

# LEP DIRECTORS BOARD

27<sup>th</sup> September 2019

Boole Technology Centre, Lincoln Science  
& Innovation Park, Beevor Street, Lincoln,  
LN6 7DJ

# Paper 0 - Greater Lincolnshire LEP Board Agenda

Refreshments available from 9.30			
9.50 Welcome from Tom Blount, Director of the Lincoln Science Park at 9.50			
Time	Item	Lead	Circulation
10.00	<b>Welcome, Apologies, Declarations of Interest</b> 1.0 FOR APPROVAL - LEP Board Minutes July 2019 1.1 FOR INFO - Decision Log 1.2 FOR INFO -Review of Actions 1.3 FOR APPROVAL - Approval of Forward Plan	Chair	Attached and Website
<b>Governance</b>			
10.05	<b>2.0 FOR INFO -LEP Chair and Chief Executive's Report</b> 2.1 Summer Review Reporting, Delivery Plan including Improvement Plan	Chair and CX	Attached and Website
10.15	<b>3.0 CONFIDENTIAL FOR DECISION - LEP Chair and Deputy Chair recruitment</b> 3.1 Role of the Chair 3.2 Role of the Deputy Chairs	CX	Directors Only and attached
10.20	<b>4.0 FOR DECISION - Review of the Terms of reference for LEP Board</b>	CX	Attached and Website
<b>Delivery</b>			
10.25	<b>5.0 FOR INFO - Progress against action plan from the Innovation council and the Business Lincolnshire Growth Hub</b>	Samantha Harrison	Attached and website
10.40	<b>6 FOR INFO - DRAFT Skills Analysis paper from the Employment &amp; Skills Board</b> <b>6.1 Skills Analysis Report</b>	Pat Doody and Clare Hughes	Attached and Presentation
11.05	<b>7 FOR DECISION - Apprenticeship Research, request for allocation of resources</b>	Pat Doody	Attached and Website
<b>Strategy</b>			
11.10	<b>8 FOR INFO Lincolnshire 2050 Vision &amp; Strategic Infrastructure Delivery Plan</b>	Simon Bandy/ JB	To Follow
11.25	<b>9 FOR DECISION Local Industrial Strategy - Evidence base and emerging commitments</b>	CX and Alex Gardiner of MD	Presentation
12.25	<b>10 IOT</b>	Mary Stuart	Verbal Update
12.30	<b>11 Collaboration with Cambridge and Peterborough Combined Authority</b>	CX	Attached and Website
<b>AOB</b>			
12.30 to 13.00	AOB and close of meeting and lunch with David Dexter, Deputy Chair and SME Champion steps down at this meeting Date of next meeting 29 <sup>th</sup> November 2019	All	

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

**Attendees:**

Ursula Lidbetter (Chair & Lincs Co-op), David Dexter (Vice Chair),  
 Cllr Craig Leyland (ELDC), Cllr Colin Davie (LCC), Cllr Ric Metcalfe (CoL),  
 Cllr Rob Waltham (NLC), Cllr Philip Jackson (NELC), Dean Fathers (Health),  
 Debbie Barnes (LCC), Gary Headland (Lincoln College), Mary Stuart (UoL),  
 Nick Worboys (Longhurst), Pat Doody (Nat West), Sarah Louise Fairburn (L J  
 Fairburn & Sons Ltd)

**Apologies:** Chris Baron (Butlins, Skegness), Zoe Easey (Epix Media)

**Observers:** Pete Holmes (BEIS), Simon Green (NLC)

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

**For Agenda items:** Simon Bandy (Local Partnerships), Alex Gardiner (Metro  
 Dynamics), Samantha Harrison (LCC)

**Parking Arrangements**

Parking available at Boole Technology Centre

**Additional Papers Pack (just for information and not for printing)**

AP1 - Business Lincolnshire Growth Hub Performance & Impact Report  
 AP2 - Bi-Monthly Report - 15<sup>th</sup> May to 13<sup>th</sup> September 2019  
 AP3 - ESIF Sub-Committee 19<sup>th</sup> June 2019 - Draft minutes  
 AP4 - Visitor Economy Board 13<sup>th</sup> June 2019 - Draft minutes  
 AP5 - Water Management Board 8<sup>th</sup> July 2019 - Draft minutes  
 AP6 - Innovation Council 26 June 2019 - Minutes  
 AP7 - Midlands Engine Rail Report

**Key dates for LEP Board Members**

<b><u>LEP Board Dates and Venues</u></b> <b><u>27<sup>th</sup> September</u></b> Venue to be confirmed <b><u>29<sup>th</sup> November</u></b> Venue to be confirmed	<b><u>Water Management Board</u></b> 5 <sup>th</sup> November <b><u>Manufacturing Board</u></b> 2019 dates to be arranged <b><u>Visitor Economy Board</u></b> 3 <sup>rd</sup> October, 12 <sup>th</sup> December <b><u>Employment &amp; Skills Board 2019</u></b> 11 <sup>th</sup> September, 13 <sup>th</sup> November <b><u>Innovation Council</u></b>  <b><u>Growth Hub Governance Board</u></b> 11 <sup>th</sup> December <b><u>ESIF Sub-Committee</u></b> 18 <sup>th</sup> September, 11 <sup>th</sup> December
<b><u>LEP Investment Board</u></b> 27 <sup>th</sup> September, 29 <sup>th</sup> November	<b><u>LEP Skills Conference</u></b> 19 <sup>th</sup> March 2020

Hali



# Minutes of the Greater Lincolnshire LEP Board

19<sup>th</sup> July 2019

Stokes, The Lawn, Union Road, Lincoln,  
LN1 3BU

Draft Minutes

**Present:** Board Directors: Ursula Lidbetter (Chair) (Lincs Co-op), David Dexter (Vice Chair FSB), Cllr Philip Jackson (NELC), Cllr Colin Davie (LCC), Cllr Rob Waltham (NLC), Cllr Ric Metcalfe (CoL), Cllr Craig Leyland (ELDC), Chris Baron (Butlins), Dean Fathers (Health), Debbie Barnes (LCC), Nick Worboys (Longhurst Group), Zoe Easey (Epix Media), Andrew Crookham (S151 Officer & AB)

**Apologies:** Professor Mary Stuart (UoL), Pat Doody (Nat West), Gary Headland (IoD & Chamber), Sarah Louise Fairburn (L J Fairburn & Sons Ltd), Stephen Fidler (Senior Sponsor DfT)

**LEP Executive:** Ruth Carver, Sue Groves (Note Taker)

**Observers:** Pete Holmes (CLOG), Marcella Hague (CLOG)

**For Agenda Items:** Cathy Jones (GLLEP), Lewis Stringer (British Business Bank)

### **Apologies and Declarations of Interest -**

Apologies were noted from Professor Mary Stuart, Pat Doody, Gary Headland and Sarah Louise Fairburn, and Stephen Fidler DFT.

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 and Matters Arising (Paper 1)**

The minutes of the 24<sup>th</sup> May 2019 were accepted as a true record.

Matters Arising:

- Energy Strategy - Energy Lead, form an Energy Council and hold a summit to be added to the list of actions.
- Circulate the Directors Forward Plan and ask for contributions.

### **LEP Directors Report (Paper 2) - Ruth Carver**

- **British Steel** - The Chair updated the Board verbally on recent developments through the British Steel Support Group. The focus is set on securing a buyer and there has been interest from a number of sources.
- **LEP Conference** - The Chair thanked the GLLEP team for a good conference and the Board thanked everyone for their hard work, also the hard work throughout the year on inward investment and the successful year from LCC's and partners investment teams.

At the Conference - the Annual Report and the Annual Delivery Plan were launched, which are available on the website. The Annual Delivery Plan is a live document and will be updated when substantial areas are changed.

A pipeline call was launched at the Conference for both short term projects and medium term projects, with an autumn closing date.

- **Local Industrial Strategy and LEP Geography-** A further phone call has taken place with the Local Growth Minister, with both Lincolnshire and Humber LEP's presenting their case. Both LEPs are making progress with their Local Industrial Strategies and therefore focus has turned to joint working on key aspects of the Collaboration Agreement that impact on the LIS Strategies, i.e. Food, Energy, Place, People and Infrastructure.

- RC informed the Board that the Humber LEP has asked to accelerate their LIS to September this year. Greater Lincolnshire is also seeking acceleration and support by Government.
- Following May's Board approval, the first LIS expert advisory panel has been arranged to be held on the 31<sup>st</sup> July 2019 and will be chaired by Louise Kempton from the Centre for Urban and Regional Development Studies.

**Actions:**

- GL LEP to write to the BEIS SoS in respect of acceleration of the LIS to align with Humber LEP timetable.

Paper 2.1 (Quarter 1 Finance Report 2019/20) was duly noted.

**Health & Care Enterprise Board Recruitment (Paper 3) - Dean Fathers, lead for Health**

Board Directors agreed that the list of applicants selected from those shortlisted be appointed.

Applications received from further members will be reviewed by the Appointments Committee, and then endorsed by Board.

**Decision:**

- **The Board ratified the selection of Health & Care Enterprise Board members as follows:**
  - John Turner - Chief Officer Lincolnshire CCG's & Lincolnshire STP
  - Glen Garrod - Executive Director of Adult Care & Community Wellbeing, Lincolnshire County Council
  - Professor Richard Parish CBE - Chair of the National Centre for Rural Health & Care
  - James Brindle - Director (Deputy CEO), Magna Vitae
  - Tom Blount - Director, Lincoln Science and Innovation Park
  - Dan Hayes, Chief Executive, The Order of St John Care Trust
  - Professor Tanweer Ahmed - Director of Research & Innovation, Director of Lincolnshire Clinical Research Facility, United Lincolnshire Hospitals Trust
  - Nikki Silver, CEO, Lives
  - Melanie Weatherley - Chair of Lincolnshire Care Association & Chief Executive Walnut Care
  - Helen Shaw - Independent
  - Rachel Linstead - Firecracker UK
  - Joanne Metcalf - Programme Development Manager, The Royal Foundation, Director of Think4Wellbeing
  - Jo Wright - Programme Area Manager of Health & Social Care, Boston College
  - Darren Clark, CEO EM Medilinks

**LEP Geography Confidential (Paper 4) - Ruth Carver**

The Government's policy position remains the removal of overlaps between LEPs and this was confirmed again by Minister Jake Berry in a recent phone call between him and the LEP Chairs of Greater Lincolnshire LEP and the Humber LEP, and further supported by the Public Accounts Committee recently.

The board discussed a merger paper, and agreed that the structure of the Board should ensure that decisions are made in the right place and that all areas of the new LEP geography feel engaged and part of the decision making process. Given the uncertain funding context, it is not yet possible to finalise all sub-boards required, however, there could be place/theme boards to take decisions about infrastructure investments and strategic priorities.

The Board also discussed and reconfirmed their preferred position as Greater Lincolnshire LEP, followed by the merger option.

**Actions:**

- Develop a simple brief on LEP Geography for wider communications
- Develop a letter to submit to a new Prime Minister/Secretary of State on the board's preferences.
- Develop a more detailed proposal for the September Board.

**Midlands Engine Investment Fund Update (Paper 5) - Presentation by Lewis Stringer (BBB)**

The Bank's role in creating Regional Funds:

- Using their convening powers to bring together LEPs, HMG, stakeholders and funders to agree the design and strategy for the funds and governance arrangements.
- Secure and manage complex funding structures, bringing together ERDF, HMG, EIB and BBB's own funding into NPIF, MEIF and CloSIF.
- Work with HMG to manage complex legal and regulatory structures including State Aid.
- Agreed investment, monitoring and evaluation strategies with LEPs, stakeholders, funders and HMG.
- Undertake complex procurement processes in line with EU rules on public procurement.
- Continue to actively manage fund manage performance to ensure legal obligations are met and that a legacy is generated for reinvestment.

**Financing the Midlands Engine**

- A close collaboration between the British Business Bank, BEIS, MHCLG, EIB and 10 LEPs in the West Midlands and East & South-East Midlands.
- Fund-of-Funds, bring together over £250m of ERDF, EIB and British Business Bank funding to invest in SMEs across the region.
- Public procurement undertaken to appoint commercial fund managers to run underlying funds.
- Funds set up as 10-year limited partnerships with 5-year investment periods.

