



GLLEP INVESTMENT BOARD

6th April 2022 at 10.00am

MS Teams

Paper 0 - Agenda

Time	Item and brief description	Lead	Access/Circulation
10:00	Welcome, Apologies, Declarations of Interest, Matters arising FOR APPROVAL - Draft Minutes 26 th November 2021	Chair Chair	Paper 1 attached
10:05	<u>FOR INFORMATION - SLGF/GBF Report</u> <ul style="list-style-type: none"> Progress Update Report for Q3 SLGF Summary GBF Summary 	Halina Davies, LEP/Linsay Hill Pritchard LEP, Accountable Body	Papers 2, 2.1, and 2.2
10:15	<u>DECISION - Commercial in Confidence Clean Growth Accelerator Fund</u> <ul style="list-style-type: none"> Summary Paper and Recommendations 	Halina Davies, LEP	To Follow
10:35	<u>FOR INFORMATION - Labour Market Support Fund</u> <ul style="list-style-type: none"> Verbal update on progress Labour Market Support Fund Greater Lincolnshire LEP 	Halina Davies, LEP	Verbal
10:40	<u>FOR DECISION: - Commercial in Confidence ParcAcre Enterprises Ltd Revised GLGF Proposal</u> <ul style="list-style-type: none"> Summary Paper and Recommendations 	Russell Copley, Greenborough Management Ltd	Paper 4
10:55	AOB and close of meeting	All Members	

Directors: Pat Doody (Chair), Cllr Philip Jackson (Deputy Chair), Cllr Colin Davie (LCC, Nick Worboys (Longhurst Group)
 Apologies: Cllr Rob Waltham, Darren Cunningham, Andrew Crookham
 Observers: Pete Holmes (BEIS), Mick Lazarus (BEIS)
 Officers: Ruth Carver; Halina Davies; Linsay Hill Pritchard; Sue Groves (Notetaker)
 Guests: Russell Copley (Greenborough), Michelle Davis (Greenborough)

26/02/2020 GL LEP Investment Board - Conflict of Interest Table

Board Member	Project	Conflict

Quorum rules - A quorum shall vary dependent on fund values to be voted upon. For projects with a value under £2 million, three members of the investment committee are required. For projects with a value above £2 million, four members of the investment committee are required. In each case, these require at least one Private Sector Director and one Non-Private Sector Director

LEP INVESTMENT BOARD

26th November 2021

Think Tank, Ruston Way, Lincoln

Draft Minutes

Draft Minutes

<p>Present: Board Directors: Cllr Philip Jackson (NELC) - Chair, Cllr Colin Davie (LCC); Nick Worboys (Longhurst), Darren Cunningham (Phillips 66);</p> <p>LEP Officers: Ruth Carver, Halina Davies, Sue Groves (Note Taker)</p> <p>Observer: Pete Holmes (BEIS), Andrew Crookham (S151 Officer & Accountable Body), Caroline Illingworth (LEP)</p> <p>Apologies: Pat Doody (Chair) Cllr Rob Waltham (NLC); Dean Fathers</p>	
<p>Declarations of Interest: Nick Worboys, Longhurst declared a conflict of Interest in relation to considerations for delivery of affordable housing on Heron Way Boston (Paper 3). The Board agreed she should leave the meeting for the deliberations.</p> <p>The Board were reminded that declarations of interest are required as part of LEP governance and must be submitted at least annually, and if anything changes to notify the LEP office at the earliest convenience.</p>	
<p>Minutes and Matters Arising (Paper 1)</p> <p>The minutes of the 20th September 2021 were accepted as a true record.</p>	<p>Action</p> <p>Publish</p>
<p>Grantham Technology & Innovation Centre Options Report (Paper 2) - Halina Davies</p> <ul style="list-style-type: none">➤ The University Technology and Innovation Centre within Grantham Town Centre, located on a dedicated floor of a wider cinema and retail complex was contracted with GLLEP in October 2020.➤ The University of Lincoln has now confirmed that whilst committed to supporting the learning agenda in Grantham, they are unlikely to formally occupy the space, post advance of Covid 19.➤ A variation request was submitted by South Kesteven District Council and was discussed by the Board alongside a number of potential options for progression of the floorspace.➤ The Investment Board were understanding of the position with the University of Lincoln and the general impact of covid on employment/educational premises, they were therefore willing to consider a commercially focused option for the Grantham Technology Centre floor of the cinema in Grantham; however the Board were not prepared to make a final decision without having a detailed business case presented to them showing clear business demand, how it will be addressed, and more detailed business outcomes.➤ The LEP will schedule a further investment board in 8 weeks time to discuss the business case provided and the Board will then make their final decision. <p>Decision</p> <ul style="list-style-type: none">➤ ACTION: SKDC to commission an independent study/report to test feasibility of a commercial offer in this space and the ongoing revenues required to make this a successful commercial venture. Report to be discussed at the next Investment Board.	
<p>Nick Worboys left the room</p>	
<p>Invest and Grow Loan - The Quadrant, Boston (Paper 3) - Halina Davies</p> <ul style="list-style-type: none">➤ The Investment Board were asked to consider an extension to the GLLEP Invest & Grow loan repayment period for the Boston Quadrant scheme and were presented with the positive progress made on the scheme to date.➤ The Board discussed the proposals provided by Chestnut Homes and reviewed an independent financial report before making their decision. <p>Decision</p> <p>Interest payments to continue to be invoiced each year at the rates originally agreed until the loan is fully repaid. Loan repayments postponed with 20% being repaid in March 2022, 40% in</p>	

March 2023 and the final payment in March 2024. The final schedule was delegated to the Chief Executive to agree. The Board approved the proposal to develop 23 of the contractually forecast affordable houses within the Housing Programme on Heron Way and as a result enable 23 market houses on the Boston Quadrant site.

Getting Building Fund & SLGF Update Report (Paper 4) - Halina Davies

- A report was provided on Quarter 2 progress on delivery of the Getting Building Fund (GBF) and the Single Local Growth Fund (SLGF) and measures being taken to manage out delivery and grant expenditure for the financial year.
- Whilst a few projects are experiencing unavoidable delays mitigations are in place and schemes are being monitored accordingly.
- Looking at scenario planning, with the support of freedoms and flexibilities the LEP remains confident that the GBF grants received will still be spent within the financial year, but even if all projects were delayed by a quarter, then £10m of grant would move to 2022/23 and without using any other freedom and flexibilities, this would be covered by the already agreed offset figure.

Decision

- Investment Board accepted the updates within the report.
- Quarter 3 report - IB meeting to be held mid-February.

Clean Growth Accelerator Fund and Labour Market Support Fund (Papers 5.1 & 5.2) - Halina Davies

These papers were discussed at the LEP Board meeting held earlier in the day and for the minutes were approved subject to the changes discussed. The Clean Growth accelerator fund would be launched before Christmas.

Any Other Business

No other business items were raised at the meeting

Meeting Closed

PAPER 2 -GETTING BUILDING FUND & SLGF UPDATE REPORT

Publication	Public Paper (published)					
Meeting date:	06 April 2022					
Agenda Item:	2					
Item Subject:	Report on GL LEP GBF and SLGF Programme Progress – Joint Report from LEP and AB LCC.					
Author:	Halina Davies LEP/Linsay Hill Pritchard AB LCC					
For:	Discussion		Decision		Information	X

Recommendations

- The Board are asked to note delivery progress of the GBF and SLGF programme to date.
- The board is asked to note that the year end grant spend will be met for GBF; however, the revised forecasts indicate project spend will slip into the new financial year.
- The board are asked to note the positive feedback from the Annual Review.

1. SUMMARY

- 1.1 The Investment Board is asked to note the Quarter 3 progress made in delivery of its Getting Building Fund (GBF) and Single Local Growth Fund (SLGF) Programmes, and measures being taken to manage output delivery and grant expenditure this financial year. Q4 returns are due in imminently and a verbal update could be given.

2. BACKGROUND

- 2.1 The SLGF Programme grant has now been completely drawn down, with a few schemes still in final stages of delivery as per agreed freedoms and flexibilities. Outputs and outcomes continue to be monitored and evaluated.
- 2.2 The £25.8m GBF programme has a government delivery deadline of March 2022 with all grant funding having been drawn down by the 31 March 2022. Total Programme costs are now likely to be £48.413Million.

