fund (Paper 3)**

**Cllr Colin Davie left the meeting for this item, and Rachel Lister, Thomas Lister joined the meeting for this item.**

Five schemes were approved at the last meeting for indicative allocations and they totalled £6.67m.

Three schemes competing for the remaining balance within the fund, which scored quite similarly. Paper 3 provided the Investment Board with a comparison of the three schemes and made a recommendation based on further independent assessment as to which scheme should get approval for a provisional allocation. The available pot within the Skills Capital Fund is £1.26 m and this includes LEP fees.

After the 11 November meeting, at the board members request, milestone updates were sourced from the three projects being considered for the remaining provisional allocation and an external assessment of the impact of these updates on deliverability was carried out. There was also further comparison of the three business cases originally provided to the LEP and the three curriculum plans.

The recommendation from the Officers and the Independent Assessor was to provide an indicative allocation to Horncastle College scheme submitted by Boston College to the value of £1.26 million including fees. This is short of budget requested, and officers therefore were tasked with understanding what would be delivered with a slightly reduce allocation, and seeking additional funding for the scheme from within existing LEP Resources.



The investment board debated the report and each scheme in turn, and in particular sought advice from Rachel Lister on her report. The Board challenged on deliverability and progress made since the submission in September 2020. Milestones were debated, and there was a focus on risks that were identified in the reporting such as asbestos, and structural changes within schemes. After a lengthy discussion and debate, the Investment Board reprioritised the three schemes as follows:

Scheme	Applicant	Requested Allocation	Revised Rank
Public Sector Hub FE College, Horncastle	Boston College	£1,643,000	6 <sup>th</sup>
Greater Lincolnshire Analytics and Skills Service	Lincoln College	£1,388,092	7 <sup>th</sup>
Digital Learning & Infrastructure Project	DN Colleges Group	£816,285	8 <sup>th</sup>

Decision - All three schemes are deliverable by March 2022; however, the Public Sector Hub has made the most progress to date on its milestones since September and therefore the members of the Investment board were content to allocate the remaining allocation of £1.26 million to the Public Sector Hub project subject to due diligence and final approval by the Investment Board.

#### Cllr Davie returned to the meeting

#### Greater Lincolnshire Growth Fund - Lincoln City Football Club (Paper 4) - Michelle Davies, Greenborough Management Ltd

Greenborough are the Growth Fund advisers, and have been working with Lincoln City Football Club on a Growth Fund application since they were approached in August 2019. The scheme proposes to developing the Stacey West stand taking the capacity of this section from 1,944 to 3,400 (increasing stadium capacity from 10,253 to 11,709). This will also help increase their incoming revenue, not just through ticket sales, but through catering and retail sales. As part of the wider transformation of LCFC, they are developing a Club Hub, 3D pitches, changing rooms and developing some community facilities.

The whole project is due to cost £2.6m with £1m match funding from the Football Foundation, which has been approved, £1.4m has been underwritten by the Club itself, leaving a gap of £200k in funding, which was to be met by the Growth Fund. Before going to due diligence, LCFC have also put in a bid of £800k to the Towns Fund towards the whole project, so underwriting their own match, thus reducing their own match to £600k and still looking for further funding to reduce their match to nil.

Decision : Due diligence has been completed and recommends that the project is not approved at **this stage** as the Club has demonstrated that they have other means of funding if they secure the Towns Fund. Secondly, the view of the advisers was that there is uncertainty over future revenue forecasts, as well as, uncertainty currently on the deliverability of the outputs from the scheme

#### Getting Building Fund Update - Pumping Station at Killingholme

Halina Davies updated the Investment Board on the overall progress of the Getting Building fund, and in particular on the scheme at Killingholme to support a pumping station. There are still

outstanding issues concerning a triangle of land on the site and its valuation. The due diligence and therefore decision is scheduled to be considered at the next investment board in 2021.

#### **Next Investment Board Meeting**

Ad hoc Investment boards will be arranged during the forthcoming year, with meetings at least quarterly to review progress on the funding programmes.

#### Decision Log

Scheme	Name
Horncastle College Hub scheme to be given an indicative allocation and to proceed to the due diligence stage. £1.26 million	Halina Davies
Lincoln College and DN Colleges Group Schemes to be added to a skills capital pipeline	Halina Davies
LCFC - not to proceed with the application for Growth Fund at this stage, due to uncertainty of additional match through Towns Fund, and uncertainty of outcomes due to the suspension of matches and a key revenue source	Halina Davies - via Michelle Davies at Greenborough

#### Table of Actions

Action	Name	Target Date
Chase the ERDF Contract for the Bridge	Pete Holmes, CLGU	December 2020
HD to review outputs for SLGF and GBF and the impact of Covid-19	Pete Holmes, CLGU and Halina Davies, LEP	Mid Jan 2021 - report to IB
Review LEP resources and external resources to top up the skills capital fund	Halina Davies	Mid Jan 2021 - report to GLLEP Board

# Paper 4 – Humber Freeport Bid

Publication	Public Paper (published)					
Meeting date:	19 <sup>th</sup> January					
Agenda Item:	4					
Item Subject:	Humber Freeport Bid					
Author:	Ruth Carver					
For:	Discussion		Decision	x	Information	

## 1 Background

- 1.1 The Freeports Bidding Prospectus was published by Government on 16 November, inviting bids to boost the economy and level up the country. Bids need to be submitted by Friday 5 February 2021. Specifically, three objectives have been identified which need to be met by successful bids.
- Establish Freeports as national hubs for global trade and investment across the UK;
  - Promote regeneration and job creation;
  - Create hotbeds of innovation.

## 2 Recommendation

- 2.1 A presentation on the progress that the bid has made to date will be given to the Board at the meeting. Delegated authority is sought from the LEP Board to support and submit the bid with local partners, given the timescale and the current non-binding nature of the bid being developed. Delegated authority is sought from the LEP Board, to the Chair and Chief Executive.

## 3 Background

- 3.1 There is much in the bidding document to suggest that the Humber is well placed to submit a strong bid and, arguably, uniquely positioned to meet the objectives set out in the guidance. However, the level of information and analysis required by the bid process is significant and the complexity of the work needed to stitch together the assets and aspirations of each part of the Humber into a compelling single proposal will create challenges given the short timescale. It will require absolute commitment across the region to a joined up approach.

The focus for the Humber Freeports is Clean Growth and Decarbonisation.

- 3.2 A number of private and public sector stakeholders from across the Humber have come together to form The Humber Freeports Working Group, chaired by Simon Bird, ABP with a view to submitting a Humber bid by the February deadline. Cllr Rob Waltham for the Humber Leadership Board and Pat Doody the chair of the LEP has been invited onto the Steer Co.
- 3.3 Halina Davies in the LEP Team is part of a working group which meets daily to develop the bid.

## 4 Freeport Sites

- 4.1 The guidance published on 16 November clarified that a single Freeport bid can have up to three tax sites as long as, in aggregate, they do not exceed 600ha. The 45km restriction remains but there is a concession that exceptional customs subzones and tax sites outside the boundary may be considered provided inclusion is supported by a clear economic rationale.

# Paper 4 – Humber Freeport Bid

- 4.2 There are effectively three types of sites within a Freeport - a Primary Customs Site, additional Customs Subzones and Tax Sites.
- 4.3 Businesses operating within Customs sites will receive tariff benefits, including duty deferral whilst the goods remain on site, and duty inversion if the finished goods exiting the Freeport attract a lower tariff than their component parts. There is no limit to the number of subzones within a Freeport.
- 4.4 Tax sites will offer businesses a wide range of incentives. Examples include Stamp Duty Land Tax relief, Enhanced Structures and Buildings Allowance, Enhanced Capital Allowances, National Insurance Rate Relief, Business Rates Relief and Local Retention of Business Rates. These benefits are only available until 2026 (with retention of business rates for 25 years) - it will be expected therefore that any tax sites proposed will have a very clear route to early occupation of businesses.