**Governance**

There is a Strategic Oversight Board (SOB) with East Midlands representatives from SEMLEP, LLEP, D2N2.

There are two Regional Advisory Boards (RAB)

- East and South-East Midlands - all four LEPs covered and represented by a RAB member (Russell Copley is the Chair and represents Greater Lincolnshire LEP).
- West Midlands - all six LEPs covered and represented by a RAB member.
- LEP also have alternative representatives - Samantha Harrison for GLLEP.
- Funders - British Business Bank, BEIS, MHCLG and EIB also represented.
- Like the SOB, the RAB currently meets quarterly.
- Tailored report produced which has been cleared to be used for LEPs/Growth Hubs.
- Fund managers present to the RAB regularly.

There are 4 Fund Managers:

- Enterprise Loans (East Midlands) - East & South-East Midlands Focus loans of £25k-£150k)
- Maven - Across the East Midlands (Loans of £100k-£1.5m)
- Mercia - Across the East Midlands - Proof of Concept/Early State Equity Investment up to £750k.
- Foresight Group - East & South-East Midlands Focus Equity Investment up to £2m.

**Investor Promotion Activity - Attendance at MIPIIM 2020 (Paper 6) - Ruth Carver**

The Board agreed supporting Greater Lincolnshire's attendance at MIPIIM and approved a contribution of £10,000 in October 2019 and contribute up to £5,000 for MIPIIM UK.

**UK Steel Charter (Paper 7) - Ruth Carver**

Board Directors were asked to consider supporting the UK Steel Charter and to ask other LEPs to support the charter also. Following a discussion, the Board agreed to support the UK Steel Charter and to promote this with other LEPs.

**Midlands Engine Vision for Growth Storyboard (Paper 8) - Ruth Carver**

The Midlands Engine is refreshing its strategy and ideas put forward and Government has asked for their input, RC ran through the emerging story board, and the LEP board made the following comments:

- Make the most of the East/West Link - Trade Corridor
- Support the Health and Care Enterprise aspirations.
- Housing as a sector, aligned with energy reduction and generation.

**Tourism Sector Deal & Tourism Zones (Paper 9) - Cathy Jones**

The Government published the Tourism Sector Deal on 28<sup>th</sup> June 2019, hailed by "VisitBritain" as a "game-changer" for tourism, spelling a step change in how we underpin the success of tourism for a generation, moving it to the top table as a leading industry for the UK Government's future economic planning.

The importance of tourism to our economy is already well established in our Strategic Economic Plan. Our emerging LIS is already positioned to align well with the Tourism Sector Deal.

Under the Deal, up to five new Tourism Zones will be piloted, supported by central government and a bidding process, to drive visitor numbers across the country, extend the season and to tackle local barriers to tourism growth. Lincolnshire's Tourism Officer Group has already discussed and noted the potential for a Lincolnshire Tourism Zone, and explored broad priorities.

A working group has been established, reporting to the Visitor Economy Board.

Actions: The board welcomed the publication of the Tourism Sector Deal and agreed to progress work to bid for a Tourism Zone with local partners.

**The Future of Seaside Towns (Paper 10) - Cathy Jones**

This paper summarised the main recommendations from the Lords Select Committee's report on the Future of Seaside Towns, and the Government's response to it. The report looked at a wide range of issues affecting seaside towns and communities. The 38 recommendations reaffirm the Government's commitment to support the regeneration of coastal settlements, with an emphasis on LEPs, Coastal Community Teams and Sector Deals throughout.

Greater Lincolnshire LEP has secured and co-ordinated a significant amount of investment into our coastal communities.

The board noted that members of the Select Committee visited Lincolnshire during the research phase of the Committee's work. The board further noted a number of themes on which they would welcome further work, noting that the launch of the pipeline call is an opportunity to explore emerging big ideas :

- Training seasonal staff

- Battery storage opportunities and links to the Energy Strategy.
- Explore potential to sense-check or appraise all projects to identify any implications for seaside/coastal towns, and plan accordingly

**Any Other Business**

PH stated that Oxford/Cambridge LIS was published today.

**The meeting was closed.**

DRAFT

**Greater Lincolnshire Local Enterprise Partnership  
Board Decision Log - Public**

Date	Decision Making Body	Decision Made
30/11/2018	LEP Board	<p>The Board made the following decisions:  <u>Recommendations made were agreed regarding geography issue:</u></p> <ul style="list-style-type: none"> <li>• Preferred position should remain the Greater Lincolnshire geography.</li> <li>• Split geography should be explored with the Humber LEP as a solution to remove the overlap, ensuring the integrity of Greater Lincolnshire and the Humber remains intact.</li> <li>• Merger option unlikely to be deliverable, given the lack of support from a number of local authority partners at this stage.</li> <li>• Lincolnshire option was not supported due to the scale and reduced focus.</li> <li>• Strong and, where necessary, formal collaboration be developed between Greater Lincolnshire LEP and its neighbouring LEPs, on energy and manufacturing with the Humber LEP, coastal and rural with the Humber and Yorkshire LEPs, Northern Lincolnshire and Sheffield City region on infrastructure, ports and logistics and advanced manufacturing, and with agri-food and agri-tech and housing growth and infrastructure with GCGP LEP. All collaboration agreements and MOUs will be developed with the authorities involved.</li> </ul> <p><u>LEP Directors Report</u></p> <ul style="list-style-type: none"> <li>• Phil Ball of Metsawood, Boston and Melanie Weatherley of Walnut Care join the Employment &amp; Skills Board.</li> <li>• The MPs Engagement Plan be approved subject to a public and private sector link member and the production of a communications and engagement plan.</li> <li>• The Policy for the Appointment of LEP Directors and Board members be approved.</li> <li>• The Policy on Confidential Reporting be approved.</li> </ul> <p><u>Growth Deal Programme Review</u></p> <ul style="list-style-type: none"> <li>• Board agreed the LEP team would write to projects that have a red flag against performance asking for detailed response to be considered at the Board in February.</li> </ul> <p><u>Greater Lincolnshire Energy Strategy</u></p> <ul style="list-style-type: none"> <li>• Agreed the Energy Strategy be approved subject to input from partners.</li> </ul>
25/01/2019	LEP Board	<ul style="list-style-type: none"> <li>• Three Directors appointed to the LEP Board: Gary Headland (IoD &amp; Lincoln College), Mrs Nick Worboys (Director of Development &amp; Sales, Longhurst Group) and Sarah Louise Fairburn (Brand &amp; Sales Director, LJ Fairburn &amp; Son)</li> <li>• Dean Fathers to undertake the role of Diversity Champion at the LEP Board</li> <li>• Approval given for the LEP Director to commission and independent Governance Review to the value of £20k.</li> </ul>

		<ul style="list-style-type: none"> <li>• Subject to match funding from other partners, an ambition of full coverage across Lincolnshire for further Enterprise Co-ordinators.</li> </ul>
29/03/19	LEP Board	<ul style="list-style-type: none"> <li>• The Board approved the outline budget of £1,100,527 and £209,894 amount of draw down from the operating reserve.</li> <li>• The Board approved the Articles of Association and delegated any changes to the Chair and one other Board member.</li> <li>• All Terms of Reference were approved and can be published on the website.</li> <li>• LIS - The Board approved this for tendering.</li> <li>• The Board agreed that the GLLEP would send a letter of support for HE institutions potentially affected by the Augra Review.</li> <li>• The Board agreed to support North Lincolnshire with their ambitions of extending the AONB and agreed that there is a need for a review of the Lincolnshire Wolds AONB boundary.</li> </ul>
24/05/19	LEP Board	<ul style="list-style-type: none"> <li>• The Board agreed that one Board Director be invited from Rutland County Council.</li> <li>• Two Board members to electronically approve the Financial Statement.</li> <li>• The Board agreed to adopt the Freedom of Information Policy (LCC Policy).</li> </ul>
19/07/19	LEP Board	<ul style="list-style-type: none"> <li>• The Board ratified the selection of Health &amp; Care Enterprise Board Members.</li> <li>• The Board agreed supporting Grater Lincolnshire's attendance at MIPIM and approved a contribution of £10,000 in October 2019 and contribute up to £5,000 for MIPIM UK.</li> <li>• The Board agreed to support the UK Steel Charter and to promote this with other LEPs.</li> </ul>

## GREATER LINCOLNSHIRE LEP BOARD ACTION LOG

Actions from GLLEP Board Meetings					
Date	Item	Action	Update	Actioned by	Status
30/11/18	Minutes	<ul style="list-style-type: none"> <li>Chair &amp; LEP Director to continue to work with local partners and the Humber LEP to find a resolution, and particularly explore the collaborative option</li> </ul>	Ongoing - discussion on the agenda July 2019	Chair	Live
25/01/2019	Minutes	<ul style="list-style-type: none"> <li>LEP to facilitate a business voice session with the Planning for Growth Team.</li> </ul>		Cathy Jones/ Andy Gutherson	Live
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	Live
24/05/19	Minutes	<ul style="list-style-type: none"> <li>Agreed that one Board Director be invited from Rutland</li> <li>RC to source an Energy Lead for the Board and form an Energy Council, and Summit late in the year</li> <li>DF and ZE expressed an interest in being more involved in the Creative Hub's development going forward</li> </ul>		Ruth Carver  Ruth Carver/Andy Brooks  Halina Davies	Live
19/07/19	Minutes	<ul style="list-style-type: none"> <li>GLLEP to write to the BEIS SoS in respect of acceleration of the LIS to align with Humber LEP timetable</li> <li>Develop a simple brief on LEP geography and wider communications</li> <li>Develop a letter to submit to a new Prime Minister/Secretary of State on the Board's preferences</li> <li>LIS &amp; LEP Geography - Develop a more detailed proposal for the September Board</li> <li>The Board welcomed the publication of the Tourism Sector Deal and agreed to progress work to bid for a Tourism Zone with local partners</li> </ul>			

# Paper 1.3 Rolling Forward Agenda Planner 2019-2020

Greater Lincolnshire LEP Board and Investment Board			
Date and Meeting	Standing Items	Progress Reports/Reports back from Sub Groups	Areas for discussion and decision
<b>27th September 2019</b> GLLEP Board Boole Technology Centre, LSIP, Lincoln	Minutes of the last meeting Chair and CX Report Quarter 2 Finance Report 2019/20 and Improvement Plan reporting	<b>Governance</b> – Independent Governance Review feedback  <b>Delivery:</b> Progress against action plan from the Innovation Council and the Business Lincolnshire Growth Hub – <u>Samantha Harrison</u>	<b>Strategy</b> - Draft Local Industrial Strategy - Approval of the Local Industrial Strategy Framework -  <b>Delivery and Strategy</b> – Skills Evidence base –Pat Doody  <b>Strategy</b> – Water Management Strategy and Action Plan - <u>Robert Cauldwell</u>  <b>Strategy</b> - Towns Fund – <u>Susannah Lewis</u>  <b>IOT</b> - <u>Mary Stuart</u>
<b>27th September 2019</b> GLLEP Investment Board Boole Technology Centre, LSIP, Lincoln	Welcome, Apologies, Declarations of Interest, Approval of Minutes	Growth Deal Programme Update ( <u>Halina</u> )	Huttoft Boat Shed Visitor Centre Due Diligence Report Access to Employment Zones Red Project Holbeach Food Enterprise Zone Red Project Lincolnshire Lakes Red Project Feasibility Fund – NE Lincs e factor