3. PROGRESS TO DATE

3.1 Getting Building Fund

Table 1 - Quarter 3 Summary Position

Target £25.8m	Expected £m	Actual £m	Variance £m
Spend to December 21	£39.071	£22.868	£ -16.203
Grant to December 21	£21.699	£11.388	£ -10.311
Match to December 21	£17.371	£11.479	£ -5.891

Since the programme's inception there is a 41% underspend on forecasts as of the end of Quarter 3. Many projects have experienced delays and shortages in supplies and COVID safe working practices are also causing time pressures. Procurement for some schemes has become difficult as projects have fought to get fixed prices on contracts. As at Q3, the final scheme undergoing procurement has awarded a tender and works started on site in February.

PAPER 2 -GETTING BUILDING FUND & SLGF UPDATE REPORT

The full £25.8m allocation from government has been received by the Accountable Body, with £10m secured in Freedom and flexibility (Offset). No other freedoms and flexibilities have been utilised as projects have been paid on agreed in year intervention rates.

The main concerns in terms of extended delivery timescales are Killingholme Marshes Drainage Scheme, LSIP Phase 2 and the ELITE project within the Skills Capital Investment Programme, as they have potential delays of up to 6 months (details and proposed mitigation measures provided in the table below). Despite this we are confident that the £12.9m grant received this year will be spent within the financial year.

As a worst-case scenario, if all projects were delayed by a quarter, then £10m of grant would shift to 2022/23. Without using any other freedom and flexibility this could be covered by the offset figure.

The government's Delta return was due on the 25th February and this was formally submitted following review and Sign off By the Accountable Body S151 Officer.

Table 2 - Q3 Update on GBF scheme and programme progress

Project Name	Delivery (5)	Finances (5)	Reputation (5)	Overall (15)	Previous risk rating
Centre for Innovation in Rural Health	0	0	0	0 Green	2 Green
Holbeach FEZ Phase 2	2	5	2	9 Amber	9 Amber
Skills Capital Investment Programme	3	4	2	9 Amber	10 Amber/Red
Lincoln Science & Innovation Park Ph2	3	5	2	10 Amber/Red	9 Amber
Killingholme Marshes Drainage Scheme	4	5	3	12 Amber/Red	12 Amber/Red
Greater Lincolnshire Cycle Programme	3	5	1	9 Amber	9 Amber

Detailed update table:

Scheme	Applicant	Grant Allocation	Status
Centre for Innovation in Rural Health	UOL	£1,300,004	Scheme completed - monitoring of outputs and outcomes on going.

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Holbeach FEZ Phase 2	LCC	£6,367,839	Project delayed by just under 2 months - Land acquisition is complete, and contracts exchanged 31 st March 21. Phase 1b road is constructed and complete - retention due to be paid in July 2022 (circa £22k). The latest programme projection for the Hub Building from the contractor is showing a completion date of 27 th May 2022 (this is a further 7 weeks slippage than was profiled at Q2). The Hub Programme has been impacted by external delays in the material supply chain, which has unfortunately now triggered the May finish. These delays are not impacting on the overall budget, but solely on timescales to deliver before the end of March 2022. Launch event planned for September 2022.
Killingholme Marshes Drainage Scheme	Able UK	£4,328,032	Potential delay by 4 months - current market conditions, linked to the price and availability of steel and concrete, have seen price increases and delays of up to 3 months. The project has also encountered a design fault which necessitates the construction of a second cofferdam with an additional cost to the grant recipient of approximately £350,000 and further delay. A further issue has arisen with respect to the extent of the works necessary to construct the outfield channel. This is a function of increased ongoing accretion on the foreshore linked to the physical presence of the ABP HIT terminal. Consequently, the drainage channel will need to be significantly deeper than originally planned, resulting in a higher level of dredged material which also necessitates a variation to the existing marine licence, which dates back to 2011. The variation was submitted on 9 th December 2021 and will need to be informed by a revised construction method statement. This element may not be completed until July 2022. The construction works of the pumping station itself continue but will now not be completed until May 2022. Works are underway and the project anticipates expenditure of £1.6m in Q4, but as things stand, and as per the current programme, all costs will not be defrayed until July 2022.
Cycle Programme	NELC	£2,216,860	Hobson Way completed in July 2021 and. A180 completed in August 2021. The A1173 has seen delays, the tender has now been awarded and work started on site on 17th January. The start date was later than originally predicted as the contractor unfortunately suffered from a reduced staffing level due to COVID. The contractor will be working alongside Northern Power Grid

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			<p>(NPG) who are installing a cable route along the same section of road (this is not linked to any NELC works). The project has highlighted a risk that due to the change in start date it is possible that the completion date will extend beyond the end of March. They say a conversation has been had with the contractor who advised that they will try to reduce the programme, however they need to work alongside NPG completing their cable routes, so their options are limited. They anticipate a small amount of spend will roll over into Q1 (approx. £300k).</p>
Skills Capital Fund Programme	Grantham College	£7,899,175	<p><u>GC Energy Centre</u> Potential delay by a month. The College has been in negotiations with the main Contractor to ensure that the price remains 'fixed', but the scheme is under constant pressure to ensure that the materials are secured in a timely fashion to enable price and programme certainty. The anticipated completion date for the project has moved from the end of January to the middle of April due to these issues, but also because of the need to increase the phasing of the works, and an increase in the extent of asbestos discovered. It is felt that the revised completion date is achievable, and all parties are working to mitigate any further delay.</p>
	UOL		<p><u>Institute of Technology- Holbeach</u> Practical completion of the project happened on 19th November 2021. All access rights to staff and students have been granted and the building is now open. Landscaping has been completed and the footpath link to the Centre of Excellence opened. Q4 will see the final financial claim for this project.</p>
	Inspire Education Group (Stamford College)		<p><u>Construction Centre, Stamford</u> The project construction is 1 month behind schedule, due directly to a supplier delay for pre-cast planks. The latest build forecast is £3.283m against an estimated project value of £2.683m when the grant funding agreement was signed. While about £100k of the additional cost is BREEAM related, generally all elements of the building programme are subject to approx. 10% increase from the original costing. The project has received a DFE Grant to cover additional costs.</p>
	Boston College		<p><u>CaRe Core</u> The construction works started on the 12th of July 21 and were due to complete on the 24th of September 21, however due to supply issues</p>