## **5 Governance -Humber Freeports Steer Co**

- 5.1 The newly established Humber Steer Co is chaired by ABP and has membership from a number of private landowners and businesses, Local Authorities along with the two LEPs.
- 5.2 The group has identified a Bid Director, David Gwynne, who will attend the Board meeting. Staff from the two LEPs have been working on the proposal.
- 5.3 Board Directors need to be aware that, whilst it is not expected that bidders have formal governance in place at the point that bids are submitted, there is an expectation that a Bidding Coalition be formed which represents all those who will have a role in delivering a successful Freeport. There is also a requirement that the approach to the Freeport Governance Body be clearly set out within the bid. Whilst the Freeport Governance Body is responsible for the effective delivery of the Freeport, the local authority(ies) will be accountable to MHCLG for the expenditure and management of funds.
- 5.4 It is intended that the LEP's be members of the Governance Structure. It is suggested that bidding coalitions should include, by way of example: landowners; operators of customs sites; firms, investors and public sector bodies who will operate within customs and tax sites; the LEP(s); local MPs and innovation stakeholders such as universities and Catapult Centres.

## **6 Criteria for Tax Sites**

- 6.1 The biggest challenge to achieving a cohesive Humber Freeports bid is likely has been the process for selecting Tax Sites. Five sites have been shortlisted, and more discussion on the sites and their merit will be discussed at the Board with sites both on the north bank and south bank of the Humber.
- 6.2 It may be sensible to consider mechanisms by which the benefits of sites within the Freeports are shared across the Humber as a whole and not ringfenced to a local area. This might include the retention of business rates for example as well as any levy placed on Customs Zones. The agreement to use the income regionally to realise the objectives of the HLB's LIS lite for example may ease the process of site selection.

# Paper 4 – Humber Freeport Bid

## **7     Recommendations**

### **7.1     That the Greater Lincolnshire LEP Board**

- Re-affirms its decision to support a Humber wide Freeport bid following the publication of the Freeport Guidance on 16 November.
- Agrees to support the Humber Freeports Working Group in its proposed role in developing and submitting a Freeports bid, subject to final sign off by the Chair and Chief Executive in early feb 2021;
- Agrees that the LEP's interests in relation to the work of the Humber Freeports Working Group are represented via the Chair, Pat Doody, supported by the CX.

# Paper 6 – LEP Board Strategy Session

Publication	Public Paper (published)					
Meeting date:	19 <sup>th</sup> January					
Agenda Item:	6					
Item Subject:	LEP Board Strategy Session					
Author:	James Baty					
For:	Discussion	X	Decision		Information	X

## 1 Background

- 1.1 On the 8<sup>th</sup> December the LEP Directors board convened for the annual strategy session. The session focussed on two main threads, both relating to forward planning and prioritisation for the coming 1-3 years. The session was split into two core areas:

Session 1: Golden Circle, Vision and Values

Session 2: Priorities

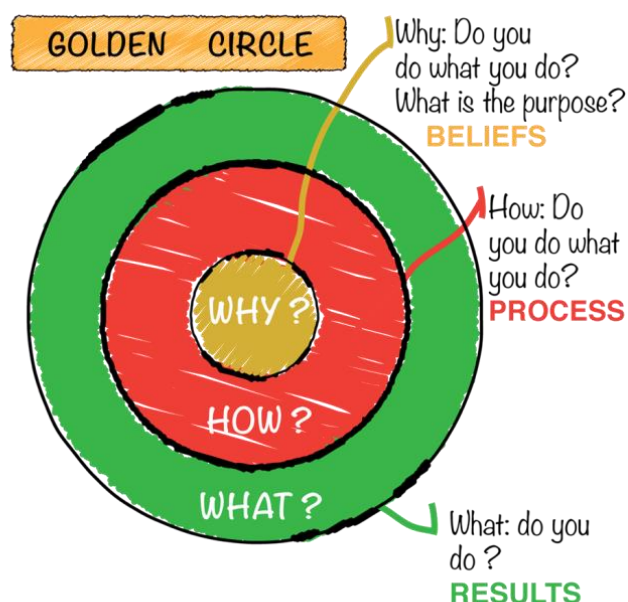
It was agreed that a working group would be convened to take forward some of the actions outlined below.

## 2 Golden Circle, Vision and Values

- 2.1 This session centred around three fundamental questions relating to the purpose of the LEP, what the vision is of the LEP, our role in delivering the vision, and what we will do to achieve this.

There were 3 questions asked of the groups:

1. What is the purpose of Greater Lincolnshire LEP; why do we do what we do?
2. How do we do what we do?
3. What do we do?



#forginabetteryou

# Paper 6 – LEP Board Strategy Session

## 2.2 The outcomes from the session were as follows:

### **What is the purpose of Greater Lincolnshire LEP; why do we do what we do?**

- In general the groups felt that the current vision statements should be bolder, more distinctive and assertive as the current terminology was too broad and 'fluffy'.
- The use of words such as enable, catalyse and assist should be used as opposed to specific delivery based terminology that wasn't backed up in reality.
- There was some consideration given towards the potential focus was too narrow and consideration should be given around the future of clean growth and whether that should be adopted within the LEPs mantra as a core principle. In addition elements around social responsibility and a people focussed approach could work.
- The use of more emotive language and less 'Government speak' was encouraged in order to create a more encompassing and business friendly image that captured hearts and minds.

### **How do we do what we do?**

- The groups felt that there were too many 'hows' and that these should be made less specific and fewer in number.
- There was a question around what the USP of the LEP is in terms of the specific role it plays in the business landscape and fit alongside BROs, local authorities etc.
- There was discussion around how the LEP 'enables the ambitions of the private sector'.
- Some felt the statements were removed from reality and were no longer relevant in the current context
- In this section specifically, the group felt that the language used was hard to understand

### **What do we do?**

- Economic resilience, rather than growth was singled out as was responsiveness, innovation and adaption. The four C's were also mentioned: Connecting, Collaborating, Championing, Clustering
- It was considered that alignment to the UN sustainability goals would be positive but retrospectively applied to particular areas of work and principles.

## **3 Priorities**

- 3.1** This session focussed on identifying the top 5 priorities for the LEP Board and for the Place over the next 3 years. This is in order to provide more focus in our activities, guide resource more effectively and enable more detailed board involvement.

The LEP has sets of priorities the broadly fall into:

Delivery Priorities - priorities which are a requirement from Government as part of the Annual Delivery Plan and by which we are scored against and funding is contingent on.

Strategic Priorities - foundational and sectoral priorities for the place as evidenced through the Local Industrial Strategy and formerly the SEP.

# Paper 6 – LEP Board Strategy Session

New and emerging priorities - covid19 recovery, EU Transition, new Government policy, UKSPF, Freeports

The groups were asked to list 5 priorities for the organisation and 5 strategic priorities for the place.

## 3.2 The outcomes from the session were as follows:

The groups noted that it was important to make sure that priorities were distinctive, both with regards to activities of other organisations such as local authorities and business representative organisations.

It was also considered that these priorities ought to be assessed and developed against the outcome of the vision work from session 1.

Priorities in terms of the **organisation**:

1. Thought leadership in business
2. Promote innovation and the development of skills
3. Green Recovery
4. Planning for a post-covid and Brexit world
5. Facilitate investment

Priorities in terms of **strategic priorities**:

1. Freeports
2. Food valley and UK centre of excellence
3. Develop the tourism zone
4. Develop cluster plans for energy sectors
5. Land the green energy plan
6. Improve talent management, both in relation to skills development and connecting education to employment.

## 4 Taking forward actions and next steps

- 4.1 It was agreed that a summary paper would be produced, and discussed to take forward the actions emerging from the session. A small working group is to be formed to direct both the LEP vision and priority actions for 2021-2024.
- 4.2 The actions from the working group are to be presented back to the Board in February in order to agree actions to be implemented; with a view to feeding into the LEP Business Plan in March 2021.
- 4.3 The working group is currently comprised of Board Directors who have volunteered to take the group forward: Alric Blake, Cllr Oliver Hemsley, Zoe King and Yvonne Adam.