# Paper 1.3 Rolling Forward Agenda Planner 2019-2020

Greater Lincolnshire LEP Board and Investment Board			
Date and Meeting	Standing Items	Progress Reports/Reports back from Sub Groups	Areas for discussion and decision
GLLEP October 2019			Approval of Local Industrial Strategy draft
GLLEP November 2019 – LEP Board Venue tbc	Minutes of the last meeting Chair and CX Report Quarter 2 Finance Report 2019/20 and Improvement Plan reporting	<b>Delivery</b> – Progress on Visitor Economy Board and tourism Zone – <u>Chris Baron</u>	<b>Strategy</b> – Energy Strategy, Energy Council and prospectus – Andy Brooks  <b>Delivery</b> – Digital approach – Zoe Easey  <b>Strategy</b> – Water Management Strategy and Action Plan - <u>Robert Cauldwell</u>
GLLEP November 2019 – Investment Board Venue tbc	Welcome, Apologies, Declarations of Interest, Approval of Minutes	Growth Deal Programme Update ( <u>Halina</u> )	Borderville Expansion Project Due Diligence Report ( <u>Halina</u> ) A46 Roundabouts Due Diligence Report ( <u>Halina</u> ) Sleaford Growth Project Due Diligence Report ( <u>Halina</u> )
GLLEP January 2020 – LEP Board Venue tbc	Minutes of the last meeting Chair and CX Report Quarter 2 Finance Report 2019/20 and Improvement Plan reporting	<b>Delivery</b> – Progress on Food Board – <u>Mark Tinsley</u>	<b>Strategy</b> – Health and Care Enterprise Board Action Plan - <u>Dean Fathers</u>
GLLEP January 2020 – Investment Board	Welcome, Apologies, Declarations of Interest, Approval of Minutes		
GLLEP March 2020 – LEP Board Venue tbc	Minutes of the last meeting Chair and CX Report Quarter 2 Finance Report 2019/20 and Improvement Plan reporting		<b>Delivery</b> – Approval of Delivery Plan 2020-2021
GLLEP March 2020 – Investment Board	Welcome, Apologies, Declarations of Interest, Approval of Minutes		

## Paper 1.3 Rolling Forward Agenda Planner 2019-2020

# Paper 1.3 Rolling Forward Agenda Planner 2019-2020

Greater Lincolnshire LEP Board and Investment Board			
Date and Meeting	Standing Items	Progress Reports/Reports back from Sub Groups	Areas for discussion and decision
<b>GLLEP May 2020 –</b> LEP Board <b>Venue tbc</b>	Minutes of the last meeting Chair and CX Report		
GLLEP May 2020 – Investment Board	Welcome, Apologies, Declarations of Interest, Approval of Minutes		
<b>GLLEP July 2020 –</b> LEP Board <b>Venue tbc</b>	Minutes of the last meeting Chair and CX Report		
<b>GLLEP July 2020 –</b> Investment Board	Welcome, Apologies, Declarations of Interest, Approval of Minutes		
<b>GLLEP September 2020</b> LEP Board <b>Venue tbc</b>			
<b>GLLEP September 2020</b> Investment Board <b>Venue tbc</b>			
<b>GLLEP November 2020</b> LEP Board <b>Venue tbc</b>			
<b>GLLEP November 2020</b> Investment Board <b>Venue tbc</b>			

# Paper 2 LEP Chair and Chief Executive Report

<b>Publication</b>	<b>Public Paper (published)</b>					
<b>Meeting date:</b>	<b>27<sup>th</sup> September 2019</b>					
<b>Agenda Item:</b>	<b>2</b>					
<b>Item Subject:</b>	<b>LEP Chair and Chief Executives Report</b>					
<b>Author:</b>	<b>Kate Storey</b>					
<b>For:</b>	<b>Discussion</b>	<b>X</b>	<b>Decision</b>	<b>x</b>	<b>Information</b>	<b>X</b>

## 1 Recommendation

- 1.1. LEP Board Directors are asked to note the content of this report.
- 1.2. LEP Board Directors are asked to support the recommendations from the appointment committee to appoint the following: Paul Scott join the Business Lincolnshire Board, and Mike Gallimore, Nick Broom and Robert Willey join the Manufacturing Board.

## 2 Summary

- 2.1. The report aligns to the three categories within the Annual Delivery Plan, namely Strategy, Delivery and Governance. This report provides an overview of LEP team activities since the July board.

## 3 Chairs and CX Meetings

- 3.1 British Steel - The Chair has continued to support activity. The LEP signed up to the Steel charter at the end of July along with North Lincolnshire, North East Lincolnshire and Lincolnshire County Council, while nationally the UK government has signed the new incentive. Collectively, the LEP has committed to:

- Establishing clear and simple criteria to identify which projects are in the scope of the charter commitments, ie Local Growth Fund
- Monitoring and producing data on the levels of UK-produced steel used in projects
- Placing a requirement in appropriate contracts requiring the origin of steel to be provided
- Stipulating the use of steel products accredited to BRE Standard BES 6001
- Ensuring projects advertise opportunities for steel providers where appropriate
- Ensuring projects introduce a requirement for tender applications to include supply chain plans
- Ensuring projects host engagement meetings/events for major projects in advance of procurement decisions being made.

3.2 Mid Term Review was undertaken with the chair and the accountable body on 16<sup>th</sup> September 2019. The review was fair, and the notes of the meeting are attached to this paper.

## 2 ANNUAL DELIVERY PLAN: Area One - Strategy

- a. Local Industrial Strategy Development
- b. SEP Refresh
- c. Skills Analysis and Insight
- d. Liaison with Cities and Local Government Unit
- e. LEP Geography
- f. Develop a comprehensive communications and engagement plan

## Paper 2 LEP Chair and Chief Executive Report

- g. Review of the LEPs social media coverage
- h. Work with Lincolnshire County Council to build on links with China
- i. Business Lincolnshire - Growth Hub
- j. Team Lincolnshire
- k. Participate in development of the Lincolnshire Housing and Growth Deal Proposal
- l. Annual Conference and AGM

### **Local Industrial Strategy**

Production of the Local Industrial Strategy is on schedule. The Board will receive a more detailed update in the session at the Board meeting.

The evidence base was taken by our BEIS Analyst representative to the Local Industrial Strategy Analytical Panel on 3<sup>rd</sup> September. The panel is formed of analysts representing each HMG department and the purpose is to provide scrutiny and challenge of our evidence base and logic chains through to our emerging policy asks. The feedback from the session was positive, with the panel reflecting that our evidence was good and the amount of evidence developed to develop our priorities was acknowledged.

**LIS Drafting**-Drafting has now commenced on the Local Industrial Strategy, with officer leads on each foundation completing a policy position paper to draw together the evidence, strategic alignment, priorities and ways we wish to work with HMG.

**Local Expert Advisory Panels** - The second meeting of the expert advisory panel meeting took place on 17<sup>th</sup> September and focussed on the policy priorities, including a deep dive into a number of the foundation policy position papers. The final session will take place once drafting is nearly complete.

**Engagement** The team, together with Metro Dynamics have been engaging where possible with stakeholders during development of the proposals. This includes a session at Innovation Council/Growth Hub joint meeting on 25<sup>th</sup> September, Local Authority Chief Execs on 20<sup>th</sup> September and the forthcoming Leaders meeting.

**Skills Analysis** - The LEP's Employment and Skills Board took on the role of Skills Advisory Panel, as defined by the Department for Education, earlier this year. Part of this role is to produce a high quality, in-depth skills analysis, sometimes referred to as a SAP Analysis. The Department for Education provided LEPs with £75k to build capacity and capability within the team to undertake skills analysis and expect the final analysis to be available by October 2019, and updated on at least an annual basis. This is a one-off amount and is not intended to be spent in-year. The team have commissioned a local research organisation to undertake part of the work. DfE's SAP Programme team reviewed LEP progress during June this year. They are satisfied with the Governance arrangements and updated terms of reference for the Employment and Skills Board. They are confident that the analysis will be a high quality one based on previous skills works undertaken and they will comment further when they receive the next draft at the end of September. A draft report will be available to Directors and will receive a presentation at the meeting.

**Apprenticeship Levy** - Businesses that pay the Apprenticeship Levy, and have not spent it, are urged to consider transferring it to a non-levy paying businesses as soon as they can. For example a levy payer can transfer up to 25% of its funds to a small local GP surgery to fund an apprentice nursing associate, or a small business in your supply chain that might benefit from a young apprentice. For further information on transferring

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unused levy funds see <https://www.gov.uk/guidance/transferring-apprenticeship-service-funds>

The Employment and Skills Board supported an event on 18<sup>th</sup> September: Apprenticeships - Where are We Now?" for the public and private sector to hear from the Department for Education and other experts and the current Apprenticeship system and how the Levy can be transferred. The event also highlighted the progress being made to help employers offer industry placements in preparation for future T Levels. [The LEP Exec Lead for skills is maintaining close links with DfE contacts about this and their plans for future funding.](#)

### Working with schools

The LEP has now recruited 3 Enterprise Coordinators, with the support of partner Lincolnshire County Council and District Councils, who will work with Lincolnshire secondary schools and Colleges to match them with a local business leader who will support them 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 [Liz.Draper-smethurst@lincolnshire.gov.uk](mailto:Liz.Draper-smethurst@lincolnshire.gov.uk)
- Alex Nightingale is working with school and Colleges on West Lindsey and Lincoln, Louth and North Somercotes [alex.nightingale@lincolnshire.gov.uk](mailto:alex.nightingale@lincolnshire.gov.uk)
- Debbie Boon is working with schools and Colleges in North and South Kesteven [Debbie.boon@lincolnshire.gov.uk](mailto:Debbie.boon@lincolnshire.gov.uk)

### Activity to Date:

Enterprise Coordinator Activity	Total to Date
Number of school visits	29
Number of schools completed Compass (that have met with an EC)	8
Number of Schools completed Tracker	4
Number of schools signed MoU	7
Number of employer 1-1 sessions (briefings/meetings)	27
Business networking events attended	20
Provider/stakeholder meetings/events attended	45
Potential Enterprise Adviser contacts	56
Number of Enterprise Advisers recruited	18
Number of schools matched to Enterprise Adviser	0
Number of schools meeting Benchmark 5	1
Number of schools meeting benchmark 6	1

### Schools signed up or in process of signing MoU:

1. Haven High Academy, Boston,
2. Banovallum School, Horncastle,
3. Priory City of Lincoln Academy, Lincoln,
4. De Aston School, Market Rasen,
5. Kesteven Sleaford High School, Sleaford.
6. Sleaford Carres Grammar, Sleaford
7. Skegness Academy
8. Boston High School
9. Gainsborough Academy
10. Priory Witham Academy

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11. Priory Academy LSST
12. Lincoln Castle Academy
13. Lincoln Christ Academy
14. St Georges Academy, Sleaford
15. Queen Elizabeth's Academy, Gainsborough

### Other Activity

1. Grantham and Stamford Employability Fairs (x2) attended.
2. Launched Give an Hour campaign - 40 plus individuals/businesses have now signed up or in process of. Businesses signing up pledge to give an hour or more to support schools and colleges in a more operational role than Enterprise Advisers to raise the aspirations and inspire young people in schools.
3. Joint meeting with LinHigher team to discuss way forward working together under the umbrella of Confident Choices framework.
4. Development of induction training presentation and EAN strategy

**Comms and Engagement Plan** - the scope and brief have been identified and drafted and procurement will take place during the autumn for progression of the initial work undertaken in house under Mark Suddaby.

**Hunan -China** - In July, Samantha Harrison and Angela Driver visited senior Government officials in Hunan Province China, to highlight 6 priority projects which we would like to see progressed ahead of Cllr Davie's visit in November 2019. These projects include:

- Development of projects in relation to the Agri Food sector and Lincolnshire's 3 Food Enterprise Zones
- Education links with University of Lincoln (UOL), Bishop Grossteste University (BGU) and Lincoln College, including student exchange and joint courses
- Business to Business dialogue which supports trade between Lincolnshire and Hunan
- Lincoln City Football Club / Lincoln College Summer School
- Hunan Datong Primary School linkage with Lincoln Minster School
- Lincolnshire Music Service Cultural Education Exchange 2021

Cllr Davies's delegation will visit Hunan from 11<sup>th</sup> to 15<sup>th</sup> November and will include representatives from business and education. The objectives of the mission are to:

- Bring Agri Tech experts and businesses from Lincolnshire to Hunan and hold discussions with key stakeholders. The aim is to establish a new Lincolnshire-Hunan communication channel which will lead to future T&I deals.
- Progress the 6 priority projects ratified by the Hunan Government officials in July 2019, which include projects that support the development of trade in priority sectors, education and culture
- Endorse current education collaborations between the two regions and explore the appetite to develop new programmes.
- Use the opportunity to raise awareness of Lincolnshire's tourism offer, heritage and products.