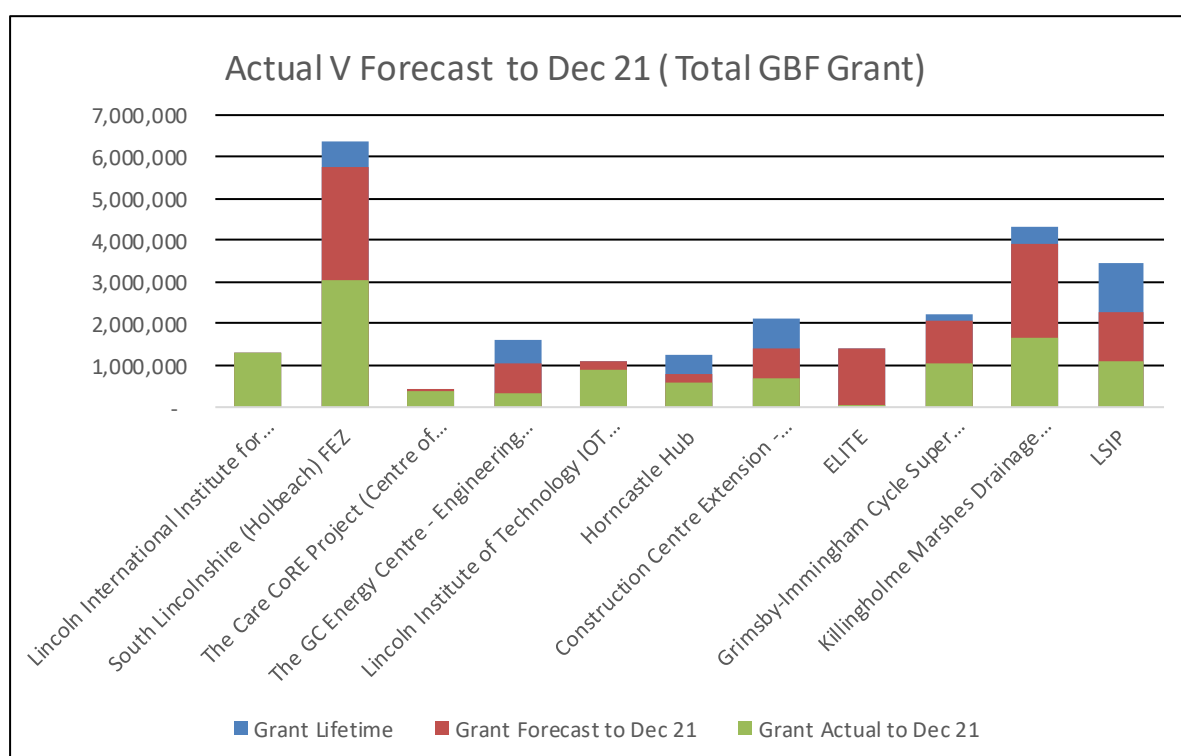
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			<p>with materials and labour the completion date has continued to slip with the expected end date now being week commencing 13th of February 2022. The care core area is almost complete and is in use by the health and social care department with the ward now being used for teaching and learning. Q4 will see the final financial claim for this project.</p> <p>Horncastle Hub Likely delays of a month. However, works are progressing well; upper slab on ground floor poured on 15/12/21, commenced intumescent painting works to the structural steelwork, commenced roof works with the SFS to risers & the parapets, commenced the VCL on the roof, and installed lightning protection tails at low & high level to structural steelwork.</p> <p>Elite The contract is placed, pre-mobilisation and site clearance has taken place and the project started on-site w/c 14th February 2022. Completion is still planned for July 2022, but the project says some invoices and defrayal will fall into August 2022 thus a claim in Q2 22/23 and a 2.5% of build cost retention 12 months later.</p> <p>TEC Partnership are already delivering the courses in other areas of the campus - classroom activity to begin with and will then do the vocational side once the build is complete.</p>
Lincoln Science & Innovation Park Phase 2	LSIP	£3,430,090	<p>Enabling infrastructure project - Having awarded the principal construction contract for this element to RG Carter, a significant problem was detected. Pre-commencement surveys of the site undertaken by the contractor identified significant quantities of asbestos containing materials in the concrete crush that resulted from the demolition of the pre-existing slabs. Due to the importance of removing this material safely there have been inevitable delays with this part of the project.</p> <p>R & D Building - Construction has continued at pace and the building was watertight by the end of December 2021. Practical completion of the principal build was achieved on 28th of February 2022 which is in advance of the GBF deadline.</p>
Fees 1%	GLLEP	£258,000	Applied at programme level

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Overall		£25,800,000	Amber risk rating overall mainly due to finances, as a 5 is given to all projects with 10% spend variation, also individual project scores impact at programme level i.e. Skills Programme
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3.2 Good progress continues to be made across the programme despite delays due to increased costs, supply chain impacts and unforeseen site works. It is also important to note that several of the Q3 claims have been lower than contractually forecast, thus impacting significantly on RAG ratings even if works are proceeding well. The table below shows an overview of grant achievement against contract total and cumulative forecast to December 21:



3.3 In order to meet the full £12.9m GBF spend target for March 2022 further freedom and flexibility options based on risk assessment and past performance may need to be considered.

3.4 In terms of risks and mitigation measures for the GBF programme the updated table below provides an overview of concerns and our suggested approach:

Risk	Mitigation Measure	Deadline
Projects are unable to meet the GBF £12.9m spend target by 31 March 2022	LEP to discuss and agree in principle freedoms and flexibilities with the accountable body and C&LGU in Q4 if necessary	By April 2022
Procurement, cost, or supply chain issues due to Brexit and Covid 19 impacts	LEP will work closely with applicants to ensure that any changes to procurement rules, cost increases or	Ongoing

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	delays due to Covid 19 can be planned for and resolved as soon as possible	
LEP Review and Levelling Up White Paper announcement outcomes have direct implications for the LEP and its programmes	LEP to continue to work with C&LG to update on progress made, share reasons for any delays, and provide reassurance & evidence that the GBF programme remains achievable. LEPs awaiting more detail on new role expectations from government this month.	April 2022

4.0 Single Local Growth Fund

- 4.1 The focus of this programme is to complete delivery of the projects listed below (remaining expenditure being attributed to capital offset as agreed previously) and to monitor and evaluate performance against these and all fully completed schemes within the programme.
- 4.2 At the start of the financial year, we had £8.508m of offset left to release, of which £7.8m was forecast in 2021/22. A revised forecast of £6.820million is expected due to project underspend. We have achieved a cumulative amount of £1.824m. The table below shows the split of spend for 21/22 and 22/23

Distribution of SLGF Offset	21/22	22/23
Unlocking Rural Housing	0.060	0.230
Advanced Engineering R and D Centre - (The Bridge)	1.091	0.655
Grantham Southern Relief Road	4.200	
Sleaford Growth	0.921	
Borderville	0.053	
Huttoft	0.113	
DTLA	0.021	
Skegness Gateway	0.074	
Europarc FEZ	0.138	
A46/A15	0.045	
Northern Junction	0.104	
Underspend	0.000	0.802
Total changes	6.820	1.687

- 4.3 Grantham Southern Relief Road is slightly behind forecast but completed Phase 2 on 28th January 2021. As agreed by Board previously, we released their final grant payment of £4.2m against this. It is hoped the project will achieve their

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£80m overall contract value figure in this financial year despite delivery of Phase 3 continuing in 2022/23.

- 4.4 Sleaford Growth Phase 1 completed in Q2, and Phase 2 Holdingham Roundabout is in final stages of delivery.
- 4.5 The remaining £230,000 of housing programme grant for Boston Quadrant will not complete until next financial year now with 23 housing units forecast to finish in 2022/23.
- 4.6 The Bridge scheme is behind schedule, but we remain hopeful the scheme will still complete the main construction this financial year, with £2m of spend expected in Q4.

5.0 PROGRESS ON OUTPUTS

- 5.1 Output delivery remains a key focus activity on both programmes although currently output delivery on the GBF scheme is limited until projects complete.
- 5.2 Work continues on output profiling and providing adequate breakdown of contractually classed “future years delivery” outputs. These will be assessed on the basis of new yearly breakdowns up to March 2025 with a quarterly breakdown submitted at the beginning of each financial year to enable regular monitoring against delivery.
- 5.3 A full review of all SLGF project outputs has been undertaken. Covid-19 has had a significant impact on output delivery. The majority of projects will achieve their contracted outputs, but they will need longer to achieve them. Each project was asked to provide a revised forecast of when outputs are likely to be delivered and an update has been discussed with the C&LG team.
- 5.4 Core SLGF outputs achieved to Q3 21/22 are shown in the table below:

Jobs Created	923.85
Jobs Safeguarded	146.2
Apprenticeships	91
Housing Units	599
Commercial Floorspace Created/Refurbished (m2)	19,966
Enterprises receiving non-financial support	117
Area of new or improved learning/training floorspace (m2)	18,269
Learners Assisted	5,229

- 5.5 Work is also beginning on producing up to date case studies to show case the work on the LEP. Please see attached two case studies, one for the SLGF Agri-Food Centre of Excellence project, and another for the EMAT Centre in Boston under the auspices of the SLGF Skills Capital Investment Fund.

6.0 ANNUAL REVIEW

- 6.1 The GLLEP Annual Review was held on the 8th February 2022.

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6.2 CLGU confirmed that all Mid-Year Review actions had been resolved. The LEP discussed with the CLGU team its annual performance in terms of Governance, Delivery and Strategy and all three areas were acknowledged to have been well managed this financial year despite complexities and delays caused by Covid and Brexit. Final performance assessment scores will be subject to all reviews being moderated and determined nationally for LEPs and details are still awaited, as is confirmation regarding release of core LEP funding.