# Paper 7 – Chief Executive's Report

Publication	Public Paper (published)					
Meeting date:	19 <sup>th</sup> January 2021					
Agenda Item:	7					
Item Subject:	Chief Executive's Report					
Author:	Ruth Carver					
For:	Discussion		Decision		Information	X

This report provides an overview of LEP team activities since the November 20 Board. It incorporates both Covid-19 specific activity and business as usual.

The report is split into five parts, reflecting the different strands of LEP activity:

1) LEP programmes 2) Strategy 3) Industry Councils, sector groups and external partnerships 4) Engagement and promotion 5) Governance, Operations and Finance

**Recommendation:** The Board is asked to note the contents of the report

Highlights:

- **Peer to Peer Network Programme** - Good progress is being made with the programme.
- **Getting Building Fund** - Work has begun on the first of the schemes funded through our £25.8 m The GBF programme must be fully contracted and delivered by March 2022 with all grant funding having been drawn down by the 31 March 2022. Total project costs are estimated at £36.5m and government are expecting £12.9m of the £25.8m grant to be spent by 31 March 2021. Having now carried out due diligence on a number of schemes within the programme it is clear that 50% spend by March 2021 will not be possible without consideration of freedoms and flexibilities, however we estimate that £17.3m of the programme will be contracted by March 2021.

Funding agreements for four schemes have already been issued totalling £13.25, pending legal review by the applicants these should be contracted by early February 2021. The £4.3m Killingholme Pumping Station Scheme is currently in the due diligence appraisal process and will hopefully be reviewed for a decision over the next few weeks. Finally, three schemes under the Skills Capital Investment Programme have been through due diligence appraisal and will be considered by the GLLEP Investment Board for progression to contracting on the 19<sup>th</sup> January 2021. This leaves three skills capital schemes still to go through due diligence, all of which are due to submit the required information by February at the latest. All schemes remain deliverable by March 2022.

- **Monthly Jobs and Careers Fair** - So far the series has welcomed over 350 visitors per event, with around 50 exhibitors attending each fair. Feedback from exhibitors, visitors and wider stakeholders has been very positive, with the series of fairs looking likely to continue well into 2021. The next Online Jobs Fair will take place on Monday 25th January, 2021, and will be hosted by Victoria Atkins MP who is delivering the welcome talk. Employers, Greater Lincolnshire training providers, and support services are welcome to register free of charge.

# Paper 7 – Chief Executive's Report

## Key Actions for 2020/21

Key actions for 2020/21			Section detail and lead	
Strategy	<b>Local industrial Strategy (LIS) and Recovery and Renewal Plan Completion:</b> <ul style="list-style-type: none"> <li>Finalise Engagement, testing and development</li> <li>Publication</li> <li>Implementation plan for the LIS - Focus on Recovery and Renewal</li> </ul>	September20 TBC Ongoing	1.1 <a href="#">Local industrial Strategy (LIS) and Recovery and Renewal Plan Completion</a>	<ul style="list-style-type: none"> <li>James Baty</li> </ul>
	<b>Implementation of SAP Priorities</b>	Ongoing	1.2 <a href="#">Skills Advisory Panel</a>	<ul style="list-style-type: none"> <li>Clare Hughes</li> </ul>
	<b>Liaison with Cities and Local Growth Unit:</b> Local Industrial Strategy: the LEP will continue to provide regular updates and maintain engagement with Cities and Local Growth Unit on progress on the completion of its Local Industrial Strategy and Recovery Plan and other strategies. Cities and Local Growth Unit will respond to LEP requests for support and challenge, drawing in other Government Departments as appropriate.	Ongoing	1.1 <a href="#">Local industrial Strategy (LIS) and Recovery and Renewal Plan Completion</a> 1.6 <a href="#">Working with national/ reg bodies</a> 1.6.1 <a href="#">Midlands Engine</a> 1.6.2 <a href="#">Midlands Connect</a> 1.6.3 <a href="#">Northern Powerhouse</a>	<ul style="list-style-type: none"> <li>James Baty/Cathy Jones</li> <li>Ruth Carver/ Linsay Hill Pritchard</li> <li>Ruth Carver</li> <li>Ruth Carver</li> <li>Ruth Carver</li> </ul>
	<b>LEP Geography:</b> Following government confirmation on Greater Lincolnshire LEP's geographical boundaries transition to non-overlapping geography by March 2021. The LEP will reflect this in the development and focus of its Local Industrial and other strategies, as well as opportunities to strengthen collaboration.	March 2021	1.5.1 <a href="#">Humber LEP</a> 1.5.3 <a href="#">Rutland</a> 1.5.4 <a href="#">New Anglia &amp; CPL</a> 1.5.5 <a href="#">LEP Network</a>	<ul style="list-style-type: none"> <li>Ruth Carver</li> <li>Ruth Carver</li> <li>Ruth Carver</li> <li>Ruth Carver</li> </ul>
	<b>Deliver against communications and engagement plan for 2020/21</b>	Ongoing	1.3 <a href="#">Communications and Partnerships</a>	<ul style="list-style-type: none"> <li>Kate Storey</li> </ul>
	<b>Review of the LEP's social media presence</b>	December 2020	1.4 <a href="#">Development of engagement plans &amp; channels</a>	<ul style="list-style-type: none"> <li>Kate Storey</li> </ul>
	<b>Continue to work with Lincolnshire County Council to</b>	April 2021	1.7 <a href="#">Strengthening links with Hunan,</a>	<ul style="list-style-type: none"> <li>Angela Driver</li> </ul>

## Paper 7 – Chief Executive's Report

	<b>build on links with China, including:</b> <ul style="list-style-type: none"> <li>• Production of a list of China-ready businesses</li> <li>• Work with the Hunan Department of Commerce and the Foreign Commonwealth Office to support business matching</li> </ul>		<a href="#">China</a>	
	<b>Business Lincolnshire - Growth Hub</b> <ul style="list-style-type: none"> <li>• Deliver a comprehensive growth hub and programmes for the business community of Greater Lincolnshire through the Growth Hub Governance Board</li> <li>• Deliver a programme of support to 36 scale up businesses across Greater Lincolnshire</li> <li>• Increase the profile and reach of the Business Lincolnshire Growth Hub, through virtual and in some cases face to face adviser visits, website access (15 % increase), newsletter registrations (50 % increase) and social media awareness (25% increase)</li> <li>• Intensively assist 345 SME businesses through the Growth Hub's ERDF contracts April 2019 - March 2020 (P13s)</li> <li>• Digital Conference November 2019 - raise the profile of and help businesses to increase the use of digital technology</li> <li>• Achieve client satisfaction of at least 90 %</li> <li>• Create a minimum of 100 new jobs</li> <li>• Additional government funding will be used to provide robust sector provision and transformational advisory support. These support offers will be free of charge and open to ALL</li> </ul>	April 2021	1.10 <a href="#">Working with Business</a>	<ul style="list-style-type: none"> <li>• Angela Driver</li> </ul>

## Paper 7 – Chief Executive's Report

	businesses in the GLLEP & Rutland area (not just ERDF eligible).			
	<b>Team Lincolnshire:</b> <ul style="list-style-type: none"> <li>Events and Networking: Deliver a programme of events and networking opportunities to promote Lincolnshire and encourage investment</li> <li>Promote Lincolnshire platform: Continue to develop social media and other platforms, and relevant content for members</li> <li>Membership: Continue to grow the Team Lincolnshire community of members</li> </ul>	April 2021 (level of engagement will be affected by Covid 19)	1.11 <a href="#">Team Lincs Ambassador Programme</a> 1.12 <a href="#">Promote Lincolnshire</a>	<ul style="list-style-type: none"> <li>Karen Seal</li> <li>Karen Seal</li> </ul>
	Participate in development and implementation of the Greater Lincolnshire Vision for Growth 2050 and the HIG Action Plan	Ongoing	1.8.1 <a href="#">Lincs Housing Growth Deal</a>	<ul style="list-style-type: none"> <li>Cathy Jones</li> </ul>
	<b>Annual Conference and AGM</b>	Postponed due to Covid -19.	1.3 <a href="#">Communications and Partnerships</a>	<ul style="list-style-type: none"> <li>Kate Storey</li> </ul>
Delivery	<b>Project Delivery Programme:</b>  LEP and Accountable Body to meet with Cities and Local Growth Unit to review progress against the growth deal programme, informed by the quarterly data returns, in August 2020 (Quarter 4 and Quarter 1), October 2020 (Quarter 2) and January 2021 (Quarter 3).	31 March 2021 Completion Quarterly	1.9.1 <a href="#">University Collaboration projects</a> 1.9.2 <a href="#">FE Collaboration projects</a> 1.9.3 <a href="#">Skills Capital Investment Fund</a> 1.9.4 <a href="#">Working with Schools (EAN)</a> 2.1 <a href="#">Growth Deal</a> 2.3 <a href="#">LEP/other funds</a>	<ul style="list-style-type: none"> <li>Halina Davies</li> <li>Halina Davies</li> <li>Clare Hughes</li> <li>Natalie Poole</li> </ul>
	<b>Programme and Risk Management:</b> The LEP and Accountable Body will regularly update Cities and Local Growth Unit on the development and implementation of the enhanced programme and risk	Ongoing	1.9 <a href="#">Investing in Education (SLGF)</a>	<ul style="list-style-type: none"> <li>Halina Davies/ Clare Hughes/ Linsay Hill Pritchard</li> </ul>