**Growth Hub** - There is a joint meeting of the Growth Hub Governance Board and the Innovation Council on 25<sup>th</sup> September. The meeting will focus discussions around Brexit, the Lincolnshire Industrial Strategy, support for high growth Scale Up businesses. The group will also discuss how the two boards could be aligned.

Highlight cumulative data (start of Growth Hub to June 2019 (Q1 2019/20):-

- 1270 jobs created

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- 970 helped to start a business
- 566 businesses created
- 397 grants approved
- 91% customer satisfaction

**Business Lincolnshire Sustainable Business Growth -Phase 2** -The phase 2 programme has hit the ground running with 226 business engaged since 1st July 2019. The three grant pots are open for business - Digital Grant, Enterprise Revenue Grant and Enterprise Capital Grant.

**Digital:** The total grant pot available is £100,000 for digital revenue projects. The maximum grant is £1,000 and the minimum grant is £1,000. The maximum project size is £20,000. The intervention rate is 50% in all cases.

**Enterprise:** The total grant pot available is £525,000, broken down as £300,000 for capital projects and £225,000 for revenue projects. The maximum grant is £10,000 and the minimum grant is £1,000. The maximum project size is £100,000. The value of the grant element will vary depending on whether the grant is for revenue or capital funding.

The team is putting the finishing touches to a phase 3 bid which will extend provision for a further year to end June 2023, including additional monies to extend the grant provision. The outline application for the remaining £358,000 of PA2 funding to provide a bespoke support offer for the digital sector is being led by EMB Group to provide a sector specific Growth Hub funded grant fund.

**Digital Landscape Research** - The refresh of the 2016 Digital Landscape research is progressing. The online survey closed at the end of August and the analysis of this data as well as the desk based research is being completed. The report will be completed in time for the Digital Conference in November

**EU Exit** - GLLEP and the Business Lincolnshire Growth hub have been selected by the BEIS government department to act as the Brexit Growth Hub Cluster lead for the East Midlands region including Leicestershire, Derbyshire and Nottinghamshire. This role will secure extra Brexit Preparedness Funds for the region. One of the first actions is to map out all the planned Brexit activity and events that have been developed by the Growth Hubs, business intermediaries, Banks, Accountants, Lawyers, Trade Associations, FSB, Chambers, local Authorities, business support partners etc. and develop a regional map of existing planned activity.

[www.businesslincolnshire.com/events/](http://www.businesslincolnshire.com/events/) includes all Brexit event information and [www.businesslincolnshire.com/explore/brexit/](http://www.businesslincolnshire.com/explore/brexit/) is regularly updated with useful information for businesses about how best to prepare for the UK leaving the European Union.

**Team Lincolnshire** - The joint Team Lincolnshire and Boston Borough PE21 Event held on the 16<sup>th</sup> September was a great success, the event highlighted the positive regeneration master plans for Boston Town Centre. TL now has 5 of our district/borough Councils as members of Team Lincolnshire. TL HQ is now currently preparing for London and Leeds Events (the events calendar is located on the TL webpage [www.TeamLincolnshire.com](http://www.TeamLincolnshire.com), there will also be a TL stand at the Business Live Expo at the Showground on the 15<sup>th</sup> October. We have recently released the Team Lincolnshire Sponsorship packages for MIPIM 2020 which we have seen a positive response from our members. As of September 2019 we currently have 96 members, the continued support and loyalty from our members has been extremely positive and we continue to fly the flag for Greater

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Lincolnshire and aim to encourage like-minded businesses to join in the coming months.

**Housing** - We have been participating in the development of the Lincolnshire Housing and Growth Deal Proposal to ensure that it is well-aligned to our SEP priorities and the emerging LIS. We have provided comments on emerging drafts to shape content and are helping to steer it through the various working groups and meetings. The underpinning documents (Lincolnshire 2050 Vision and the SIDP) are due to be considered at the 20<sup>th</sup> September Greater Lincolnshire Chief Executives meeting.

**Stronger Towns update** -The Stronger Towns Fund is government's £3.6 billion commitment to build a more prosperous economy that works for all. Funding will be allocated on a needs-based formula so places that have not seen the growth that more prosperous areas have will be used to create jobs, provide training and boost economic activity. A big driver for this fund will be local communities who will have a say on how the money is spent and will be able to draw up job boosting plans for their town with the support of Local Enterprise Partnerships. On 6<sup>th</sup> September 2019 it was announced by Local Government Secretary Rt Hon Robert Jenrick MP, that an initial 100 places have been invited to develop proposals for a new generation of multi-million pound Town Deals. 30 places in the Midlands Engine are among the 100 pioneers of new Town Deals as part of the government's commitment to level up all regional by boosting productivity, skills and living standards. See the [100 places being supported to develop Town Deals](#). This is good news for Greater Lincolnshire as 6 places - **Boston, Grimsby, Lincoln, Mablethorpe, Scunthorpe, and Skegness**, are included in the list. In the Humber Goole is also on the list. There will also be an **opportunity for other towns to apply** to do deals via a competition in due course.

***Scope of the Fund*** - The government will now work with local people from the 100 communities to agree proposals to invest up to £25 million in each place. The fund will improve transport, broadband connectivity, as well as social and cultural infrastructure that bring communities together. Initiatives could include:

- Regenerating town centres
- Improvements to active travel and public transport
- Digital Infrastructure
- New further education facilities and adult learning courses
- Support to SMEs
- Cultural and social infrastructure - such as libraries, art centres, parks and youth services

The government will soon publish a prospectus to guide towns through the process and set eligibility criteria for the funding, expectations for community involvement and maximising the impact of spending and timeframes.

**Heritage High Street Fund** - Government has announced £95m to revive 69 struggling historic high streets across England. The fund combines £40m from the DCMS High Streets Fund with £52m from MHCLG (Ministry of Housing, Communities and Local Government). Over £21m is allocated across the East Midlands with Grantham and Lincoln set to benefit.

***Local insight and partnership working to date*** -The prospectus will confirm the role of different local institutions in formulating plans for these deals. We've

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already had an insight from the Greater Grimsby Town Deal which demonstrates how strong local partnerships between different public sector institutions and businesses was critical in developing the robust investment plans now in place there. We can learn and work further with Greater Grimsby to develop successful bids for Greater Lincolnshire and the Humber.

Even before this latest announcement on the first 100 places to be shortlisted, considerable work is already being done by LEP to ensure we secure as much funding as we can towards town deals in our area. LEPs have taken every opportunity to make the government aware of our need for support to breathe new life into our towns. We have put the health of our towns at the heart of our strategy in Greater Lincolnshire which will help unlock resources from this new Towns Fund to benefit the towns in our area.

**LEP Annual Conference and AGM** - This event took place on Friday 12<sup>th</sup> July. The event focused on 7 debates around the Local Industrial Strategy consisting of 2 Grand Panels, and 5 Expert Panels with 25 private and public sector leaders and experts. Registered delegates totalled 474 with 27 exhibitors (16 private sector and 11 public sector). The success of the conference will be built on for next year and is also being used as the model to develop a Skills Conference in March 2020.

- 3 **ANNUAL DELIVERY PLAN: Area Two - Delivery**
- a. Programme and Project Delivery Improvement Plan
  - b. Programme and Risk Management
  - c. Project Pipeline
  - d. Delivery of key projects
  - e. Communication and branding

### **Programme and Project Delivery**

**Growth Deal** The LEP launched another call for pipeline projects on the 12<sup>th</sup> July at the LEP Conference. This process will enable existing pipeline schemes to update their business cases thus informing us of progress made in scheme development to date, and new proposals to be reviewed in preparation for future funding opportunities.

We are looking for schemes that fall into one of two categories:

**Category A** - Capital projects that can financially complete before March 2020/21

**Category B** - Capital or revenue projects that can be delivered within the next five years

**Growing Places Fund** - Invest and Grow has made 4 loans worth £7.8m to date, 2 of which have been repaid in full. We actively promote it as part of the LEP funding mix, including to those seeking grant, and it does still generate enquiries. The most recent Expression of Interest was approved by Investment Board in February 2019. However, this has not yet progressed to a full loan application and there have been no other new applications in this financial year so far. £1.9m remains within the unallocated loan pot. Interest is being charged on existing loans.

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**Feasibility Funding** - In the current financial year our Feasibility Fund has been repositioned to support feasibility work in projects categorised as short and short-medium term pipeline projects. We have opened a targeted call on a rolling basis. The first two projects funded on this basis are Huttoft Boat Shed Visitor Centre, and Gradus Business Centre, Market Deeping. New enquiries are being received at a pace dictated by the Pipeline Projects' timetables.

**European Regional Development Fund (ERDF)** - Greater Lincolnshire has committed just over £57 million ERDF to projects against our original allocation of £63 million. The last local call to take up remaining funds (which includes the increased allocation following the exchange rate fluctuation and MHCLGs calculation on future slippage) closes on 30<sup>th</sup> September 2019 for outline applications. We are working closely with partners to commit the remaining indicative ERDF allocations to projects in the Greater Lincolnshire area. There is likely to be a further future call but this will be a more competitive national call to take up any unallocated funds and underspends within the programme.

**European Agricultural Fund for Rural Development (EAFRD)** - The three RDPE Growth Programme grant calls for Food Processing, Business Growth and Food Processing closed at the end of May 2018. In the GLLEP area 28 full applications have been received to date, with 17 projects being approved and contracted with a total grant value of £4.058m awarded.

The national Rural Payments Agency has proposed the creation of the EAFRD Growth Programme National Reserve fund and the re-opening of the three themes: Business Development, Tourism Infrastructure and Food Processing grants. The funding will again be targeted at rural businesses driving jobs and economic growth in rural areas. GLLEP have started work with the national team to verify the local priority statements for each LEP area, to ensure they are in line with our local strategic priorities.

The RPA have continued discussions with individual projects to encourage the remaining applications to be submitted by the end of September 2019 to provide greater clarity on the value of the proposed National Reserve Fund. We are awaiting further announcements as to when the National Reserve Fund will be approved and calls announced, which is hoped to be by the end of the calendar year.

**LEADER** - Our 5 LEADER programmes have now closed as contracts have to be in place with businesses by 30<sup>th</sup> September 2019.

### European Social Fund (ESF)

#### ESF projects that began on 1<sup>st</sup> April 2019

- Skills Support to the Unemployed, for job seekers aged 16 or higher. Delivered by People Plus and a number of local subcontracted training organisations.

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- Support to NEET (Not in Employment, Education or Training) aged 16-24. Awarded to Market Rasen based organisation, Community Learning in Partnership. Delivered by Community Learning in Partnership and a number of other local subcontracted training organisations.
- Skills Support to the Workforce, training for people in work (excluding public and voluntary sector) .Awarded to HCUK, the commercial training arm of Hull College. Delivered by HCUK and a number of local and external subcontracted training organisations. SME businesses can contact [swadmin@hcuktraining.co.uk](mailto:swadmin@hcuktraining.co.uk) to request fully funded training or contact local College or provider directly.

**Community Grants** - a new ESF scheme is currently being procured by the ESFA. The organisation that wins this tender will set up and manage a scheme that distributes grants of up to 20K to small and/or third sector training providers for innovative proposals to support and train people who are furthest away from the labour market.

**Inward Investment** - Twenty two FDI visits took place between April and August, fourteen of these were to new companies that the GLLEP had not previously had a relationship with. Six visits are currently scheduled to take place in September and three of these are companies we have not had a close relationship with in the past. Nine FDI inward investment enquiries were received during this period and propositions were returned for all of them. In addition, throughout this period the LEP have been made aware of seven potential expansions/investments by indigenous FDIs. The area has recently been successful in securing a new Norwegian food sector inward investment into the area, NIC Ice who's parent company is the food giant Orkla. The ice cream ingredient manufacturer and distributor have located their 64,000 sqft distribution hub at St Modwens Park in Witham St Hughes. The LEP and their district council colleagues are supporting NIC Ice to ensure they are fully aware of the business support offer within Greater Lincolnshire.

**Communication and Branding** - (The text refers to activity between 15<sup>th</sup> May and 13<sup>th</sup> September 2019 since the last report to board. Tables include reference to the start of the financial year to align to the Delivery Plan.)