6.3 A number of actions were agreed as follows:

Action	Action Point	Owner	Date to be completed
1	CLGU to check for update on the status of the recruitment freeze	CLGU	ASAP
2	Follow up meeting to be held between CLGU and LHP to drill further into the detail of LGF/GBF spend and outputs	All	w/c 21 February
3	LEP to keep CLGU up to date on visit opportunities and progress	LEP/HD	Ongoing
4	CLGU to check what the expectations are on evidencing outputs, drawing on comparisons nationally	CLGU	ASAP
5	Accountable Body to share bespoke LGF and GBF reporting spreadsheets with CLGU colleagues to ensure that they are clear on both the spend and outputs	Accountable Body	w/c 14 February
6	CLGU to clarify monitoring procedure/requirements for reporting on transitioned projects (in terms of outputs - all spend has been completed)	CLGU	ASAP
7	CLGU Area Team to provide full organogram showing geographical, sectoral and thematic leads once these have been finalised.	All	By 31 March

7.0 Recommendations

- The Board are asked to note delivery progress of the GBF and SLGF programme to date.
- The board is asked to note that the year end grant spend will be met for GBF; however, the revised forecasts indicate project spend will slip into the new financial year.
- The board are asked to note the positive feedback from the Annual Review.

Paper 2.1 - Single Local Growth Fund Project Summary - 04 March 2022

PROJECT	RISK	SUMMARY						
Grantham Southern Relief Road	AR	<p>Phase 1 and 2</p> <ul style="list-style-type: none">Phase 1 works have been completed in full. Phase 2 completed on 28th January 22. <p>Phase 3</p> <ul style="list-style-type: none">The programme for Phase 3 commenced on 6th April 21.The current estimated completion date of Phase 3 is September 23.The project has profiled spend beyond March 21 and will need continued financial monitoring for a further 4 years.Project due to hit £80m contractual TPC by end of March 22.						
South Humber Infrastructure Investment Programme (SHIIP) Phase 1	R	<ul style="list-style-type: none">Although the project has claimed the full SLGF grant for delivering the first and largest mitigation site, spend has slipped overall.The Cress Marsh is complete and has recently won National Planning award for innovation.Novartis Land was gifted in Jan 21 and will be known as Novartis Ings.Tenders submitted and contract awarded.The Solenis land was purchased in December 21. Contract awarded.Because of the delay in land assembly, the main construction works will not start until Spring 2022, as the wintering bird season has started.There will be some initial works and purchase of capital items.Given the payment of SLGF there is now only the match funding (secured) to be claimed on the project and as we expected, there is slippage post March 21.						
The Bridge - Advanced Engineering R and D Centre	A	<p>Finance - the claim received for Q3 is for the following amount:</p> <table><tr><td>• Fees</td><td>£11,921.10</td></tr><tr><td>• Building & Construction</td><td>£627,029.63</td></tr><tr><td>• Total</td><td>£638,950.73</td></tr></table> <p>The amount forecast for this quarter was £1,106,760, so the claim is £479,730.40 less than anticipated.</p> <p>Progress - work has progressed on site. The steel frame of the building is now in place and precast floors installed. Installation of below ground drainage and services infrastructure have been</p>	• Fees	£11,921.10	• Building & Construction	£627,029.63	• Total	£638,950.73
• Fees	£11,921.10							
• Building & Construction	£627,029.63							
• Total	£638,950.73							

		<p>completed. The steel framing system to the first floor commenced 13/12/21. Windows for the first floor arrived 20/12/21 and the remaining brick and blockwork deliveries arrived the following day. Several items of equipment have been through the procurement process and purchase orders have subsequently been placed for a Tribometer; DMA; AFM; Plasma Cleaner; Sputter Coater; Sample Preparation Equipment and Small Lab Equipment.</p> <p>Outputs - other than the public match leveraged, which is evidenced in the claims, no outputs have been achieved. There are 12 Jobs to be created in this financial year, but they will not be achieved until the building is completed.</p>
Huttoft Boat Shed Visitor Centre	G	<p>Finance - the claim totals £10,119.99 and is all under the Construction Works heading. This claim was expected to be £39,609, so is considerably less than anticipated (£29,489). Although the building has been handed over, the final contractors bill wasn't submitted in time for this claim. This has been pushed back into Q4, together with some additional expenditure (Q4 = £35,326). Quarter 4 should be the final claim, until the retention is paid in Q3 22/23.</p> <p>Progress - the building was handed over to LCC week commencing 20th Dec 21. The new tenant of the café has said that their contractor is due to fit out the kitchen in early Jan 22.</p> <p>Outputs</p> <ul style="list-style-type: none"> • Public investment leverage - partially delivered through claims received to date. • 75sqm commercial floor space - achieved • 1 New Business Created - to be achieved • 5 New Jobs Created - to be achieved • 15,000 New Visitors attracted - to be achieved

Gainsborough Growth Phase 1	R	<ul style="list-style-type: none"> • Good progress was made early in the scheme with the Transport model complete in full (£270,250), and the LOTS pilot complete with 4 apartments delivered. • West Lindsey has been successful with the Levelling Up Fund, of which the delivery of the Cinema and Leisure scheme is a key anchor project. Due to Covid 19, this sector has been substantially affected and as such the financial model and viability of the scheme has become undeliverable without seeking further subsidy. In addition, construction costs have increased along with increased sustainability requirements. • Savoy has been reluctant to commit to the scheme, especially in the context of the new omicron variant and the government's Plan B and how it impacts on consumer's confidence. West Lindsey is to meet with Savoy mid-January 22 to consider its impact and Savoy's commitment to the scheme. • As such, West Lindsey has been pursuing Option 2 which is for the Council to develop and own the site, leasing the cinema unit to an operator. Soft market testing will commence in January 2022. • Work is progressing on site acquisition and demolition, full demolition survey and method statement now in place. This will be led by Lincolnshire Co-op. Current demolition programme suggests that demolition will be completed by early May 22, ideally the completion of the land sale will be shortly after. • Coop and the Council has agreed on a demolition specifications and Coop is actively negotiating with CoolFun to resolve remaining covenant issue.
Sleaford Growth Project Phase 2	G	<ul style="list-style-type: none"> • Scheme was substantially complete prior to Christmas as planned. • A few road signs are yet to be installed, the final landscaping will be undertaken in the spring, and the signals require a small amount of MOVA adjustments. • The CCTV is to be installed during Q4 - this was delayed due to BT fibre cable installation. • A significant portion of resurfacing work on the A15 north of the roundabout has been added to this scheme. It is being funded, in its entirety, by Lincolnshire County Council from their PRN budget. An allowance was made on the April-Sept 21 claim for £3.466m as a negative figure. This is to allow for its accountability via the invoice, but to demonstrate that it is not being claimed as it forms no part of the LEP funding contract. • 12 New Housing Units and 95 Facilitated Homes have been completed to date.

Boston Quadrant
Infrastructure
Programme

AG

- Public benefit works (to which the grant was awarded) is now almost complete. Works progressing on site with completion of three stands following completion of the East stand, pitch and external works achieved enabling the stadium to be occupied. Construction underway on the final stand, with piling all completed on the South stand.
- Construction delayed on remaining elements of the stadium whilst costs/supply chain issues are resolved.
- Works to 3G pitch completed and new facility is operational.
- Project has received full grant so claim amount will go as match funding.
- Outputs - Lots of success in output delivery. Construction completed on units for Costa Coffee, Burger King, Greggs and Starbucks. Construction completed on additional two units on Site C, with one occupied as a Car Hire unit and the other by Papa Johns. Construction completed on Site D for new Travelodge unit. Land sale completed on Site K for kitchen/bathroom showroom for Turnbolls. Construction completed on Site H for 66-unit Care Home and now operational. Land sale completed on petrol filling station site, with construction anticipated to commence this year.
- Much lower claim received in Q2, the difference in relates to the stadium. There is approx. £1.7m of works that have been undertaken by Chestnut Homes but to date have not been paid as contributions to the stadium because there is not enough finance available to Chestnut Homes Land limited to make these payments.
- The money from Chestnut Homes Land limited will be available from the land sales - the next land sale of residential land to Chestnut Homes is due shortly although may not be completed by the end of September.
- So, the money has been spent but just not claimed via the SLGF claim process we have in place.
- NIL claim received at Q3.