## Paper 7 – Chief Executive's Report

	management procedures.		2.1 <a href="#">Growth Deal</a> 2.1.6 <a href="#">Coastal Communities Fund</a>	<ul style="list-style-type: none"> <li>Halina Davies</li> <li>Nicola Radford</li> </ul>
	<b>Getting Building Fund</b> GLLEP has also been given an indicative allocation of £25.8m for the Getting Building Fund to be delivered by January 2022. Schemes /programmes under this fund were confirmed with Government on the 4 August 2020.  Programme to be contracted by early 2021 in order to enable delivery by March 2022.  A Skills Capital Programme	4 August 2020  Ongoing (Delivery by March 2022)  Closing 8 September 2020	2.2 <a href="#">Getting Building Fund</a>	<ul style="list-style-type: none"> <li>Halina Davies</li> <li>Halina Davies</li> <li>Halina Davies Clare Hughes</li> </ul>
	<b>Project Pipeline:</b> LEP to continue to update its existing project pipeline in preparation for new funding opportunities.  LEP to confirm allocations for the Getting Building Fund LEP to look at refreshing of existing pipeline in advance of Autumn budget	Ongoing  17 July 2020 September 2020	1. 2.4 <a href="#">Pipeline projects</a>	<ul style="list-style-type: none"> <li>Halina Davies</li> </ul>
	<b>Delivery of key projects:</b> GLLEP has agreed a project delivery plan with Government for 2020/21 totalling £32.206million for the Growth Deal Programme as of the Quarter 4 dashboard. This is currently under review as a result of COVID-19.  Forecasting of the Getting Building Fund is currently subject to due diligence and contracting, however at least 40% of the overall £25.8m grant is expected to be drawn down by March 2021 (although confirmation of a national	March 2021  Ongoing	2.1 <a href="#">Growth Deal</a> 2.2 <a href="#">Getting Building Fund</a> 2.3.1 <a href="#">GL Growth Fund</a> 2.3.2 <a href="#">Invest and Grow</a> 2.3.3 <a href="#">Feasibility Fund</a> 2.3.4 <a href="#">ESIF</a> 2.3.5 <a href="#">LEADER</a>	<ul style="list-style-type: none"> <li>Halina Davies</li> <li>Halina Davies</li> <li>Samantha Harrison</li> <li>Cathy Jones</li> <li>Cathy Jones</li> <li>Ashley Myers</li> <li>Ashley Myers</li> </ul>

## Paper 7 – Chief Executive's Report

	profile is awaited from government).			
	<b>Communications and Branding:</b> The LEP has made good progress in demonstrating compliance with the Government's guidance. The LEP will ensure that it and its project sponsors continue to adhere to all requirements and provide pictorial evidence of compliance with branding.	Ongoing - monthly publicity returns produced	3.1 <a href="#">Commitment to transparency/ accountability</a>	<ul style="list-style-type: none"> <li>Kate Storey</li> </ul>
Governance	<b>Evolve the LEP</b> , its sub-groups and our governance arrangements in line with national good practice, including: <ul style="list-style-type: none"> <li>Working with the recently refreshed Employment and Skills Board that incorporates the Skills Advisory Panel function, in line with national guidance.</li> <li>Training in NAF and LAF for Board Directors</li> <li>National (with LEP network) and local inductions for new Board Directors</li> </ul>	Ongoing  3 Sept 2020 Ongoing Complete	3.1 <a href="#">Commitment to transparency/ accountability (LAF)</a> 3.2 <a href="#">Ensuring Fit for purpose LEP</a>  3.0 <a href="#">Governance</a> 3.0 <a href="#">Governance</a>	<ul style="list-style-type: none"> <li>Linsay Hill Pritchard/ Ruth Carver</li> <li>Kate Storey</li> <li>Linsay Hill Pritchard</li> <li>Kate Storey</li> </ul>
	<b>Outcome of LEP Peer Review</b>	March 2021	3.0 <a href="#">Governance</a>	<ul style="list-style-type: none"> <li>Ruth Carver</li> </ul>
	<b>Succession Planning</b> Continue to demonstrate effective succession planning and maintain current work to drive increases in diversity, to ensure that any gaps in directors and members are minimised.	Ongoing	3.0 <a href="#">Governance</a>	<ul style="list-style-type: none"> <li>Ruth Carver</li> </ul>
	<b>Local Assurance Framework:</b> Local Assurance Framework March 2021, including a clear statement on legal personality, independent secretariat and scrutiny arrangements that comply with the National Local Growth Assurance Framework.	31 March 2021	3.1 <a href="#">Commitment to transparency/ accountability LAF</a>	<ul style="list-style-type: none"> <li>Linsay Hill-Pritchard/ Halina Davies</li> </ul>
	<b>Publication of annual financial statement and report</b>	Autumn 2020	3.1 <a href="#">Commitment to Transparency and accountability</a>	<ul style="list-style-type: none"> <li>Kate Storey</li> </ul>

# Paper 7 – Chief Executive's Report

## Area One - LEP Programmes

**Enterprise Adviser Network** - There are now 3 Enterprise Coordinators in post, with the support of partner Lincolnshire County Council and District Councils. The Enterprise Coordinators continue to work with Lincolnshire secondary schools and Colleges to match them with a local business leader (Enterprise Adviser). The role of the business leader is to support schools and colleges to meet national career benchmarks for meeting with employers and experiencing the world of work.

Liz Draper-Smethurst is working with Schools and Colleges in most of East Lindsey, Boston and South Holland, Alex Nightingale is working with school and Colleges in West Lindsey and Lincoln, Louth and North Somercotes and Debbie Boon is working with schools and Colleges in North and South Kesteven

Targets for this project are set by the Careers and Enterprise Company. Highlights on progress so far include:- 53 schools and colleges signed up against a possible 63 in scope (across Greater Lincolnshire and Rutland). The LEP is targeted to work with at least 60 schools.  
80% (85% target) of schools/ colleges matched with an EA (represents 42 schools)

Notable Activity between September-December 2020:

Number of school visits made by ECs this period:	0 -physical - 57 Virtual
Number of school visits made by ECs with EAs this period:	0 -physical - 44 Virtual

Despite challenging circumstances due to the coronavirus pandemic, significant progress has been made against targets. 8 new schools/colleges have joined the network since September 2020. 11 new 'matches' between schools/colleges and Enterprise Advisers have been made since September 2020. 46 public and private sector organisations are involved in the Network representing a cross-section of key sectors in Greater Lincolnshire and Rutland. Significant efforts have been made by all involved to support schools and colleges through uncertain times, and ensure that young people have access to an effective careers strategy.

**COVID Response & Business Recovery** - The Business Lincolnshire Growth Hub continues to provide an essential service to businesses, although activity through Q3 continued to move away from initial crisis towards more Growth related activity, however, the second National Lockdown and Christmas period during this quarter continued to impact businesses. The Growth Hub has seen a slight increase in enquiries, after a slowdown during September and October. Working with the LEP's Comms team, the Growth Hub are actively promoting business support.