Look out for and participate in the joint social media campaign with our district partners for Lincolnshire Day on 1<sup>st</sup> October:-

### **Media Monitoring**

- 292 items of print, online and broadcast coverage
- An average of 2.4 mentions or articles per day
- Print and online coverage worth £277,657 Advertising Value Equivalent

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	This period	Last period	Difference	Since 1st April
Items of media coverage	292	92	+200	355
Average per day	2.4	1.5	+0.9	2.0
AVE value of coverage	£277,657	£80,911	+£196,746	£358,568

### Broadcast

- BBC Radio Lincolnshire, 8th June 2019 / Ursula Lidbetter OBE
- BBC Radio Humberside, 8th June 2019 / Ursula Lidbetter OBE
- BBC Radio Humberside, 13th September 2019 / Ursula Lidbetter interviewed about Town Deals

### Twitter

	This period	Last period	Difference	Since 1st April
Total followers	6,384	6,230	+154	+154
Retweets	590	285	+305	803
Likes	514	514	+673	1,550
Link clicks	595	195	+400	751
Engagement rate	1.1%	1.1%	=	1.0%

### LEP news stories for the Aug/ Sept period 2019:

[Major improvements planned for Gainsborough Junction](#)

[Six Lincolnshire towns invited to develop a Town Deal](#)

[LEP welcomes ambitious Midlands Engine Rail Launch](#)

[Have your say on our future food system](#)

[New factory for Wolds Manufacturing, thanks to LEP Grant](#)

### Team Lincolnshire News

[Lincolnshire lawyer appointed to FA National Council](#)

### Growth Hub Business Engagement and Media:-

**Funding Your Business Fairs - September - November - Sleaford, Stamford & Boston** - Funding Your Business Fairs can show businesses the exciting funding opportunities available, spend the morning speaking one-to-one with support providers, discover the best funding or grant options for business; seek advice on the application process and create long-lasting connections with organisations who can genuinely help businesses to grow.

**COTEMACO Launch Event - 26<sup>th</sup> September, National Centre For Food Manufacturing (NCFM)** - The Business Lincolnshire Growth Hub and University of Lincoln will be launching the COTEMACO project to businesses at this event on 26<sup>th</sup> September. The event is expected to attract 30 - 40 agri food and manufacturing businesses and the event will consist of a range of specialist speakers and panel discussions closing with a tour of the field lab hosted at the NCFM.

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**How to Recruit - Retain - Motivate - 30<sup>th</sup> October - Lincoln City Football Club, Sincil Bank, Lincoln** - The theme of this flagship event will be exploring the challenges businesses face around recruitment and retaining the right talent! The morning will combine expert opinion and experience, with audience discussion and live interactive polling. Businesses will hear from our keynote speaker, former RAF flight lieutenant and England rugby's record try scorer, Rory Underwood, who will provide a thought provoking session on high performance teams.

**#GoDigital 2019 - 21<sup>st</sup> November, Doubletree by Hilton, Lincoln** - The theme of the 5<sup>th</sup> digital conference will be 'Digital Tricks and Tools for Transformation'. We are expecting around 100 delegates to join us for a morning of keynote speakers and workshops which will enable attendees to leave the event with practical tools and information to implement digital transformation within their workplaces.

### 4 **ANNUAL DELIVERY PLAN: Area Three - Governance**

- a. Evolve the LEP, its sub-groups and our governance arrangements in line with national good practice
- b. Local Assurance Framework

**Recruitment** - A paper to discuss the imminent resignation and recruitment of the LEP Chair is on the Board agenda for full discussion.

**Terms of Reference (Company Boards)** - A review is underway to align these ToRs to the newly adopted April 2019 Articles. Circulation and processing of the new Code of Conduct and Declaration of Interest for our strategic boards, company members, and observers is also underway.

**Diversity Champion** - The DC (Dean Fathers) is reviewing and addressing the succession planning/implications on diversity against our current balance (what is our aim and what does this look like against all relevant protected characteristics).

## Greater Lincolnshire LEP Mid-Year Review 2019-2020

**Location:** GLLEP Office, Orchard Street, Lincoln

**Date:** 16 September 2019

**Time:** 10.00 a.m.

### Action from 2018-19 Annual Performance Review

No.	Action Point	Date completed	Resolution
1	LEP Board to approve a revised LAF, in accordance with the revised NAF, by 31 March 2019	29 March 2019	Approved and Published
2	LEP to confirm outcome of the LEP Board interviews by February 2019	4 new Board members appointed and attended from January 2019 meeting: Gary Headland, Sarah Fairburn, Nick Worboys and Zoe Easey	Cleared
3	LEP to further review board membership once LEP geography has been confirmed		Ongoing – geography yet to be resolved - addressed under 'Governance'.
4	LEP and Accountable Body to continuously update CLGU on the development and implementation of its enhanced programme and risk management procedures, including the agreement and publication of revised project pipeline – by end March/early April 2019	29 March 2019	Actioned, but ongoing
5	CLGU and LEP to meet in October 2019 (having agreed mid-year commitment, expenditure and output targets by end February 2019) to review the first six months of delivery in 19/20 – by end October 2019	16 September 2019	Cleared – discussed as part of Mid-Year Improvement Plan and Mid-Year Review meeting
6	Senior Whitehall Sponsor to follow up with DfT to seek to expedite the publication of the Secretary of State's	12 March 2019	Cleared

	decision following the Public Inquiry on Grantham Southern Relief Road		
7	CLGU to confirm policy view on conversion of unrecycled Growing Places Fund to grant		Cleared
8	LEP to submit pictorial evidence of branding compliance by projects to CLGU – ongoing		Ongoing – pictorial evidence received
9	CLGU to hold an initiation meeting with the LEP to get their Local Industrial Strategy work underway.		Cleared – initial meeting with Area Director post APR and follow up meeting with CLGU policy team
10	LEP to continue to update CLGU on progress on the development of its Local Industrial Strategy (including the publication of its Framework and launch of a Call for Evidence) and refresh of its Strategic Economic Plan		Actioned, but ongoing
11	CLGU to respond to LEP requests for support and challenge, drawing in other Government Departments as appropriate, to support the development of its Local Industrial Strategy	Meetings with HMG held on 29 June and 21 August	Actioned, but ongoing

CLGU confirmed that all but one of the actions from the 2018-2019 review had been cleared – the exception being LEP geography. A number of actions were on-going including branding – the LEP agreed to maintain a rhythm of sending pictorial evidence for signage at project sites and including these images on their website.

#### **LEP Action Point**

#### **Compliance**

CLGU acknowledged that the LEP had been timely in resolving the compliance issues raised during spot-checks and asked the LEP to remain vigilant in ensuring their website was compliant with the National Assurance Framework; including updating member details and publishing board papers and minutes within the deadlines.

LEP highlighted that the site map available from the home page ensured transparent and accessible of navigation to key documentation.

CLGU offered to undertake a “mystery shopper” review of the website and to share the latest spot check “check sheet” as an aid to maintaining compliance. **CLGU**

**Action Point**

CLGU asked the LEP to provide appropriate signage at the entrance to its Orchard Street office to clearly indicate the LEP’s occupancy. The LEP confirmed this was a work in progress. LEP agreed to provide pictorial evidence once the signage was in place. **LEP Action Point**

Improvement Plan
<i>Updated Improvement Plan appended</i>
<p>CLGU stipulated that meeting (or exceeding) milestones and targets in the Improvement Plan would not automatically increase the marking of the LEP to ‘Good’ following the Annual Review.</p> <p>CLGU were pleased to note good progress against the qualitative and quantitative measures and milestones. The programme and risk management measures had all been undertaken. All milestone targets to 1 September 2019 had been met. Although not showing within the Quarter 1 data return three projects had been contracted between March and September 2019 CLGU acknowledged the lack of synchronicity between milestones and LGF data return submission deadlines. This needed to be taken into consideration when monitoring progress.</p> <p>CLGU acknowledged the importance of recognising that the quantitative targets had been agreed to reflect what the LEP and Accountable Body regarded as achievable over the period rather than what might ultimately be required to ensure all Programme targets are met.</p> <p>CLGU acknowledged strong progress on the development of the pipeline, LEP provided an update on progress, confirming their intention to undertake a reassessment every six months – the current project call was due to close at the end of September.</p> <p>CLGU welcomed the clarity provided by the Accountable Body’s milestone tracker spreadsheet and suggested that this become an annex to the Plan. <b>LEP and CLGU Action Point</b></p>
Delivery
<p>CLGU acknowledged the good progress made with LGF programme commitment levels, reflected in the achievement of Improvement Plan targets. However, the Q1 LGF data return indicated that £17m (15% of the programme) remained uncontracted. CLGU reflected on the importance of achieving full programme commitment by the end of the current financial year, when decisions about paying the final tranche of funding would be made.</p>

CLGU noted that whilst cumulative LGF expenditure has matched revised projections each year, these continue to be backloaded to end of programme. The 20/21 projection had increased by £7m between Q4 18/19 and Q1 19/20 to £32.6m (29% of the programme) and queried how this risk would be managed.

LEP talked through their scenario planning for managing commitments, expenditure and rebalancing capital swaps. They reported that failing/stalled schemes had been removed from the programme and that replacement schemes had been identified from the pipeline. The latter included a North Lincolnshire priority scheme (valued at £3.4m) that had been pre-approved by the Board and could be delivered within the remaining programme period.

CLGU supported the work undertaken to identify strategic priority schemes that could be delivered by March 2021 and suggested that careful thought needed to be given to the balancing of commitment and expenditure levels over this financial year and agreed to keep the LEP fully informed of the performance indicators for future assurance reviews. **CLGU Action Point**

The LEP welcomed this, feeling that the current lack of clarity regarding end of programme requirements hampered their programme management.

In looking ahead to the Annual Performance Review, CLGU recognised that it might be helpful for both LEPs and the Unit to adjust the national timeline for the process to allow Q2 data to be used to benchmark performance. CLGU agreed to explore this with the policy team. CLGU and the LEP also agreed that it would be helpful to hold the GLLEP Annual Review meeting towards the end of the APR window. **CLGU Action Point**

CLGU reflected that it would be helpful for uncontracted projects to be RAG rated within the LGF data dashboard return to aid the discussion about progress and principal risks (*the spreadsheet does allow for RAG rating and commentary to be entered for non-contracted projects*) **LEP Action Point**

CLGU requested more detail on the individual projects within the Skills Capital Programme so the relative positions/risks of projects were clear. The LEP reassured CLGU that an update paper on the entire programme would be provided to the Investment Board at its next meeting (27 September) and to each Board meeting thereafter. **LEP Action Point**

LEP gave an update on the position of their two red RAG rated projects:

**Lincolnshire Lakes** (and the uncontracted Northern Roundabout scheme) – the future of this scheme would be discussed at the Investment Board on 27 September, at which it was hoped that Homes England would provide an update.

**Holbeach FEZ** – currently under-going a substantial contract variation relating to power provision for the site. A “Plan B” sustainable solution was being sought, and a report had recently been lodged with the LEP outlining this.

The LEP were keen to ensure that the area's challenges with power distribution capacity were fed back to BEIS. CLGU assured the LEP that the Midlands Engine Partnership was looking to open a dialogue with Government around these issues and that the issues specific to Greater Lincolnshire were understood by the BEIS Local Energy Team.

CLGU welcomed the improved position and Amber RAG rating for the Grantham Southern Relief Road project, which at £28m LGF represented the LEP's largest single investment. The ground-breaking on the next phase of the project was scheduled for 19 September.

CLGU acknowledged the LEP's production of a comprehensive Annual Delivery Plan and the success of their AGM, which had attracted a record attendance.

## **Governance**

There was no update from CLGU or from the LEP on the position with the overlap geography.