Unlocking Rural Housing	AG	<ul style="list-style-type: none">• Boston Quadrant - completion of the first 71 dwellings has been achieved & they have been handed over to Lincolnshire Housing Partnership. Contracts are now in place for a further 6 dwellings, with construction ongoing on all plots. Completion is forecast for Spring 22.• All roads & drainage works for Area 5 have now been completed.• Planning Permission has been received for Phase 5 & 6.• Negotiations are ongoing with Boston Borough Council re the delivery of the final 23 dwellings.						
Access to Employment Zones Phase 1	G	<p>Finance - the Q3 claim is for:</p> <table><tr><td>• Site Preparation</td><td>£10,072.00</td></tr><tr><td>• Building & Construction</td><td>£80,660.23</td></tr><tr><td>• Total</td><td>£90,732.23</td></tr></table> <p>This expenditure is for final accounts which have now been settled and late invoices being submitted for the scheme. We were expecting a claim for £80,660, so this claim is higher. A Q4 claim is profiled for £24,812.</p> <p>The project manager is stating that this scheme will underspend by £271,549 (approx. 13.8%)</p> <p>Progress - the project is physically complete.</p> <p>Outputs- a joint progress report has been submitted for Access Ph1 and Ph2. We still have an ongoing issue of outputs being claimed by the project but with no evidence. The narrative and information given means that we cannot accept the outputs as being achieved. The outputs shown in the progress report don't tie up with those in the contract.</p>	• Site Preparation	£10,072.00	• Building & Construction	£80,660.23	• Total	£90,732.23
• Site Preparation	£10,072.00							
• Building & Construction	£80,660.23							
• Total	£90,732.23							

Northern Roundabout Junction	G	<p>Finance - a retention payment of £127,000 is expected to be claimed in Q4 21/22.</p> <p>Progress - roundabout is now fully delivered. A Road Safety Audit Level 3 has been undertaken and several recommendations for consideration by Highways England and NLC's Highways Team. A meeting is to be held in early Oct to discuss appropriate action.</p> <p>Outputs - the core output has been achieved - 1 Roundabout junction constructed. A photo of the new junction has been provided.</p> <p>Additional Outcomes- confidential. The progress report has stated that the additional outcomes are still to be delivered. NLC have engaged with Homes England and submitted a bid to acquire 65 acres of commercial land to the west of the junction. If successful, NLC will seek to deliver an Advanced Manufacturing Park on the site. The profile of these, in the original contract, needs to be revisited as it is very out of date. We have requested that the project submits a more realistic profile.</p>
Scunthorpe Town Centre	G	<ul style="list-style-type: none"> • Project is now complete/ • There is a retention fee of £19,494 due in Q4 21/22, to be counted as match funding levered. • All SLGF has been released. • Output - from the information received, it looks like all outputs have been achieved, but the progress report says that they are awaiting a response from GLLEP on variation of outputs? Project is to revisit request to amend outputs and provide an update - per telephone call with Sheryle Price-Jones 22/02/22.
Skills Capital Investment Fund	G	<p>The programme features 4 sub-contracts as follows:</p> <ul style="list-style-type: none"> • Digital and professional Skills Centre (Lincoln College - £2.3m). The project is now complete with a small retention (£45k) due in Q2 22/23. • EMAT - Engineering Manufacturing and Technology Centre - (Boston College - £2.8m) - The project is complete. • Digital Skills Centre (Stamford College £0.438m) - The project is complete. • North Lincolnshire Higher level Technical, Business Skills and Innovation Hub (North Lindsey College - £2.3m) - The project is now complete and will see a final claim in Q4 at a value of approx. £400k.

		The Employment and Skills Manager for the GLLEP is overseeing the output monitoring stage.
Skegness Gateway Scheme	G	<p>Physical Progress - New road adoption process is on-going with LCC Highways. The highway construction and legal processes associated with the land sale has been completed. The project will now go into its outputs & monitoring phase.</p> <p>Financial Performance - The value of the Q3 claim was £6,021.01</p> <p>The project will have a small claim at Q4 which will be the final financial claim of this scheme. This is the final financial claim for the project.</p>
Access to Employment Zones Phase 2	G	<p>Finance - the Q3 claim is for £12,144.18. We weren't expecting a claim this quarter, from the last budget profile sheet. There is a further claim in Q4 which is still at £38,879.</p> <p>Progress - the project has been physically complete since March 2021, apart from landscaping and road safety audit. Landscaping is programmed for Spring 22.</p> <p>Outputs - the progress report is still saying that the project has achieved 20 or 22 jobs created/safeguarded and 22 construction jobs, even though no evidence has been provided. In the contract we only have a target of 34 construction jobs. The progress report is still saying that the number of homes created by the scheme is directly linked to the site on the former Western School site for 400 dwellings. When I looked at the due diligence report, only 100 of the 400 houses were to be claimed by this scheme, as the other 300 houses were being claimed by other funds.</p>

Digital Technology Transport & Logistics Academy	AG	<p>Finance - Project due to claim a retention of £38,761 in Q4 21/22.</p> <p>Progress - all the building works are complete, furniture, equipment and signage have all been installed.</p> <p>Outputs - this project has struggled to achieve its contracted outputs due to Covid and the lockdowns. They have stated that they have not submitted a reprofile. I have sent a reprofiling table for them to complete and return by the end of this month. This reprofile has now been received (28/10/21) and will need to be reviewed to see if a formal variation is required. The project is still set to achieve its output totals, but the time taken to achieve them will need to be extended. Some support is also needed to clarify the output definitions and what can be claimed.</p>
South Humber Infrastructure Investment Programme (SHIIP) Phase 2	G	<ul style="list-style-type: none"> • Project complete, small retention due to be claimed in Q4.
Borderville	G	<p>Finance - one last claim due in Q4 for approx. 106k. this will see a project underspend of £223k. Final accounts to be confirmed.</p> <p>Outputs - the only output which has been evidenced to date is the 807 Sqm of Commercial Floorspace refurbished/constructed and occupied. Floorplans were provided as evidence in Q1 21/22. The progress report states that several of the outputs will be reported on in the next quarterly return. Although not evidenced they have 197 Learners Supported, 6 new curriculums/training courses and 9 updated courses. They have safeguarded 18 jobs and are trying to obtain confirmation of these from their HR department.</p>

Grantham Technology and innovation Centre	R	<ul style="list-style-type: none"> • The project is now physically complete, and the building has been handed over. • With difficulties in the aspects of business, forward economic outlook and current restrictions the centre currently remains closed to comply with current lockdown requirements announced from the 5th January 2021. • Course delivery for cohorts have been moved to an online / virtual basis to ensure learners complete their structured learning programme. Recruitment via the University of Lincoln continues to take place. Items identified in the recovery model to provide support as a business hub and business enterprise capacity can only be undertaken once restrictions have been lifted and sufficient confidence is instilled for the gathering of businesses. • At this stage of the program, several queries remain as to how the outputs of the centre can be suitably reviewed because of the current pandemic. To aid this, several queries to the GLLEP have been posed - this is currently under review. The University SK Board will take suitable feedback into account and strategically place the centre on a recovery footing in preparation for the eventual physical re-opening of the centre.
Normanby Enterprise Park	G	<ul style="list-style-type: none"> • In terms of the physical works completed, and for which the GLLEP funding was required, 95% of the project was completed prior to Clugston's entering administration. • The road, street lighting, drainage and footpaths have all been completed, with the final 'wearing course' (tarmac) still to be laid following completion of the ABM factory, to avoid damage to the new road surface. In addition, there is some weeding, seeding and maintenance of the new sustainable urban drainage system (swales and attenuation pond) required, which will be carried out early in the new year. • ABM is continuing to await further information on the position in relation to HS2 and their subsequent contract, which is the main driver for the expansion and relocation of their facilities. • As such outputs need to be reviewed and revised both in terms of number and duration for delivery. Another company is looking to relocate to the NEP7 site which would create a 145,000 sqft unit, which would deliver 135 jobs on day one, with a further 150-200 jobs within 3 years of the completion date. The project is spent to value of contract and remaining costs are being captured as additional leverage. • Per telephone call Sheryle Price-Jones 22/02/2022 - letter sent to GLLEP regarding the revision of outputs is to be revisited now we are in covid recovery period. A variation may be needed following receipt of her response.
Boole Technology Centre	G	<ul style="list-style-type: none"> • The project has completed and is operational. All spend evidenced and outputs have been achieved. • We continue to monitor the impacts of the project.