A number of additional funds were awarded by MHCLG and BEIS to Growth Hubs to support with recovery activity and a number of new support measures commissioned during Q2 have now commenced delivery. This new provision includes:

- The Manufacturing Transformation Programme is designed to help the manufacturers overcome the challenges set by the COVID crisis and adapt to future consequences by improving business performance, innovating product and service offerings or developing new business. Following a review meeting, the business will receive a tailored report of potential areas for growth or improvement. After this, a business coach is appointed to help the company realise the changes over the course of an 8 month period.
- The Supply Chain Improvement Programme helps businesses to identify current Supply Chain Gaps through a combination of one to one support and workshops,

# Paper 7 – Chief Executive's Report

- The Greater Lincolnshire Manufacturing Network (GLMN) is a new network, led by the University of Lincoln which will work to support the growth and development of SMEs by promoting best practice, new manufacturing processes and partnership opportunities. It will showcase technological advances, cutting edge thinking and act as a knowledge-transfer vehicle between academia and industry. The network will be piloted for 1 year and members will be able to join free of charge. The virtual launch event, Manufacturing Made Smarter took place on 3rd November.
- The Made In Lincolnshire interactive brochure is being updated, this digital brochure will be used as a tool to showcase the strength and diversity of the manufacturing and engineering sector and support local, regional and national supply chain opportunities.
- The RESTART Support Programme assists businesses who are either exporting or importing and require specialist support and guidance in navigating the complexities of trading and ensuring compliance with trade regulations post EU exit. The support is delivered both via webinars (1 to many) and 1:1 support (currently virtually).
- The Building Business Resilience Programme aims to ensure that businesses in the East Midlands are informed and prepared to deal with any challenges that may result from the UK's departure from the European Union, as well as to help them spot and capitalise upon opportunities that may result. The Programme offers a range of webinars to businesses.
- The Peer Networks programme is a national initiative which will see the creation of a series of peer networks (cohorts), with each group consisting of 8-11 owners or managers from the SME business community participating in each network. Led by an experienced facilitator, these peer networks will have 18 hours of action learning through 2-3-hour virtual workshop sessions. Individual one-to-one support to help to implement and manage change. We have networks covering a range of sectors; High Growth, Manufacturing, Health & Care, Charities, Rural, Visitor Economy, Agri/Horti and General.

**Redundancy Support** - Redundancy support is an area which is becoming more relevant as the negative impacts of the pandemic start to be reflected in job losses, particularly as we look towards the end of government support such as the furlough Scheme on 30<sup>th</sup> April 2021. The main source of support for Employers and Employees is the Rapid Response Service provided through DWP, but there are other sources of support available through the Business Advisers, the Chamber of Commerce HR Hub, the mental health support tools, etc. and the Growth Hub has created a toolkit for SMEs which pulls this information together.

**EU Exit support** - In the run up to the end of the Transition period and for the first quarter beyond the 31st December 2020, the Growth Hub has ensured a range of support is available for SMEs to access. This includes:

- extending existing provision delivered by our two Business Resilience support providers for import / export queries and wider EU Exit issues through to end March 2021
- extending existing provision delivered by our EU Exit Adviser to deliver tailored action plans for businesses through to end March 2021
- EU Exit Telephone Helpline delivered by Lincolnshire Chamber of Commerce
- an outbound contact campaign that proactively contacts businesses in Greater Lincolnshire to discuss the impacts of the EU Exit and signpost to the support that is available.

**Events** - The event activity continues to be delivered via a remote model and there are no plans currently to return to face to face delivery until after quarter 4. Between October and November 25 webinar events have been delivered to nearly 250 participants covering topics that are specific to businesses current needs such as, for example Virtual Immersive Environments, Google Analytics, Website Copy, Business Plan for Funding, etc.. The first large scale virtual conference



# Paper 7 – Chief Executive's Report

was delivered on 26th November with 100 businesses attending. #GoDigital20 - Get Future Ready, Survive and Thrive was very well received. 98% of attendees rated the quality of the event good or very good; 88% of attendees would do something differently as a result of attending the event and 100% of attendees would recommend the Business Lincolnshire Growth Hub to a friend or colleague.

**Business Lincolnshire Sustainable Business Growth -Phase 2 -** Despite the challenges, the phase 2 programme continues to perform well with 1373 business engaged to end November 2020. Of these, 482 businesses have been intensively supported with at least 3 hours of support and 91 businesses have claimed and been paid a grant of at least £1,000. The Digital, Enterprise Capital and Enterprise Revenue grants have proved hugely popular since the project went live on 1st July 2019, with grants committed against all three pots to a total value of £566k. This is approximately 90% of the total grant available. This period also saw the implementation of the government kick-starting grant. A total pot of £776,842 was made available and was committed through and Expression of Interest process very quickly. So far 123 grants have been paid totalling just over £320,000. The remaining grants are in process.

The Project Change Request for phase 3 of the programme which will extend provision for a further year to end June 2023 is awaiting appraisal by MHCLG. COVID response has caused delays in this process.

## **Project Funding**

### **Single Local Growth Fund (SLGF)**

As shared with the Investment Board before Christmas £34million of SLGF grant was left to be spent on the programme to Contracted projects as of the close of Quarter 2. This is to be funded by the last tranche of SLGF from government (£18million) and with previous freedom and flexibilities and repaid monies. The position in November following the Quarter 2 claim submissions identified 0.6% of our total programme grant will be spent post March 21 and it was agreed that this would be covered by Offset. This is well within the delegated limit of maximum £10million post March 21 agreed at the August 2020 Investment Board. Four projects were identified with SLGF spend post March 2021 to be covered by offset, these were The Bridge, Grantham Southern Relief Road, Sleaford Growth Phase 2, and the Unlocking Rural Housing Programme. Quarter 3 claims are now being assessed by the accountable body and an update on performance will be provided by the 1<sup>st</sup> February Annual Performance Review, details of which will also be shared with the GLLEP Board.

**European Rural Development Fund (ERDF) -** The 14 full ERDF applications submitted by 6th March 2020 continue to work their way through the appraisal process with MHCLG. Due to Covid-19, the MHCLG Delivery Team continue to be short staffed as many of their officers have been re-deployed to support the pandemic response. The Team have prioritised these appraisals in order of project start dates and urgency of delivery. 5 of these applications have been successfully approved so far with the remaining applications still working through the appraisal process. It is expected all applications should have a decision by October 2021. We have been working closely with MHCLG and applicants to ensure as many projects as possible get through the appraisal stage and so that the appraisal timetable can be met to ensure there are minimal delays to project delivery.

The focus of the remaining ERDF funds has been aimed at supporting Covid recovery through mechanisms such as the Growth Hub's Wider and Visitor Economy grants, which has been awarded to the Business Lincolnshire Growth Hub to be delivered within Greater Lincolnshire. We have continued to support MHCLG, ESIF Committee and our projects to ensure they have continued to

# Paper 7 – Chief Executive's Report

deliver as well as meeting the needs of SMEs within Greater Lincolnshire. We have also ensured support has been provided to enable ERDF claims have been submitted to satisfactory standard to ensure there have been no delays to project's grant payments during this uncertain period.

**European Agricultural Fund for Rural Development (EAFRD)** - The deadline for the 64 successful Greater Lincolnshire outline applications endorsed to submit full applications, following the final Growth Programme call had been extended to October 2020 to provide applicants with extra time to gather the required information given the impacts of Covid 19. This are now being processed by the RPA Delivery Team.

The RPA recognise that Covid-19 could impact on successful businesses' ability to deliver their projects in line with the completion deadline of end September 2021 set out in the Scheme Handbook and they are now extending this. Each project approved will be given a realistic deadline for completion by the RPA, but they expect that all projects will be completed and have claimed their funding by the end of September 2022.