The LEP reflected that the Government's decision to withhold capacity funding had not aided the search for a solution and that by the end of this calendar year, despite the significant in-kind contributions from Board members and stakeholders the LEP would be under considerable financial pressure. There would no longer be headroom within the LEP budget to address the skills agenda or continue with the implementation of the Local Industrial Strategy and it was important that this was highlighted to CLGU policy colleagues. **CLGU Action Point.**

The LEP confirmed that the inclusion of Rutland within the GLLEP geography was progressing and that Rutland County Council now had all the information required to take the proposal to their Executive, although the LEP was unclear of the timeframe for this. The LEP reported that for the last six months there had been no Growth Hub or Enterprise Co-ordinator services delivered in Rutland. CLGU agreed to raise this with Cambridge and Peterborough at their Mid-Year Review. GLLEP intended to deliver both services for Rutland from March 2020. **CLGU Action Point.**

On board composition, CLGU noted that by the end of September the LEP would have three private sector vacancies and asked about progress with filling the vacancies. LEP confirmed they had been holding off on a recruitment campaign due to the unresolved geography issue but had offered a private sector position to Rutland. CLGU encouraged the LEP to do all they could to fill the vacancies by the end of the calendar year and to confirm who would succeed David Dexter as SME Champion. **LEP Action Point**

Recognising that the Chair was keen to manage the size of the Board, CLGU suggested it might be helpful to revise the Accountable Body membership to observer status.

CLGU were encouraged to see the good progress made with achieving a gender balance within Board membership (current level 38%) but recognised that reaching the LEP Review target of 50% by 1 April 2023 would be challenged when the LEP Chair and HE representative stand down next year. The LEP were confident of achieving the 50% target, their previous approaches to Board recruitment having led to 20 good applications from female candidates.

LEP recognised that the current Chair's term should officially end in December 2019, however they would seek Government approval to extend her term by a further three months (to end March 2020) to enable a smooth transition. **LEP Action Point**

LEP requested support from CLGU with the Chair recruitment recognising this to be a challenging exercise. CLGU confirmed they would provide support to advertise the post through the Public Appointments website and suggested that the LEP engage with the local MPs holding Ministerial positions (Matt Warman and Victoria Atkins), with support from the local BRO's (including the Chamber, FSB and CBI). The LEP reflected they would ideally use an executive recruiter, but the cost could prove prohibitive given their budgetary situation. **CLGU and LEP Action Points.**

CLGU welcomed the visible collaboration with D2N2 and Humber LEP and queried the collaboration levels with New Anglia and Cambridge and Peterborough. The LEP advised CLGU of collaboration activity, including the agreement of a MOU with Cambridge and Peterborough, but acknowledged there was scope for more engagement. CLGU requested that the Chair reach out to the new Cambridge and Peterborough Chair, Austin Adams, who would welcome the benefit of her experience. The LEP agreed to set up the meeting. **LEP Action Point.**

The LEP outlined their scrutiny arrangements, with formal scrutiny undertaken by Lincolnshire County Council, but with all other Local Authorities having been invited to include the LEP on their scrutiny agendas. Significant challenge is also offered through the Lincolnshire Leaders Joint Committee.

### **Strategic Impact**

CLGU noted good progress with LIS development to date and strong ambitions to accelerate (to enable the LIS to be agreed to the same timetable as Humber). The Mid-Year review was followed by a LIS Challenge Session.

CLGU queried the LEP's plans and progress to refresh the Strategic Economic Plan, noting that the LEP Delivery Plan referenced 'last refresh in 2016 and plans for further fresh in Autumn/Winter 2019'. The LEP confirmed they had taken the decision to delay commissioning a SEP refresh until the LIS development was complete and there was a budget available to undertake the work. **LEP Action Point.**



**LEP Feedback**

The LEP enquired whether a framework would be provided for the evaluation of the LGF Programme. CLGU advised that there were no plans to standardise the approach to evaluation and the LEP should go ahead and commission their evaluation, in line with their local requirements.

**AOB**

There was no AOB

**Action Points**

Action #	Action Point	Owner	Date to be completed	Date completed	Resolution
1	To submit pictorial evidence for signage at project sites and include these images on website.	LEP	On-going		
2	To undertake a "mystery shopper" review of the LEP website and to share the latest spot check "check sheet" as an aid to maintaining compliance	CLGU	30 Sep 2019		
3	To provide pictorial evidence of LEP signage in place at Orchard Street office	LEP	30 Sep 2019		
4	To include Accountable Body's milestone tracker spreadsheet as an annex	LEP and CLGU	On-going		

	to the Improvement Plan.				
5	To keep LEP fully informed of the performance indicators for future assurance reviews	CLGU	On-going		
6	To explore with the policy team the possibility of including Q2 data by delaying the date to make the final LGF payment to April/May and to schedule the GLLEP Annual Review meeting towards the end of the APR window	LEP and CLGU	Agree date for APR by 30 Nov 2019		
6	Uncontracted projects to be RAG rated within the Q2 LGF data return	LEP	22 Nov 2019		
7	To provide more detail on the individual projects within the Skills Capital Programme	LEP	30 Sep 2019 and on-going		
8	To highlight to CLGU policy colleagues	CLGU	31 Oct 2019		

	the budget restraints placed upon the LEP as a result of withholding capacity funding ( <i>through MYR process</i> )				
9	To raise withdrawal of Growth Hub and Enterprise co-ordinator services in Rutland with Cambridge and Peterborough at their Mid-Year Review.	CLGU	18 Sep 2019		
10	To confirm the Board's new SME Champion	LEP	31 Oct 2019		
11	To submit a case to extend the current Chair's term of office until the end of the financial year	LEP	30 Sep 2019		
12	To progress actions to support the recruitment of a new Chair	CLGU/LEP	31 Dec 2019		
13	To set up a meeting between the LEP Chair and the new Cambridge and Peterborough	LEP	31 Oct 2019		

	Chair				
14	To update on progress to refresh the Strategic Economic Plan, following completion of the LIS and subject to budget	LEP	31 Dec 2019		

**Attendees:**

**LEP Attendees:**

Ursula Lidbetter OBE, Chair GLLEP

Ruth Carver, CEO GLLEP

Halina Davies, GLLEP Programme Manager

**Accountable Body Attendees:**

Andrew Crookham, Executive Director Resources & Section 151

Officer, Lincolnshire County Council

Linsay Hill-Pritchard, Principal Commissioning Officer, Lincolnshire County Council

**Government Attendees:**

Rowena Limb, Area Director for East Midlands, Ox-Cam and East Anglia, Cities and Local Growth Unit

Pete Holmes, Area Lead, CLGU

Melanie Phythian, Assistant Area Lead, CLGU (note taker)

# Paper 4 – Governance: Terms of Reference Review

Publication	Public Paper (published)					
Meeting date:	27 <sup>th</sup> September 2019					
Agenda Item:	Governance: Terms of Reference Review					
Item Subject:	4					
Author:	Kate Storey					
For:	Discussion		Decision	X	Information	

## Recommendation:

1. LEP Board Directors are asked to review and approve the updated ToRs to align to the new Articles adopted April 2019.
2. The Board is asked to review and approve review dates for company ToRs.

**1 Summary** - LEP Company Boards (1) BOARD (Directors), (2) Investment (3) Appointments (4) Finance and Audit, have been redrafted to align to the newly adopted LEP Articles of Association updated in April 2019.

**2 Background** - The LEP solicitor (Wilkin and Chapman) has proposed a new model for ToRs and recommended that only the main board is henceforth entitled 'board' whilst the company sub-boards above are renamed as committees, in line with standard ltd company models.

The redrafted ToRs for the following boards (committees) will be circulated to members during October for review and recommendations to be brought to the November Directors Board for approval (1) Investment (2) Appointments (3) Finance and Audit.

Directors ToRs are for review with this Paper (4a), and are intended as an operational guidance document which refers to the fuller detail where applicable which is contained in the Articles of Association.

It is recommended that the Board ToRs are reviewed annually and the committee ToRs (1) Investment (2) Appointments (3) Finance and Audit, are reviewed biennially (two yearly).

The LEP Board is asked to discuss and agree (1) renaming of company boards and (2) the updated Directors Board Terms of Reference (3) ToR review periods.

**3 - Terms of Reference** - Enclosed ToRs at Paper 4a. The primary adjustments are:-

1. Constitution
  - New header including reference to Articles of Association for full detail
2. Duties and Terms of Reference
  - Added in Local Industrial Strategy development as key focus;
  - Added investment opportunities (lifted from the Articles);
  - Added responses to economic shocks (lifted from the Articles);
  - Added diversity and equality (aligned to LEP Review);
  - Added ensuring independent legal personality (aligned to LEP Review)

# Paper 4 – Governance: Terms of Reference Review

- Added digital and creative to capture emerging sectors;

## 3. Membership

This section is largely redrafted using edited wording from the Articles. The section is intended (and states), it is an edited summary of the Articles which should be referred to for full details.

- Adjusted composition and number of directors (aligned to Articles);
- Adjusted representative organisations and sectors (aligned to Articles);
- Added in gender balance and targets (aligned to LEP Review);
- Adjusted appointment and terms of Directors (aligned to Articles);
- Deleted the recruitment process as is detailed elsewhere (Articles and Policy 15 -Appointment of the Greater Lincolnshire LEP Directors, Company Members and Company Boards);
- Adjusted deputy chairs from one to two (aligned to Articles)

## 4. Attendance at Meetings

- Moved and adjusted voting references to voting section.

## 5. Notice of Meetings

- Reworded with little content change (aligned to Articles)

## 6. Quorum

- Adjusted from quorate of six to three (aligned to Articles);
- Adjusted composition of quorum from minimum of three private sector directors to one private sector and one public sector (aligned to Articles)

## 7. Declarations of Interest

- Reworded with little content change (aligned to Articles)

## 8. Voting

- Adjusted from consensus to majority (aligned to Articles);
- Added telephone conference option (aligned to Articles);
- Adjusted third party observer rights to include written approval required and the need to sign the Observers Code of Conduct (aligned to Articles);

## 9. Authority

- New generic section (standard ltd co model)

## 10. Reporting

- Added annual signing of Code of Conduct to annual Declarations of Interest (aligned to Articles);
- Added declarations in meetings (aligned to Articles);

# Paper 4 – Governance: Terms of Reference Review

## 11. General Matters

- New generic section across all company board ToRs (standard ltd co model)

## 12. Linked Policy Reference Docs

- Added new section to include Articles link, detailed recruitment, JDs, and appointment policy docs.

**4 - Governance Review** - A governance review has been scoped and the tender procurement process has recently begun. A peer review with a buddy LEP is due to take place this financial year and should feed into the process.

**5 - Diversity Champion** - The DC (Dean Fathers) is reviewing and addressing the succession planning/implications on diversity against our current balance (what is our aim and what does this look like against all relevant protected characteristics).

## DIRECTORS BOARD TERMS OF REFERENCE

Terms defined in the articles of association of the GLLEP shall have the same meaning in these terms of reference.

The Articles of Association (April 2019) constitute the primary resource for LEP Directors. These operating Terms of Reference are intended as a summary of the Articles for the purposes of reference.

The Board was constituted at a full meeting of the Board held on [ ] in accordance with the Articles.

The Greater Lincolnshire Local Enterprise Partnership (the LEP) is a strategic body, which brings together the public and private sectors to provide strategic leadership and develop a long term vision of the Greater Lincolnshire economy, providing strategic insight on the challenges and opportunities facing the area by:

- a) Championing the GLLEP regions economic vision and promote bold solutions;
- b) Communicating with the business community around economic growth;
- c) Sharing knowledge practice and intelligence within the GLLEP region and;
- d) Allocating resources to deliver economic growth, secure finance and encourage local and national bodies to match resources to achieve the GLLEP region's ambitions.