Holbeach Peppermint Junction	G	<ul style="list-style-type: none"> The project has completed and is operational. All spend evidenced and this is in output monitoring stage. Letter sent with regards output delivery.
Tentercroft Street Growth Corridor Phases 1 and 2	G	<ul style="list-style-type: none"> The project has completed and is operational. All spend evidenced and this is in output monitoring stage.
Holbeach Food Enterprise Zone	G	<ul style="list-style-type: none"> The project has completed and is operational. All spend evidenced and this is in output monitoring stage.
Europarc Food Enterprise Zone	G	<ul style="list-style-type: none"> The project has completed and is operational. All spend evidenced and this is in output monitoring stage.
Centre of Rural Health	G	<ul style="list-style-type: none"> The project has completed and is operational. All spend evidenced and this is in output monitoring stage. <p>Outputs:</p> <ul style="list-style-type: none"> Q3 - 14 Learners Supported (evidenced) Q2 - 695 Sqm New Learning/Training Floorspace has been created and evidenced by the submission of the floorplan. Q2 - 1 Business Assisted to improve performance - evidenced Q2 - 14 Learners Supported - evidenced (Q1 - 1 Business Assisted to improve performance - evidenced) (Q1 - 17 Learners Supported - evidenced) <p>The progress report states that the project is to have an output review session in Mid Nov, with the LIIRH & Med School leads to review the businesses they are supporting and signpost effectively.</p>
Bishop Burton College Lincolnshire Showground Riseholme Campus	G	<ul style="list-style-type: none"> The project has completed and is operational. All spend evidenced and this is in output monitoring stage.

GL Centre of Medical Science	G	<ul style="list-style-type: none"> The project has completed and is operational. All spend evidenced and this is in output monitoring stage. <p>Outputs to and inc Q3 2021/22</p> <ul style="list-style-type: none"> 34.9 Jobs Created 25.2 Jobs Safeguarded 42 Enterprises Supported to improve performance 5682 m2 Area of new learning/training space 198 Learners Supported
Agri-Food Centre of Excellence	G	<ul style="list-style-type: none"> The project has completed and is operational. All spend evidenced and this is in output monitoring stage. Progress - The building is physically completed. Planned official opening - whilst the centre is in use by the sector's businesses and students and has already hosted a ministerial visit, the building has yet to be formally opened. The Centre will be formally opened in March when stakeholders will come together to open both the Centre of Excellence and the Digital Food Manufacturing Technologies Centre (The Institute of Technology). An extensive social media campaign and the use of NCFM's networks have been effective in promoting the CoE with several new businesses accessing the services of NCFM as a result. New food industry partners include Craft Heinz, JD Wetherspoons, Innocent Drinks and Ornua Ingredients Europe and Severn Trent Water. Physical visits from businesses have included visits from Boston based Plant and Bean, Unilever and Sealed Air. <p>Outputs</p> <p>Achieved to an including Q3:</p> <ul style="list-style-type: none"> Jobs Safeguarded 39 Commercial Floorspace Constructed Sqm - 1360 Learners Supported - 348

		<p>The evidence for Q3 outputs needed clarification and so will not be claimed until Q4 but are included in the figures above.</p> <p>The project is concerned about the Jobs Created output. Originally the bid was for a capital and revenue project, funded by ERDF & SLGF. The project was then split into a capital only project and stand-alone revenue project. The revenue project was funded by ERDF only and the outputs relating to this were revised. Susannah thinks that the SLGF contract wasn't revised at the same time. As the Centre of Excellence is a research facility, it is unlikely to directly create jobs. She feels the jobs are more linked to the FEZ. How should we take this forward? I will go back to the Due Diligence to see if there is anything to say where the 71 jobs were supposed to come from.</p>
Lincoln Transport Hub	G	<ul style="list-style-type: none"> The project has completed and is operational. All spend evidenced and this is in output monitoring stage. Problem with job figures for DFT - Michelle liaising with them to provide evidence, but they are reluctant.
Sleaford Growth Project Phase 1	G	<ul style="list-style-type: none"> The project has completed and is operational. All spend evidenced and this is in output monitoring stage.
Gainsborough Growth phase 2	G	<ul style="list-style-type: none"> The project has completed and is operational. All spend evidenced and this is in output monitoring stage.
A46-A15	G	<ul style="list-style-type: none"> The project has completed and is operational. All spend evidenced and this is in output monitoring stage. Project underspent and so grant less than contracted.
Sutterton Roundabout	G	<ul style="list-style-type: none"> The project has completed and is operational. All spend evidenced and this is in output monitoring stage.
Go Skegness Sustainable Transport	G	<ul style="list-style-type: none"> The project has completed and is operational. All spend evidenced and outputs have been achieved. We continue to monitor the impacts of the project.

Paper 2.2 - Getting Building Fund Project Summary - 04 March 2022

PROJECT	RISK	SUMMARY
Centre for Innovation in Rural Health	G	This project is financially complete, and we now move to the output monitoring stage. Outputs due is 29 businesses assisted to improve performance which is due to be achieved in 2024/25.
Holbeach FEZ Phase 2	A	<p>Land - acquisition complete and contracts exchanged 31st March 21.</p> <p>Phase 1b road - constructed and complete - retention due to be paid in July 2022 (circa £22k).</p> <p>Hub Building - The latest programme projection from the contractor is showing a completion date of 27th May 2022 (this is a further 7 weeks than was profiled at the Q2 submission). This date is without mitigation measures so may well be improved upon - the project will keep us updated. The Hub Programme has been impacted by external delays in the material supply chain, which has unfortunately now triggered the May finish.</p> <p>We had expected the project to spend £7.939m in total costs to date but the actual spend to date is £5.229m - therefore an underspend of £2.710m (34.14%). As this is a variance of spend of more than 10% (as per GBF guidance) the financial risk rating is 5. Delivery has been classed as 2 as the project has stated that the Hub Building will not complete until 27th May (this maybe improved upon). Reputation has been marked at 2. This is an overall mark of 9 and would therefore makes the overall risk rating Amber.</p>

		<p>Grant this period has been paid of £458,822.17, this brings the project back into line with contract intervention rates. We will pay 100% on future claims, noting that the project has 630K left in to claim in Q1 of 22/23. Public sector match evidenced this quarter is £690k taking the total to £2.196m.</p> <p>Outputs:</p> <table><tr><td>Public/private sector Investment levered</td><td>£2.196m</td><td>21.96m</td><td>Achieved through claims</td></tr><tr><td>Jobs created</td><td>973</td><td>0</td><td>Will not start until 22/23</td></tr><tr><td>Floorspace commercial</td><td>1422</td><td>0</td><td>Will not start until 22/23</td></tr><tr><td>Businesses assisted to improve performance</td><td>31</td><td>0</td><td>Will not start until 22/23</td></tr><tr><td>New businesses created</td><td>22</td><td>0</td><td>Will not start until 22/23</td></tr></table>	Public/private sector Investment levered	£2.196m	21.96m	Achieved through claims	Jobs created	973	0	Will not start until 22/23	Floorspace commercial	1422	0	Will not start until 22/23	Businesses assisted to improve performance	31	0	Will not start until 22/23	New businesses created	22	0	Will not start until 22/23
Public/private sector Investment levered	£2.196m	21.96m	Achieved through claims																			
Jobs created	973	0	Will not start until 22/23																			
Floorspace commercial	1422	0	Will not start until 22/23																			
Businesses assisted to improve performance	31	0	Will not start until 22/23																			
New businesses created	22	0	Will not start until 22/23																			
Killingholme Marshes Drainage Scheme	A/R	<p>Potential delay of 4 months. Current market conditions linked to the price and availability of steel and concrete have seen price increased and delays of up to 3 months. The project also encountered a design fault which necessitates the construction of a second cofferdam with an additional cost of approx. £350,000 and further delay.</p> <p>A further issue has arisen with respect to the extent of the works necessary to construct the outfield channel. This is a function of increased ongoing accretion on the foreshore linked to the physical presence of the ABP HIT terminal. Consequently, the drainage channel will need to be significantly deeper than originally planned, resulting in a higher level of dredged material which also necessitates a variation to the existing marine licence, which dates back to 2011. The variation was submitted on 9th December 2021 and could be granted within 8 weeks of application, but the application will need to be informed by a revised construction method statement - this is still at the feasibility stage but provides a more informed costs forecast. This element may not be completed until July 2022</p> <p>The construction works of the pumping station itself continue but will now not be completed until May 22. Works are underway and the project anticipate expenditure of £1.6m in Q4, but as things stand, and as per the current programme, all costs will not be defrayed until July 2022.</p>																				