**LEADER** - Following the call for LEADER projects in July 2020, 28 projects were considered by the following 4 local action groups (LAGs) in October 2020; Kestevens, Wash Fens, Coastal Action Zone and Lindsey Action Zone. 27 projects were approved across all 4 LAGs, allocating grant funding totalling £586,000.66. This funding was made available through the Accountable Body (£400,000), as well as additional funds secured from the Rural Payments Agency (£186,000) to ensure all approved projects could receive grant funding. The funds have been allocated to businesses that could demonstrate jobs and growth through the purchase of capital equipment or machinery, as well as assurance that the project could be delivered by 31st December 2020 to meet the national deadlines of the LEADER programme. 15 of the approved projects will directly create jobs within the applicant business, with the remaining 12 demonstrating growth through improved productivity or efficiencies into the rural economy. The successful call demonstrates that there are rural SMEs continuing to grow and diversify in the challenging economic environment created through COVID-19, when support of up to 40% match funding is available to enable these projects.

## **Area Two Strategy**

Both the LIS and Recovery Strategy are receiving final comments from partners, before being signed of by the LEP team prior to publication.

**Strategy - Local Resilience Forum** - The LEP continues to regularly attend Local Resilience Forum meetings to provide input and support from a business perspective. The Business and Economy Cell looks at economic resilience linked to business outbreaks, business support, supply chain, skills, and EU Exit preparations.

## **Employment and Skills Advisory Panel (ESAP)**

Simon Telfer chaired his first meeting of the ESAP on 8<sup>th</sup> December. It was agreed that the Panel will meet on a monthly basis, with main meetings held quarterly. The first meeting of 2021 was held on 11<sup>th</sup> January, and the first quarterly meeting will take place on 9<sup>th</sup> March.

## **Recruitment:**

A campaign for applications for new ESAP panel members was launched in December, closing date 15<sup>th</sup> January.

<https://www.greaterlincolnshirelep.co.uk/whats-new/were-recruiting-to-our-employment-and-skills-panel/>

# Paper 7 – Chief Executive's Report

A new Economic Analyst was successfully recruited during Quarter 3, and has started in the team on 5<sup>th</sup> January. He will be working on elements of the SAP Programme with other members of the LEP Team, and is funded through the SAP Programme.

An advert was published during December for a new member to the LEP Team - an Employment and Skills Project Manager - this role will manage the new Skills Capital Programme and other employment and skills related project. Closing date is 18<sup>th</sup> January and interviews are likely to take place on 5<sup>th</sup> February, so will expect a start date in March.

DfE have published final guidance on the nature of the Local Skills Reports required by the end of March and work is progressing on this at pace during January.

<https://www.gov.uk/government/publications/skills-advisory-panels>

## **Midlands Energy Hub**

The Midlands Energy Hub has been delivering a range of reports and initiatives, on an on-going basis. Current reports that are Midlands wide, but provide a Greater Lincolnshire focus include:

- Midlands Low Carbon Goods and Services Sector Report
- Midlands Regional Transport Hubs Report

In addition they are administering the Rural Community Energy Fund, Green Homes Grant Skills and Training Competition, and supporting the Green Homes Grant Local Authority Delivery Programme - Phase 2.

## **Area Three - Sector Boards**

**Visitor Economy** - Work is progressing on the development of a Tourism Action Plan for Greater Lincolnshire which will include evidence base, mapping of tourism assets and identification of sector challenges and needs. This work will underpin a Tourism Zone bid to Government in 2021.

## **Area Four Engagement and Promotion**

A full update on comms will be given at the next meeting, following some work that has been undertaken on stakeholder analysis, and the strategy session.

The business roundtables have been agreed and resourced, and the date are currently being set.

**Team Lincolnshire** has continued to grow through quarter 3. The TLC Campaign still continues and to date 35 TLC Virtual Coffee Clubs have taken place across a variety of subjects. In addition, a further 3 joint TL and Business Lincolnshire webinars have taken place during quarter 3 bringing the total to 7. These were on Shaping the Future of Team Lincolnshire Together, The Challenges and Benefits of Utilising Modern Methods of Construction, Boston's Pride of Place Mayflower 2020 attracting a total of 153 delegates. In addition, Team Lincolnshire ambassadors represented the LEP at the first virtual Midlands UK Forum for Growth conference in November. Banks Long & Co, Pygott & Crone, North East Lincolnshire Council, University of Lincoln and Lincoln Science & Innovation Park all spoke about the opportunities our area has including Town Deals, sites, energy, South Lincolnshire Food Enterprise Zone and skills to name but a few. Social

# Paper 7 – Chief Executive's Report

media activity has increased as the important messages and investment drivers get promoted. We have increased to 2,399 Followers on Twitter and LinkedIn now has 449 Followers which is helping to promote the investment messages further for our region. Monthly Newsletters continue to be sent out sharing the wider support offer.

Membership has continued to increase and has now reached 123 members with 10 new members joining during quarter 3. Many of these new members have joined through fellow ambassadors spreading the word about the programme. To ensure an equal representation of ambassadors across areas and sectors meetings have or are scheduled to take place with all district and unitary authorities to ensure they are playing their part in attracting new ambassadors to the Programme.

The new Team Lincolnshire Business Plan launched in September is continuing to drive forward the Ambassadorial Programme with a key focus on the five strategic objectives outlined in the Plan. Sector propositions are currently being created including Food, Energy/Low Carbon and Advanced Manufacturing. Once finalised they, together with the High Potential Opportunity on Food Processing, Automation and Robotics will be a vital asset to the LEP and Team Lincolnshire in attracting new inward investment into the region.

## **5) Area Five - Governance, Operations and Finance**

This section provides an update for the board on any key operational matters as well as a headline summary of the LEP's operational finances.

### **Governance:**

- Advert for a Visitor Economy Board Non-Executive Director is currently open for applications until the end of January, with a number of informal conversations being undertaken in January. The Appointments Committee will consider candidates.
- Our Annual Performance Review with Government is scheduled for 1st Feb 2021.
- A reminder to local authorities that the LEP is able to attend scrutiny committees on its work on economic recovery

### **Finance:**

- The next set of management accounts is Quarter 3 (April 20 - Dec 20). These will be published in the January 2021 board papers. Since the last board meeting there have been no extraordinary or unexpected costs.

Ends

# Paper 7 – Chief Executive's Report

## Additional briefing on the Future High Street Fund

### Future High Streets Fund update Jan 2020

#### 1.1 Summary

"Indicative financial envelopes" are expected at the end of January for some, but not all of our schemes. The following 3 areas have received an in-principle funding offer:

- Grantham, South Kesteven (Lincolnshire) - £5,558,818
- Grimsby (North East Lincolnshire) - £17,280,917
- Scunthorpe - £10,675,323

None have received the full amount requested. Holbeach was unsuccessful. The above three have received confirmation that their bid met the gateway criteria. They are now required to submit a final version of their plans confirming how the available funding will be allocated and any relevant updates that flow from it (for example, a revised BCR).

#### 1.2 What the bids are for

Areas are currently refining their proposals to decide which elements of their bid are deliverable.

Grantham - in-principle funding offer represents around 50% of the 'Living Town' bid which seeks to re-vitalise the heart of Grantham by diversifying the high street offer with residential and commercial activity, bringing more people into the town to live and work, and creating appealing spaces that attract and hold visitors.

Grimsby - the proposal was to transform the western end of Freshney Place shopping centre by redeveloping the car park and the market and introducing more diversified uses including leisure, a new square and a high quality night time economy offer. The bid was for £25m and the in-principle funding offer just over £17m.

Scunthorpe - in-principle funding offer represents 69% of original ask which sought to transform the 2.5ha former market site into a multi-use development, as well as repurposing substandard public realm on Church Square and Library Square. 'Project Anchor' will regenerate the vacant, former market site into a mixed-use space that delivers a quality Enterprise and Innovation Hub, high net worth Student Accommodation and a flexible box park known as 'The Furnace', which will introduce a diverse range of 'meanwhile use' pop-up units, including those fitted with food and beverage offer capability.

#### 1.3 Background

The Future High Streets Fund was launched over two years ago when government launched Our Plan for the High Street at Budget 2018. This included £675 million for a Future High Streets Fund. The aim of the Future High Streets Fund is to renew and reshape town centres and high streets in a way that drives growth, improves experience and ensures future sustainability.