- a) Promote the development of a competitive business environment, where private businesses can grow, increase productivity and create jobs;
- b) Develop the Strategic Economic Plan for Greater Lincolnshire;
- c) Develop the Local Industrial Strategy for Greater Lincolnshire;
- d) Identify and develop investment opportunities; prioritising the award of local growth funding; and monitoring and evaluating the impacts of its activities to improve productivity across the local economy;
- e) Develop and advise Lincolnshire Leaders Board on a Greater Lincolnshire wide strategic approach to infrastructure that is linked to economic growth including transport, housing, energy security, floods and employment land development;

- f) Develop and oversee the delivery of a Skills strategy for Greater Lincolnshire and to ensure that local people have the skills to compete for jobs by supporting skills development in our most important sectors;
  - g) Promote Greater Lincolnshire as a prime location for inward investment, international trade and to proactively help more companies export their goods and services
  - h) Co-ordinate public and private sector activity on the key growth sectors (for example food, manufacturing, visitor economy), and in enabling areas such as water management and the digital economy, and innovation with the aim of increasing the regions competitiveness and to build on comparative advantages;
  - i) Develop co-ordinated Business Support services through Business Lincolnshire to ensure that local businesses receive the right support and advice to develop and grow their business;
  - j) Co-ordinate responses to economic shocks; and bring together partners from the private, public and third sectors;
  - k) Actively promote equality and diversity to ensure a strong gender balance;
  - l) Respond to opportunities that arise from Government initiatives to support economic development;
  - m) Support the localisation agenda by negotiating freedoms and flexibilities with government on actions which encourage more local devolution and accountability;
  - n) Co-ordinate and influence government and others on matters that benefit the economy of Greater Lincolnshire;
  - o) Agree the LEP's annual budget, the management of which budget shall be delegated to the LEP Director;
  - p) Ensure an independent legal personality.
- 2.2 The Board's priorities are:
- a) To drive the growth of agri-food, manufacturing and visitor economy sectors;
  - b) To grow specific opportunities in the health and care, renewables, ports and logistics, digital and creative sectors;
  - c) To drive growth in enterprises by expansion into new markets, modern telecommunications, infrastructure improvements, and business skills;
  - d) To promote Greater Lincolnshire as a place for sustainable growth, through improved transport infrastructure to connect to national and international markets, enable wider enjoyment of our heritage assets, culture and strong communities;
  - e) To recognise the need for new housing for the existing local population; and;
  - f) To support balanced housing and economic growth.

2.3 The Board shall;

- a) Delegate full decision making capacity to the Investment Committee;
- b) Delegate operational capacity to (1) Appointments Committee and (2) Finance and Audit Committee and receive recommendations for Board approval

### 3. MEMBERSHIP

This section is intended for summary purposes only. The Articles of Association clauses 18-30 detail in full; composition, powers, appointments, chair and deputies, disqualification, proceedings, quorum, participation, third parties, substitutes, decision making, written resolution, delegation, and interests and should be referred to for full detail.

- 3.1 The members of the Board shall be appointed by the Board and may be removed at any time by the Board following the procedure in the Articles of Association.
- 3.2 The Directors Board shall be no less than 16 and no more than 20 directors with the option to co-opt an additional 5 with specialist knowledge on a one year basis
- 3.3 The Board shall compromise of up to 3 upper tier, up to 1 district and up to 2 public sector Directors. The balance shall be made up of private sector directors representing as far as possible;
  - (a) the important industry sectors across the GLLEP Region;
  - (b) different sizes of business;
  - (c) for profit and not for profit businesses; and
  - (d) links at a major level into business representative groups;
- 3.4 The Directors shall appoint two private Sector Directors as (1) the Small and Medium Enterprise Champion and (2) as the as the Diversity Champion.
- 3.5 The Board will consist of a minimum of 33% female Directors by 2020 and 50% by 2023.
- 3.6 Private Sector Appointments to the Board shall be for a period of up to three years, which may be extended for two further periods of three years provided the member still meets the criteria for the membership of the Board.
  - a) Each Upper Tier Council may appoint one person each to be a Director and shall hold office from the date of appointment and may at any time be removed from office by notice in writing by the relevant Upper Tier Local Authority.
  - b) The District Council Director shall be appointed by the District Councils through the Lincolnshire Leaders Group and shall hold office for a fixed term of three years which can be extended for a maximum of two further three year terms.
  - c) The Public Sector Directors shall be appointed by the Directors on the basis of nominations from the Public Sector Bodies. Such Public Sector Director shall hold office for a fixed term of three years which can be extended for a maximum of two further three year terms.

- d) The Board shall appoint an experienced business person who is a Private Sector Director, to be the Chair.
- e) The Directors shall also appoint one Private Sector Director and one Non Private Sector Director each to be Deputy Chairs.

3.7 Any Director removed, may not be re-appointed

#### **4. ATTENDANCE AT MEETINGS**

- 4.1 The Board will meet six times a year (and at least quarterly). The Board may meet at other times during the year as agreed between the members of the Board and may approve recommendations via written procedure.
- 4.2 Only members of the Board have the right to attend Board meetings but other Committee Members, Member Representatives, other persons and external advisers may be invited to attend all or part of any meeting as and when appropriate as observers provided that that such parties agree to be bound by the Observer Code of Conduct and shall be entitled to speak at the meeting with the prior permission of the chairperson but shall not be entitled to vote.
- 4.3 Any Director may participate in a meeting by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can communicate with each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and, subject to the Articles, the Statutes and these terms of reference, he or she shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairperson of the meeting is.
- 4.4 An identified senior LEP officer or his or her nominee shall be the secretary of the Board.
- 4.5 Attendance at the LEP Board must be consistent at senior level.

#### **5. NOTICE OF MEETINGS**

- 5.1 Meetings of the Board shall be called by the secretary of the Board at the request of the chairperson of the Board. The agenda and papers for meetings shall be approved by the Chair.
- 5.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of the matters to be discussed at the meeting shall be forwarded to each member and any other person required to attend no later than seven business days before the date of the meeting. Any supporting papers shall be sent to each member of the Board and other attendees (as appropriate) at the same time and minutes published on the website.

#### **6. QUORUM**

A quorum shall be 3 members present in person including at least one Private Sector Director and one Non Private Sector Director.

## **7. DECLARATION OF INTEREST**

Whenever a Director has an interest in a matter to be discussed at a meeting the Director so conflicted shall immediately declare the nature of the conflict or potential conflict and withdraw from any meeting where the conflict would be relevant unless the necessary authority as set out in the Articles has been obtained.

## **8. VOTING ARRANGEMENTS**

- 8.1 Each member of the Board shall have one vote which may be cast on matters considered at the meeting. Votes can only be cast by members attending a meeting of the Board, or by proxy vote.
- 8.2 The general rule about decision-making by the Board is that any decision of the Board must be a majority decision at a meeting (or a decision taken in accordance with paragraph 8.5 of these terms of reference) provided that no decision shall be made at any meeting (or in accordance with paragraph 8.5 of these terms of reference) or unless at least three Directors have voted in favour of such decision.
- 8.3 If a matter that is considered by the Board is one where a Director of the Board, either directly or indirectly has a personal interest, save as otherwise approved by the Board in accordance with the Articles, that member shall not be permitted to vote at the meeting.
- 8.4 Save where he or she has a personal interest, the chairperson will have a casting vote.
- 8.5 A resolution in writing, sent to all Directors entitled to receive notice of a meeting of the Board and signed by a majority of the members shall be valid and effectual as if it had been passed at a meeting of the Board duly convened and held and may consist of several documents in materially the same form each signed by one or more Director.

## **9. AUTHORITY**

The Board is authorised to obtain, at the GLLEP's expense, professional advice on any matter within its terms of reference. A duly convened meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Board. The Board is authorised to seek any information it requires from any employee or Director, and all such employees or Directors will be directed to co-operate with any request made by the Board.

## **10. REPORTING**

- 10.1 The proceedings and resolutions of meetings of the Board, including the names of those present and in attendance, shall be minuted by the secretary of the Board. Draft minutes of each meeting will be circulated promptly to all Directors of the Board.
- 10.2 Minutes of meetings of the Board shall be approved in draft form by the Chair and disseminated to Board no later than ten working days following the meeting. Minutes shall remain in draft until approval by the Board at the Board's next meeting.
- 10.3 The chairperson of the Board shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

- 10.4 The Board shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 10.5 The Board shall produce a financial year end report to be included in the GLLEP's annual report about its activities.

## **11. GENERAL MATTERS**

- 11.1 The chairperson of the Board should make themselves available at each annual general meeting of the GLLEP to answer questions concerning the Board's work.
- 11.2 The Directors shall duly sign and return the LEP's Code of Conduct and Declaration of Interests on an annual basis.
- 11.3 The Board shall be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all Directors.
- 11.4 The Board shall have access to sufficient resources in order to carry out its duties, including access to the identified senior LEP Officer for assistance as required.
- 11.5 The Board shall be entitled to invite relevant third parties to attend any meeting of the Board as observers providing that such third parties agree to be bound by the Observer Code of Conduct and shall be entitled to speak at meeting of the Board with the prior permission of the Chair but shall not be entitled to vote.
- 11.6 The Board shall give due consideration to all laws and regulations as appropriate.
- 11.7 The Board will, from time to time, consider projects and proposals of a "commercial in confidence" or sensitive nature. All Board Directors and Observers will observe the need for confidentiality in this respect.

## **12. LINKED POLICY REFERENCE DOCUMENTS**

- a) REFERENCE 16: [LEP Articles of Association](#)
- b) [POLICY 15](#): Appointment of the Greater Lincolnshire LEP Directors, Company Members and Company Boards
- c) REFERENCE 3: [LEP Chair's Job Description](#)
- d) REFERENCE 4: [LEP Deputy Chair's Job Description](#)
- e) REFERENCE 1: [LEP Board Director Recruitment Pack](#)
- f) POLICY 3: [Confidential Reporting](#) Policy

## **13. REVIEW**

The Board may amend these terms of reference at any time and will be reviewed annually.

# Paper 5

## Impact of the Lincolnshire Growth Hub & Bi-Annual Report

Publication	Public Paper (published)					
Meeting date:	27 <sup>th</sup> September 2019					
Agenda Item:	5					
Item Subject:	Impact of the Lincolnshire Growth Hub & Bi-Annual Report					
Author:	Samantha Harrison					
For:	Discussion	X	Decision		Information	

### 1 Summary

- 1.1. This report provides an update on the activity and impact on the LEP's business support arm, the Business Lincolnshire Growth Hub. The Hub continues to develop and grow, new ERDF funding has been secured up until May 2022 and we are currently bidding for funds to extend this delivery to June 2023, advisory provision has been enhanced and the new scale up business support programme has been well received.

Over the next 12 months the Growth Hub will focus on supporting businesses to navigate through BREXIT, with support to ScaleUp, internationalise, utilise modern technology, enhance their leadership and management capability, undertake research and development, embrace skills development and access apprenticeships. Renewed emphasis will be placed on enhancing communication channels through a front line telephone enquiry handling service, awareness raising and increasing business take up and extending social media reach.

### 2 Background

- 2.1. The Business Lincolnshire Growth Hub (BLGH) was launched by the LEP in April 2015 following a BEIS requirement for all Local Enterprise partnerships to facilitate the development of a Growth Hub to provide a one-stop support shop which supports businesses from all sectors and at all growth stages. It provides a single access point to a targeted package of information, diagnostic, advisory, coaching, mentoring and development programmes for business. Furthermore, the Hub ensures a 'single conversation' is facilitated with local businesses, raising awareness and uptake of both public and private sector support, by improving co-ordination, marketing and signposting.

#### 2.2 The Business Lincolnshire Growth Hub has the following objectives;

- To provide a service that meets the identified needs of businesses
- Work to align business support offers
- Develop greater intelligence to deliver an added value offer
- Develop and implement a segmented service offer
- Investigate future sustainability options
- Develop strong partnerships with professional intermediaries

## Paper 5

# Impact of the Lincolnshire Growth Hub & Bi-Annual Report

### The Business Lincolnshire Growth Hub offer includes;

- One to one General Advice - fully funded, easy access to impartial business growth adviser who will undertake a Business Review and Action Plan
- One to one specialist advice - fully funded specialist support around accessing finance, resource efficiency, supply chain development, digital, innovation, exporting as well as sectoral support such as for manufacturing and agri-food
- ScaleUp Account Manager, ScaleUp Workshop Programmes including coaching
- Business workshops, briefings & flagship events
- Online information portal - [www.businesslincolnshire.com](http://www.businesslincolnshire.com) - which provides:
  - Advice and grant scheme finder - information and access to all the publically funded and private business support offers as well as grants and growth finance
  - Guides and self-help tools
  - Events calendar
  - Information on business opportunities and skills
- Access to National Business Support Helpline via phone or online webchat
- Facilitated access to the national programmes including: Department for International Trade, Intellectual Property Office, Innovate UK, Enterprise Europe Network, etc.
- Access to outreach 'spokes', e.g., enterprise, innovation and incubation spaces across the county, which provide services such as virtual office, hot desk facilities, meeting rooms, networking events, etc.