		<p>We had expected the project to spend £8.636m in total costs to date but the actual spend to date is £3.687m - therefore an underspend of £4.948m (57.30%). As this is a variance of spend of more than 10% (as per GBF guidance) the financial risk rating is 5. Delivery has been classed as 4 as the project has confirmed that there will still be costs to claim past March 2022. Reputation has been marked at 3. This is an overall mark of 12 and would therefore make the overall risk rating Amber/Red.</p> <p>According to the contract, and the breakdown of GBF per quarter (as presented by the LEP), the project should receive grant at a 45.50% intervention therefore this quarter Q3 period saw a grant payment of £788k. £1.2m of grant is set to be in 22/23.</p> <p>£945k of private sector match has been evidenced this quarter taking the total to just over £2m.</p> <p>Outputs:</p> <table><tr><td>Private sector investment levered</td><td>£5.183m</td><td>£2.009m</td><td>Achieved through claims</td></tr><tr><td>Number of Jobs safeguarded</td><td>1500</td><td>0</td><td>Will be achieved in 22/23</td></tr></table>	Private sector investment levered	£5.183m	£2.009m	Achieved through claims	Number of Jobs safeguarded	1500	0	Will be achieved in 22/23
Private sector investment levered	£5.183m	£2.009m	Achieved through claims							
Number of Jobs safeguarded	1500	0	Will be achieved in 22/23							
Cycle Programme	A/R	<p>Hobson Way between the South Humber Bank link road and the junction with South Marsh Lane - works completed in July 21. Snagging works also complete.</p> <p>A180 Westgate between Lockhill roundabout and Westgate roundabout - this section of the works was completed in August 2021. Landscaping works and snagging works are also complete. A further section of cycle way resurfacing has been added to this section to tie in with Moody lane, a cycle way project completed previously. This allows for a continuous route. All work has been completed.</p> <p>A1173 Immingham Town Centre to Stallingborough Industrial Site, via the Kings Road - The A1173 has seen delays, the tender has now been awarded and work starting on site on 17th January. The start date is later than originally predicted as the contractor has unfortunately suffered from a reduced staffing level due to COVID. The contractor will be working alongside Northern Power Grid (NPG) who are installing a cable route along the same section of road (this is not linked to any NELC works). The project has highlighted a risk that due to the change in start date it is possible that the completion date will extend</p>								

beyond the end of March. They say a conversation has been had with the contractor who advised that they will try to reduce the programme, however they need to work alongside NPG completing their cable routes, so their options are limited. They anticipate a small amount of spend will roll over into Q1 (approx. £300k).

We had expected the project to spend £2.470m in total costs to date but the actual spend to date is £1.271m - therefore an underspend of £1.198m (48.52%). As this is a variance of spend of more than 10% (as per GBF guidance) the financial risk rating is 5. Delivery has been marked at 4 as the start of construction for the final element of the scheme was delayed and may not complete by March 22. Reputation has been marked at 2. This is an overall mark of 11 and would therefore make the overall risk rating Amber/Red.

The project has different intervention rates throughout the quarters, and it is to be noted that they are higher in the first 2 quarters of this FY, so it does make sense that we try and honour that with them. We have therefore reconciled this quarter and have paid grant of £347,278.51.

£69k of private sector match has been evidenced this quarter taking the total to £202k.

Outputs:

New cycle - footway completed and open to public	3.9km	0	To be achieved in 21/22
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There is also an additional outcome of 37 construction jobs - the project says 10 have been achieved but we are awaiting evidence.

Lincoln Science & Innovation Park Phase 2	AR	<p>The project is split into 2 sub projects: Enabling works (£1,838,170 of grant allocation) and I-Star R& D Building (£1,591,920 of grant allocation).</p> <p>Enabling infrastructure project - Having awarded the principal construction contract for this element to RG Carter, a significant problem has been detected. Pre-commencement surveys of the site undertaken by the contractor has identified significant quantities of asbestos containing materials in the concrete crush that resulted from the demolition of the pre-existing slabs. The risk of these materials being present beneath and within the slab was known and highlighted to the demolition contractor before commencement and an asbestos management plan was approved to ensure any discoveries were identified by a trained person and then handled via a ‘hotspot protocol’ to avoid this specific occurrence. This has not occurred and has led the project to engage in a dispute with the contractor.</p> <p>I-STAR R & D Building - Construction has continued at pace and the building was watertight by the end of December 2021. This next period will see work on external masonry, external cladding, internal walls, and partitioning. The project manager’s latest reports suggest that the construction is on programme with practical completion of the principal build expected on 28th of February 2022 which is in advance of the GBF deadline.</p> <p>We had expected the project to spend £4.596m in total costs to date but the actual spend to date is £2.193m - therefore an underspend of £2.402m (52.28%). As this is a variance of spend of more than 10% (as per GBF guidance) the financial risk rating is 5. Due to the issues the project faces on the Infrastructure project element and an already 3-month delay, a delivery rating of 5 has been given. Reputation has been marked at 2. This is an overall mark of 12 and would therefore makes the overall risk rating Amber/Red.</p> <p>This project is paid on a straight intervention rate, and we paid grant of £688,55.70 in this Q3 period. £695k of private sector match has been evidenced this quarter taking the total to £1.102m.</p> <p>Outputs:</p>
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		Private sector Investment levered	£3.465m	£1.102m	Achieved through claims
		Jobs created	50	0	Will not start until 22/23
		Floorspace commercial	929	0	Due to be achieved in Q1 22/23
		Businesses assisted to improve performance	70	0	Will not start until 22/23
		No of learners supported	125	0	Will not start until 22/23
Skills Capital Fund Programme	AR	<p>The GC Energy Centre - Engineering and Construction - Potential delay by a month. The College has been in negotiations with the main Contractor to ensure that the price remains ‘fixed’, but the scheme is under constant pressure to ensure that the materials are secured in a timely fashion to ensure price and programme certainty. The anticipated completion date for the project has moved from the end of January to the middle of April due to these issues, but also because of the need to increase the phasing of the works, and an increase in the extent of asbestos discovered. It is felt that the revised completion date is achievable, and all parties are working to mitigate any further delay.</p> <p>The project is currently 71.92% underspent to what the contract states, as this is a variance of spend of more than 10% (as per GBF guidance) the financial risk rating is 5. Delivery has been classed as 3 as the project has stated that the project will not complete until April 2022. Reputation has been marked at 2 - this puts the project in an Amber/Red risk category.</p> <p>Contract interventions vary quarter on quarter for this project. Our view has always been that we should pay the capital element on an intervention of 81.38%, therefore this Q3 period saw a payment of grant of £277,911.90. The project will submit their first revenue claim at Q4.</p> <p>£41k of private sector match has been evidenced this quarter taking the total to £74k.</p>			

Outputs:

Revenue costs	500k		0	20/21 onwards
Private sector Investment levered	366k		£74k	20/21
Jobs created	31		0	21/22 onwards
Safeguarded jobs	28			21/22 onwards
Training floorspace refurbished/constructed and occupied (sqm)	1399		0	21/22
Businesses assisted to improve performance	161		0	21/22 onwards
No of learners supported within and for priority sectors	1303		0	21/22 onwards
Businesses created	11			21/22 onwards
Number of brand-new curriculum/training courses	25		0	21/22 onwards
Number of updated/modernised curriculum of courses	6		0	21/22 onwards
Number of learners as a result of this project securing jobs in a priority sector	768		0	21/22 onwards

Lincoln Institute of Technology IOT (Holbeach Hub) - Practical completion of the project happened on 19th November. There are a few minor snagging items outstanding including installation of some of the AV equipment for the teaching rooms - this was due to be completed on 14th January. Furniture has been delivered and the reception desks have been manufactured and installed. The library books have been transferred over and is open for use. All access rights to staff and students have been granted in the building is now open. Landscaping has been completed and the footpath link to the excellence opened.