The following initial bids were submitted in our area in March 2019:

- Boston
- Gainsborough

# Paper 7 – Chief Executive's Report

## 3 Redundancy Support

- 3.1 Redundancy support is an area which is becoming more relevant as the negative impacts of the pandemic start to be reflected in job losses, particularly as we look towards the end of government support such as the furlough Scheme.

The main source of support for Employers and Employees is the Rapid Response Service provided through DWP, but there are other sources of support available through the Business Advisers, the Chamber of Commerce HR Hub, the mental health support tools, etc. and the Growth Hub has created a toolkit for SMEs which pulls this information together.

## 4 EU Exit support

- 4.1 In the run up to the end of the Transition period and for the first quarter beyond the 31st December 2020, the Growth Hub has ensured a range of support is available for SMEs to access. This includes:

- extending existing provision delivered by our two Business Resilience support providers for import / export queries and wider EU Exit issues through to end March 2021
- extending existing provision delivered by our EU Exit Adviser to deliver tailored action plans for businesses through to end March 2021
- EU Exit Telephone Helpline delivered by Lincolnshire Chamber of Commerce
- an outbound contact campaign that proactively contacts businesses in Greater Lincolnshire to discuss the impacts of the EU Exit and signpost to the support that is available

## 5 Events

- 5.1 **The Growth Hub** event activity continues to be delivered via a remote model and there are no plans currently to return to face to face delivery until after quarter 4. Between October and November 25 webinar events have been delivered to nearly 250 participants covering topics that are specific to businesses current needs such as, for example Virtual Immersive Environments, Google Analytics, Website Copy, Business Plan for Funding, etc.

Our first large scale virtual conference was delivered on 26<sup>th</sup> November with 100 businesses attending. #GoDigital20 - Get Future Ready, Survive and Thrive was very well received. 98% of attendees rated the quality of the event good or very good; 88% of attendees would do something differently as a result of attending the event and 100% of attendees would recommend the Business Lincolnshire Growth Hub to a friend or colleague.

## Paper 7.1 - 2020/21 Budget Update and Quarter 2 Expenditure Overview

Publication	Public Paper (published)					
Meeting date:	19 <sup>th</sup> January 2021					
Agenda Item:	7.1					
Item Subject:	2020/21 Budget Update and Quarter 3 Expenditure Overview					
Author:	Linsay Hill Pritchard on behalf of the Finance and Audit Committee					
For:	Discussion		Decision		Information	X

### 1 Summary

1.1 This report provides an overview of the financial position of the Greater Lincolnshire LEP and summarises the financial income and expenditure covering the period 1<sup>st</sup> April 2020 - 31<sup>st</sup> December 2020 (Position at end of Quarter 3).

1.2 **Recommendations: The LEP Board is asked to:**

- Note the updated budget for 20/21 following a review by the LEP team.
- Note the Quarter 3 position in relation to Income and expenditure
- Note the progress on the appointment of Auditors as recommended by the Finance and Audit committee to cover the 20/21 accounting period.

### 2 Summary Budget for Financial Year 2020/2021

- 2.1 A revised budget for 2020/21 was proposed to the LEP board in November identifying core expenditure to amount to £975k and a proportion of the COVID Recovery budget of 456k. The first year activity and the contingency funds were incorporated into an ambitious main budget giving a revised core budget of £1.432Million for the 20/21 period. This was to be funded by a combination of Core funding, earmarked reserves, re-purposed funds, grant income, fee income and interest.
- 2.2 Following a review by the LEP team in December 2020 the estimated budget use for the year 20/21 is £981K. As identified in the November report this is in line with expectation where we estimated a budget between £970K and 1.2Million with much dependance on recruitment and procurement timeframes.
- 2.3 Much of the reduced budget is around the recovery fund. Progress and spend has been made in the following areas:
- An economic recovery plan £20,000
  - An Online events platform for recruitment fairs, Skills and LEP virtual conferences license and resource for a year during Recovery £20,000
  - Allocate funding towards the proposal to inform a Greater Lincolnshire and Humber LEP Joint Freeport bid to government £10,000
  - Resilient Lincolnshire - Digital Wall for business inspiration on resilience - £10,000
  - Communications Intern to support the new programmes and grow the external communication with the business community, develop social media, the website, and facilitate engagement with the top 100 businesses. £9,000.
- 2.4 The Finance and Audit committee will meet in February as scheduled and will fully scrutinise the LEP finances prior to year end. This will include a review of budgeted activity and identification of any underspend and their impact on reserves.

## Paper 2.1 - 2020/21 Budget Update and Quarter 2 Expenditure Overview

### 3 LEP Finances - Spend overview April - September 2020

3.1 The LEP have received £32.576million of funding within the year including its core funding allocation of £500k and the 5<sup>th</sup> tranche of £18 million of Single Local Growth Fund following a successful annual conversation sign off. The table below shows the income and expenditure from the period to December 2020.

Area	Income to December 2020	Expenditure to December 2020
LEP Operation Core	£575,000	-£303,933
LEP Core Repurpose	£0	-£38,654
Enterprise Co-ordinator	£107,986	-£104,253
Skills and Employment Manager	£0	-£34,757
EM Manufacturing	£0	-£50,000
EM Ambassador Network	£0	-£8,376
LEP Review	£0	-£5,010
Future Proofing Coastal Tourism	£286,290	-£36,574
Skills Advisory Panel	£75,000	-£6,754
Career Learning(balance)	£0	-£28,273
Feasibility Fund	£0	-£24,286
Business Investment Fund	£0	-£205,617
Invest to Grow Loan Fund	£139,469	-£164,772
Single Local Growth Fund	£18,492,802	-£7,591,783
Getting Building Fund	£12,900,000	£0
<b>TOTAL</b>	<b>£32,576,547</b>	<b>-£8,603,042</b>



## Paper 2.1 - 2020/21 Budget Update and Quarter 2 Expenditure Overview

3.2 The table below provides a summary on the main LEP finances:

Core Operational Budget	<p>£575k was received in year. Spend to December 2020 is £303K broken down as £178k LEP core staffing and other company expenditure £125k.</p> <p>The spend reflects 60% of the standard core budget received and indications are that the budget will not be fully committed at year end resulting in a % underspend being placed on reserve for future years.</p>
Core Other	<p><b>1.0 LEP Enterprise Advisor Network / Skills and Employment manager</b> The programme continues to deliver and £107k has been received in grant income payments following submission of activity claims. To date £104k has been spent on the Enterprise Co-ordinator initiative and £35k following the successful recruitment of the skills manager.</p> <p><b>2.0 Future Proofing Coastal Tourism</b> £286k has been received in income with 37K expended to September. The programme manager has requested an extension to the program due to COVID and it has been agreed that any unspent grant will be ring fenced for 21/22 fy.</p> <p><b>3.0 East Midlands Ambassador Network</b> A small amount of spend £8k against the 50K reserve has been expended.</p> <p><b>4.0 Skills Advisory Panel</b> 75k of income has been received and there has been a small amount of spend to date. The Economic Analyst is now in post and we will see expenditure increase by year end with money secured to help fund the post in 21/22.</p>
Feasibility Fund	This initiative is now closed and the balance of £201,580 forms part of the COVID Recovery Fund.
Greater Lincolnshire Business Investment Fund	<p>Within 2020/21, 1 project has been approved and contracted to a total value of £340,000.</p> <p>A management fee of £22.5K (Greenborough) and project payments to the value of £183k have been made in the period. This sees the financial conclusion of the contract for Tong Engineering and the first claims paid for Genfrost and ParcAcre</p>
SLGF	The programme has seen continued success with the financial completion of projects and many of the other projects remain