We had expected the project to spend £2.477m in total costs to date but the actual spend to date is £2.075m - therefore an underspend of £401k (16.21%). This is down to a delay previously in the

programme but as can be seen the project is now complete and Q4 will see the final financial claim for this project. As per GBF guidance, a variance of more than 10% sees a financial risk rating of 5 but as this project is practically complete, I am going to mark this 1. I am also marking delivery and reputation at 1. This is a score of 3 out of 15 and makes an overall risk rating of Green.

According to the contract, and the breakdown of GBF per quarter (as presented by the LEP), the project should receive grant at an 43.57% intervention rate and therefore this Q3 period saw a grant payment of £662k. £858k of public sector match has been evidenced this quarter taking the total to £1.71m.

Outputs claimed at this Q3 period include:

- x4 jobs
- x6 brand-new curriculum/training courses
- x10 updated/modernised curriculum of courses
- x13 learners/apprenticeships being trained/up skilled in a priority sector

Outputs:

Public sector Investment levered	£1.446m	£1.71m	20/21 and 21/22
Jobs created	12	4	21/22 onwards
Commercial floorspace refurbished/constructed and occupied (sqm)	458	458	21/22
Number of brand-new curriculum/training courses	36	8	20/21 onwards
Number of updated/modernised curriculum of courses	9	10	21/22
Number of learners/apprenticeships being trained/up skilled in a priority sector	445	53	20/21 onwards

Construction Centre Extension - Stamford College - The project construction is 1 month behind schedule, due directly to a supplier delay for pre-cast planks. The latest build forecast is £3.283m against an estimated project value of £2.683m when the grant funding agreement was signed. While about £100k of the additional cost is BREEAM related, generally all elements of the building programme are subject to approx. 10% increase from the original costing. The project has received a DFE Grant to cover additional costs

The project is currently 49.27% underspent to what the contract states, as this is a variance of spend of more than 10% (as per GBF guidance) the financial risk rating is 5. Delivery has been classed as 5 as the project has stated that they do not anticipate the building being finished on time. Reputation has been marked at 3 - this puts the project in a red risk category.

Although the project has different quarterly intervention rates the margins are minimal and so it makes sense to simply use the overall intervention rate on this project of 79.35%. Therefore, this Q3 period saw a payment of £455,382.87.

£118k of private sector match has been evidenced this quarter taking the total to £184k.

Outputs:

Private sector Investment levered	£541k	£172k	21/22
Revenue	£13k	£12k	21/22
Jobs created	2	0	21/22 and 22/23
New training/learning space refurbished/constructed (sqm)	650	0	21/22 and 22/23
Businesses assisted to improve performance	2010	0	21/22 and 22/23
No of learners supported within and for priority sectors	5163	0	21/22 and 22/23
Number of brand-new curriculum/training courses	9	0	21/22 and 22/23

Number of updated/modernised curriculum of courses	45	0	21/22 and 22/23
Number of learners as a result of this project securing jobs in a priority sector	1560	0	Will not start until 22/23

The Care CoRE Project (Centre of Regional Excellence for Care) - The construction works started on the 12th of July 21 and were due to complete on the 24th of September 21, however due to supply issues with materials and labour the completion date has continued to slip with the expected end date now being week commencing 13th of February 22. The only outstanding element of construction work is the installation of the lift which was delayed further due to lead time on materials. The care core area is almost complete and is in use by the health and social care department with the ward now being used for teaching and learning.

The project is currently 33.29% underspent to what the contract states, as this is a variance of spend of between 2% and 5% so, as per GBF guidance), the financial risk rating is 2. Delivery has been classed as 1 as although the final phases of delivery were delayed, Q4 will see completion and the final claim for this scheme. Reputation has been marked at 1 - this puts the project in an Amber/Green risk category.

According to the contract, and the breakdown of GBF per quarter (as presented by the LEP), the project should receive grant at an 2.60% intervention rate to date therefore this Q3 period saw a grant payment of £134,048.22.

£105k of public sector match has been evidenced this quarter taking the total to £315k.

Outputs:

Public sector Investment levered	324k	315k	21/22
Private sector Investment levered	50k	0	21/22
Jobs created	1	0	21/22

Apprenticeships	30		21/22 onwards
Businesses assisted to improve performance	240	0	21/22 onwards
No of learners supported within and for priority sectors	1400	0	21/22 onwards
Number of brand new curriculum/training courses	7	0	21/22 onwards
Number of updated/modernised curriculum of courses	18	0	21/22 onwards
Number of learners as a result of this project securing jobs in a priority sector	245	0	21/22 onwards
Refurbished training/learning facilities (sqm)	480	0	21/22

Horncastle Public Sector Hub (Boston College) - Likely delays of a month. However, works are progressing well; upper slab on ground floor poured on 15/12/21, commenced intumescent painting works to the structural steelwork, commenced roof works with the SFS to risers & the parapets, commenced the VCL on the roof, and installed lightning protection tails at low & high level to structural steelwork.

The project is currently 29.44% underspent to what the contract states, as this is a variance of spend of more than 10% (as per GBF guidance) the financial risk rating is 5. Delivery has been classed as 5 as the project has stated that they do not anticipate the building being finished on time - current forecast is August 22. Reputation has been marked at 3 - this puts the project in a Red risk category.

This project has confusing intervention rates with each being different in each quarter but with the release and acknowledgment that 100% of grant will be released to the project contractually based on them hitting a spend target of £6.4m by March 22, however the project is delayed and so grant will not be achieved until Q1 of 22/23. We have done some work in reconciling the grant paid based on the

intervention rates in the contract and paying on actuals but based on the amounts in each quarter in the contract and have paid the project £208,510.93 in this Q3 period.

£811k of public sector match has been evidenced this quarter taking the total to £2.09m.

Outputs:

Public sector Investment levered	£6.738m	£2.09m	21/22 and 22/23
Private sector Investment levered	£80k	0	22/23
Jobs created	2	0	Will not start until 22/23
New training/learning space refurbished/constructed (sqm)	400	0	22/23
Businesses assisted to improve performance	15	0	Will not start until 22/23
No of learners supported within and for priority sectors	1536	0	Will not start until 22/23
Number of new businesses created	24	0	Will not start until 23/24
Number of brand-new curriculum/training courses	6	0	Will not start until 22/23
Number of learners as a result of this project securing jobs in a priority sector	15	0	Will not start until 23/24

Engineering, Logistics, Innovation, Technology and Energy Skills (ELITE) - Contract is placed, pre-mobilisation and site being cleared of academia and the steel is ordered and due on site w/c 14th February. Completion is still planned for July 21, but the project say some invoices and defrayal will fall into August 21 thus a claim in Q2 22/23 and also a 2.5% of build cost retention 12 months later.

Although the project hasn't started Tec Partnership are delivering the courses in other areas of the campus - classroom activity to begin with and will then do the vocational side once the build is complete.

The project is clearly hugely behind but as the build has started and the copy of report on tenders has been received, we have released £35,674.02 of grant in this Q3 period, this being a proportion of the 4% of the first quarter contract target.

The project is currently 65.03% underspent to what the contract states, as this is a variance of spend of more than 10% (as per GBF guidance) the financial risk rating is 5. Delivery has been classed as 5 as the project has stated that the project will not complete until June 2022 with spend falling into 22/23. Reputation has been marked at 4 - this puts the project in a Red risk category.

£14,596k of private sector match has been evidenced this quarter taking the total to £863k.

Outputs:

Public sector Investment levered	£1.015m	£863k	21/22
Floorspace refurbished training/learning facilities (sqm)	896	0	21/22
Number of brand-new curriculum/training courses	12	0	21/22
Learners in courses within priority sectors	1789	98	21/22 onwards
Learners as a result of this project securing jobs in a priority sector	248	0	21/22 onwards