	<p>on track to deliver SLGF spend fully by 31 March 2021. The assessment overall sees a risk rating of Amber/Green.</p> <p>The last reporting period identified 5% of our total programme grant will be spent post March 21 and it was agreed that this would be covered by Offset. 4 projects were identified with SLGF spend post 21 to be covered by offset:</p> <ul style="list-style-type: none"> <li>• The Bridge - £1.782million</li> <li>• Grantham Southern Relief Road - £4.2million</li> <li>• Sleaford Growth Phase 2 - £900K</li> <li>• Unlocking Rural Housing - £380K</li> </ul> <p>The programme remains on target to spend the SLGF yearly allocation of £18million and the repaid monies of £5.9million however there has been some movement on the SLGF spend which will impact on the Offset used in each year. The change is not material (an increase of 690K) and could still potentially be reduced. The biggest adjustments occur with 2 projects:</p> <p>Grantham Southern Relief Road - Phase 1 works are complete and Phase 2 works will be completed in August 21. The shift in spend profile relates to Phase 3 works which are not scheduled to commence until Spring 21. Negotiations are still on-going with the contractor for this phase to formally agree the target cost. This is expected to be completed in December 20 however the project manager has updated the spend profile to take account of the expected programme of works. Given that this is the largest and most complex phase to deliver it is not unexpected that costs are adjusting. Enabling works including vegetation clearance, ecological works, archaeological works, fencing, topsoil strip, etc. will continue onsite leading up to main construction works.</p> <p>Advanced Engineering R and D Centre - (The Bridge) - At the time of our previous meeting it was hoped that 2 large pieces of equipment; (Transmission Electron Microscope (TEM) and Scanning Electron Microscope (SEM), could be purchased and installed by March 22. They have since taken further advice from the supplier who has advised the importance of coordinating the installation of both of these pieces of kit once the building is fully complete due to risk of damage and sensitivity to dust.</p> <p>The project has therefore profiled this expenditure into the first quarter of 22/23 and this aligns with the ERDF contact (which is yet to be released from the ERDF team).</p> <p>Output delivery remains a concern and many projects have highlighted potential delays in the delivery of outputs but in the main are positive that outputs are achievable. We are yet to fully understand the impact of COVID and we have asked all projects to assess and gather evidence to help inform our local business intelligence.</p> <p>Project claims have been submitted for the October to</p>
--	--

	<p>December period and these are now been processed by the team. The Quarter 2 Dashboard was submitted to government in the November following claim reviews.</p> <p>£7.6 m has been expended to Dec 2020 accounting for project claims covering the period from April to September. From an initial assessment of grant claims for the period October to December a further £7million will be released in late January / early February following the full claim assessment.</p>
Invest and Grow Loan	<p>Long term investment Loans are currently £4,085,228 as follows:</p> <ul style="list-style-type: none"> <li>• £3.5m - Chestnut Homes - Boston Quadrant</li> <li>• £585,228k - The Lincolnshire Bomber Command Memorial.</li> </ul> <p>We have received 50K in loan repayment back from IBCC and the balance of interest related to period to £4,888. The figures above have also been adjusted following the decision to convert £164,772 of Loan into grant for IBCC.</p> <p>£1,908,428 is available for Loan. MHCLG have confirmed that we have greater flexibility with the Loan Funding but it must be for capital purposes. £1,492,711 had been identified as available for grant/flexibility and this will form part of the wider COVID Recovery Fund once business cases have been received.</p> <p>A further £182,839 of interest payments is estimated from projects by year end with £139,469 received to date.</p> <p>The LEP have continued to promote the loan fund via the website and through wider marketing activities. This generated 12 enquiries but only one of these converted to an actual Expression of Interest application which the board approved, but ultimately the project did not require a loan.</p> <p>The LEP has also specifically targeted high priority and high/medium priority projects in the GLLEP Project Pipeline, contacting them directly with details about the availability of the loan fund. None of these projects have submitted an Expression of Interest, generally because they are seeking grant and not loan funding.</p>

### 4 Reserves

- 4.1 The LEP holds a number of reserves to allow a response to operational pressures and deliver their agreed business plan priorities - a number of which are required to be accessed in this financial year. The table below shows the amounts of reserve that are currently held in each of the 3 identified classifications:

## Paper 2.1 - 2020/21 Budget Update and Quarter 2 Expenditure Overview

Name of Fund	Balance at 31st December 2020
Cash Balance 1 - Core Funding, Reserves and other cash balances (committed)	£2,862,801
Cash Balance 2 - Growing Places Fund ( Invest to Grow)	£3,822,314
Cash Balance 3 - Single Local Growth Fund (committed)	£27,577,783
Total	£34,262,898

- 4.2 Funds in Cash balance 1 and 3 are committed. Cash balance 2 has a combination of committed funds and uncommitted but as identified above these will change when the next phase of re-purposing is undertaken.

### 5 Getting Building fund

- 5.1 The LEP have been awarded £25.8 million for six schemes under the Getting Building fund with government expectation that £12.9million will be spent by March 2021. Although the programme is proceeding at pace with decisions made on 4 schemes and contracts in negotiation it has been identified that that the 50% spend target will not be possible without consideration of freedoms and flexibilities.
- 5.2 £11million of funding is within the final stages of contracting for Centre of rural Health, Holbeach FEZ and Lincoln Science Park. A further £2.2million for the cycle scheme is at pre contract stage awaiting confirmation of pre-contract conditions being achieved from NELC.
- 5.3 The Killingholme scheme with a provisional allocation of £4.3million is nearing the end of the Due diligence process and the skills programme is progressing well with 3 projects to the value £3.1million being put forward today at the Investment Board.
- 5.4 The team are currently looking at options around the Freedom and flexibilities that can be utilised and will report to the Investment Board in February.

### 6 2020/21 External Audit

- 6.1 The External Audit will look at the financial report that is produced on all funds held by the Accountable body on behalf of the LEP. This report is agreed in draft by the F and A committee and is recommended to board following the audit.
- 7.2 The F and A Committee considered the procurement route to the audit and recommended that given quality of work undertaken by Duncan and Toplis that they were to be approached again to complete the audit for 20/21 if a similar pricing could be agreed. Following correspondence with the auditors a same day rate from last year has been agreed and we will move to draw up and agreement and finalise audit dates.

## GL LEP Board Forward Plan 2020/21

Current as 15<sup>th</sup> September 2020

Date	Venue	Standing Items	Others
19 <sup>th</sup> January 2021 at 3.00pm	Via Teams	Update on Northern Lincolnshire Amalgamation	Freeport East Midlands Priorities Strategy Session
26 <sup>th</sup> February 2021 at 10.00am	Via Teams	Actions Equality and Diversity Action plan - Dean Fathers Chair and CX report Update on Northern Lincolnshire Amalgamation	Visitor Economy Board /Commission Progress Report - Colin Davie Manufacturing Board Progress Report - Darren Joint Health and Care Enterprise Progress report
23 <sup>rd</sup> March 2021 at 3.00pm	Via Teams	Approval of Annual Delivery Plan and Budget Collaboration with the Humber	Business Lincolnshire six month Progress Report Food Board Progress Report - Uk Food Valley
20 <sup>th</sup> April 2021 at 3.00pm	Via Teams	Annual Performance Review	ESAP Board and SAP
28 <sup>th</sup> May 2021 at 10.00am	TBC	Actions Chair and CX report Quarterly performance, finance, adp and programmes Recovery plan progress	Visitor Economy Board
29 <sup>th</sup> June 2021 at 3.00pm	AGM		
30 <sup>th</sup> July 2021 at 10.00am			
28 <sup>th</sup> September at 3.00pm			Innovation Council
26 <sup>th</sup> October at 3.00pm			Business Lincolnshire and Team Lincolnshire Annual Report
26 <sup>th</sup> November at 10.00am			

## GL LEP Investment Board Forward Plan

Date and Board	Venue	Standing Items	Others
<b>Investment Board</b> - Chair Pat Doody - Officer Halina Davies			
19 <sup>th</sup> January 2021	Via Teams	Growth Deal and	Getting Building

		Getting Building Fund Update Report  Quarterly Dashboard	fund update  Skills Capital Fund (GBF): <ul style="list-style-type: none"> <li>• GC Energy Centre</li> <li>• Lincolnshire Institute of Technology</li> <li>• The Care CoRE</li> <li>• Killingholme Pumping Station</li> </ul>
26 <sup>th</sup> February 2021			Tbc
28 <sup>th</sup> May 2021			Tbc
7 <sup>th</sup> September 2021			Tbc
26 <sup>th</sup> November 2021			Tbc