### 3. New ERDF Business Support Growth Hub Bid Funds secured

The growth hub enhanced its business support offer by securing ERDF funds to provide extra services to businesses over and above what the BEIS funding can cover. We have secured Business Lincolnshire Sustainable Business Growth 2 (BLSBG2) is a £5.28m project which will enable the growth hub to extend the business support services via the Sustainable Business Growth and Digital Business Growth projects from July 2019 to May 2022. The support programme will be marketed externally as Growth Lincolnshire. (We are currently completing a new ERDF funding outline application to extend this programme until June 2023, which will provide support until we can access the UK Shared Prosperity funds.)

The project will be focussed towards working with 1087 established businesses, they will be provided with support at least 3 hours of support with 768 enterprises receiving either 12 hours of advisory support and/or at least £1000 grants. Overall the project will create 204 jobs whilst increasing productivity and unlocking private sector investment of £775,000.

## Paper 5

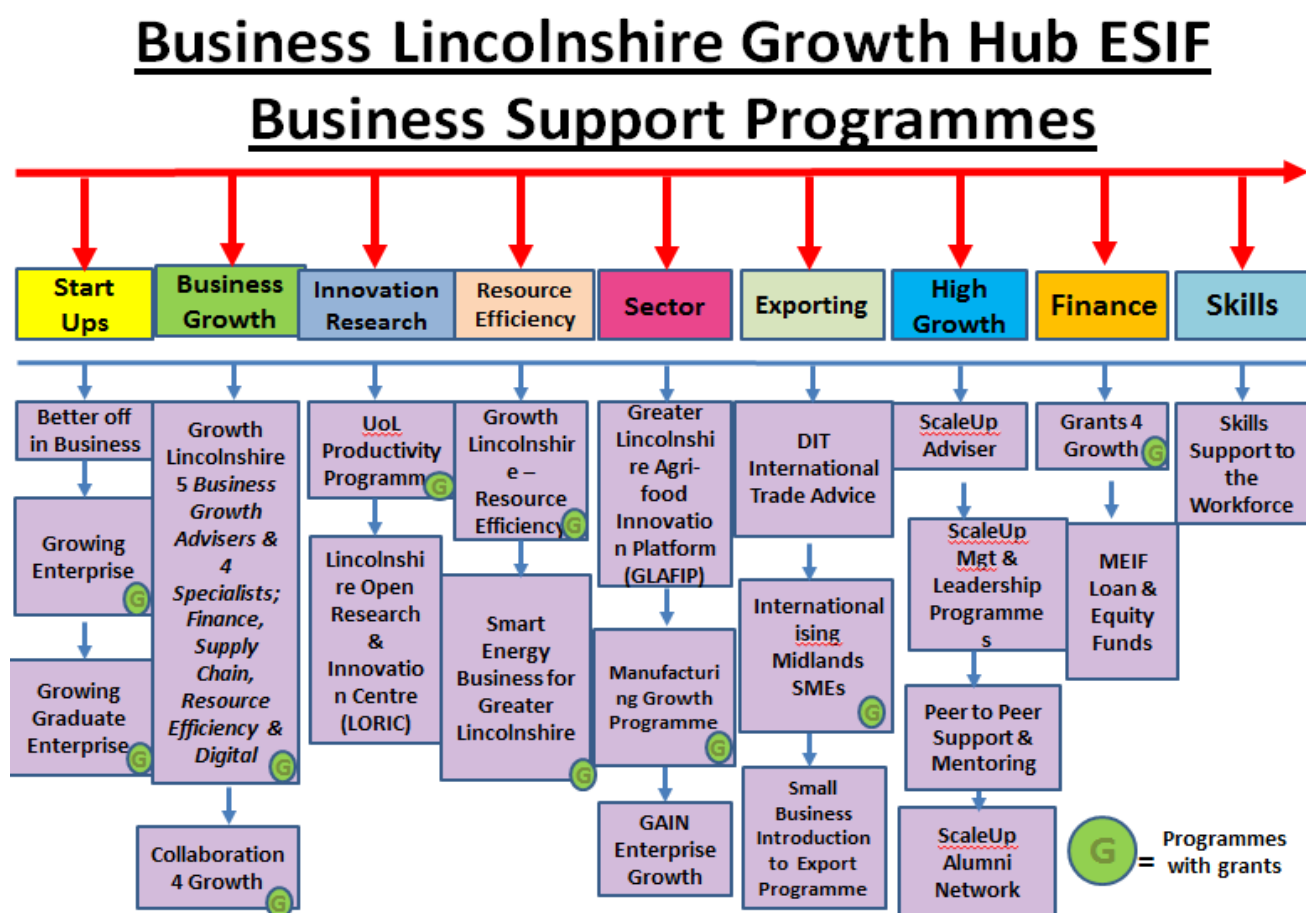
# Impact of the Lincolnshire Growth Hub & Bi-Annual Report

Growth Lincolnshire will provide a comprehensive and enhanced offer of one to one support, capacity building and growth funding, and will include the following support:

- ✓ 1 to1 and 1 to many business support covering
  - information advice and guidance and action planning for growth
  - specialist advice including
    - investment readiness/ access to private sector investors
    - resource efficiency
    - developing use of digital technologies and ICT
    - Supply chain development
    - Legislative Best Practice - early stage best practice advice to businesses to achieve legislative compliance
    - Other niche / specialist support as demand dictates eg Manufacturing, IP,
  - enhanced assistance for high growth potential SMEs (scale ups)
    - Business Leaders Peer Support and Mentoring
- ✓ Events, briefings, workshops and masterclasses
- ✓ Business Growth Grants - providing capital (60% match) and revenue (50% match) of £1,000 to £10,000 to enable growth projects to be brought forwards
- ✓ Digital Growth Grants - providing £1,000 (50% match) grants to enable businesses to invest in digital products and services

## 4 Business Support Simplification

- 4.1 The growth hub has a responsibility to ensure coordination across the business support offers. The following programmes listed in the below diagram have secured ERDF continuation funding for another 3 years delivery up until 2022, the majority of programmes are also seeking to secure extension funds to June 20303 this will help limit the stop/start nature of publically funded services.



## 5 Business Lincolnshire Growth Hub Key Performance Outcomes

Figures from April 2018 to 31 March 2019	Number	Apr - Jun 2019 ( Bi Annual)
Growth Hub Adviser Engagements	1,258	242
Business Diagnostics	718	195
Client satisfaction with Growth Hub Service	92 %	90%
Intermediary interactions	84	22
Businesslincolnshire.com unique users	25,357	4627
No of Individuals helped to start a business	233	68

## Paper 5

# Impact of the Lincolnshire Growth Hub & Bi-Annual Report

Business Workshops event attendees	772	141
Sponsored event attendees	3,759	333
Grants approved - cumulative	345	41
Total value of Grants Paid - Cumulative	£1,072,944	£1,381,960 (Cumulative)
Private Sector Match Secured - Cumulative	£2,804,515	£3,590,896 (Cumulative)
Facebook Likes - Cumulative	947	966 (Cumulative)
Twitter followers - Cumulative	5419	5,529 (Cumulative)
New Jobs Created - Cumulative	1,187	1,270 (Cumulative)

### 6. Growth Hub 2018-9 Successes

- 1) Businesses that have accessed the Growth Hubs support, particularly the Growth Hub face to face support, have been developing and growing. During 2018/9 243 new jobs have been created.
- 2) Through partnering with professional intermediaries we have been able to deliver high profile, professional events e.g. the 4<sup>th</sup> Greater Lincolnshire Manufacturing in Action Conference (120 delegates), Heritage Works Visitor Economy Conference (100 delegates), Taming the Dragon, Start Up and Grow Conference and GLLEP Business Live/ Growth Hub event etc.
- 3) Bitesize and workshops events have taken place across the Greater Lincolnshire area - covering E commerce, Digital Marketing, SEO Tips, Tender Writing, Cyber Attack, Team Building, GDPR, Brexit Readiness, R& D Tax Credits etc .
- 4) Tailored workshop programmes have been delivered for supply chain development, digital technology, resource efficiency, supply chain development and financial readiness.
- 5) We have successfully delivered the £5m ERDF Sustainable Business Growth- Growth Lincolnshire Phase 1 programme
- 6) We have held 5 Funding Fairs across the County to ensure business are aware of the full range of support available to support their growth

## Paper 5

# Impact of the Lincolnshire Growth Hub & Bi-Annual Report

- 7) Our 3 pilot ScaleUp workshop programmes (tailored to the learning styles of the scale up businesses) have been piloted during 2018/19. 59 future/existing ScaleUps are currently on the programmes.
- 8) We are working with the University of Lincoln and 6 Transnational Partners to deliver an Interreg Funded programme called COTEMACO - Collaborative robots within Agri-food/ Manufacturing environments. Lincolnshire businesses will receive advisory support and travel grants
- 9) We have secured external funding via BEIS Office for Product Safety & Standards to develop our Better Business for All Lincolnshire Partnership and action plan.
- 10) We help to promote the manufacturing sectoring through the Made in Lincolnshire supply chain information and we support the Made in Lincolnshire Awards.
- 11) We are supporting our businesses to make international connections and have established civic and trade relations with Hunan Province in China. We have held events, promoted trade missions and made supply chain connections and hosted delegations.
- 12) We have been working with the digital sector to develop a support strategy and a Digital Hub for Lincolnshire.
- 13) Lincolnshire Investment Network, the objective of the LIN “programme” was to be the investment readiness stream of the Business Lincolnshire Growth Hub, providing specialist funding support to 151 business, held 12 briefings, developed 9 investors, held 6 Dragons Den style events and 12 businesses have secured over 3m in grants, equity and loan funding

## 7 Service Enhancements for 2019/20

### 7.1 Export Support Service for Small businesses

International trade continues to be one of the main priorities for the Growth Hub. We are keen to enable more businesses to access new market opportunities and become more confident in trading internationally. This is resulted in a small procurement exercise to secure a delivery agent to provide a service for small businesses within Greater Lincolnshire. This will act as a stepping stone to help them to access the national Department for International Trade (DIT) offers.

The support will be delivered in harmony with the existing DIT International Trade Support, eg, [www.great.gov.uk](http://www.great.gov.uk) , International Trade Advisors, and E-commerce Advisors.

A dedicated Export Adviser, Mike Stokes, will be available on a call off basis.

## Paper 5

# Impact of the Lincolnshire Growth Hub & Bi-Annual Report

Small and micro businesses will be offered two adviser-led services, linked to export journey stage:

- **Export Readiness Assessment** -for businesses that are interested in exporting but aren't convinced that their current products or services are exportable and want to understand the actions they need to take to become export ready.
- **In Depth Export Diagnostic** -for businesses that have an export-ready product or service or that already have some international customers, but no coherent export strategy. This review covers nine areas: the business, products & services, export objectives, planning & market knowledge, people & experience, operations, sales & marketing, finance and Brexit impacts.

The support offer will also include 7 half day Export Basics Workshops (one per district)

- Finding new customers by going global (export basics)
- Global route mapper (market selection and research)
- Creating a global shop window (international ecommerce)

The programme commenced in April 2019 and will be evaluated annually.

## 8 LEP Board Alignment

The Growth Hub Board will align with both the Innovation Council and the Employment & Skills Board and work jointly on cross-cutting themes, including Sector development, the Local Industrial Strategy and Strategic Economic Plan. This joint working will help to ensure future work plans are co-ordinated and help to shape future strategy and delivery mechanisms to transform the future. The first joint meeting is on the 25 September.

## 9 Local Industrial Strategy

The Growth Hub is fully integrated into the LEP/LCC planning process, we are aligned with the Local Industrial Strategy work and are co-authors on the Business Environment policy paper.

All our board members have been consulted and have had the opportunity to shape future support and feed into the LIS priorities. The Growth Hub will support the LIS and provide a vehicle to deliver the policy priorities.

## 10. BEIS Funds Brexit Business Readiness

10.1 GL LEP have been selected by BEIS to act as a new Growth Hub Cluster lead for the East Midlands region. This cluster model is part of a wider HMG business readiness programme and given the pace at which BEIS will need things to happen, to optimise the value and flexibility of the funding and to drive progress and impact reporting in the most efficient way.

Greater Manchester Business Growth will act as the BEIS national managing partner and will support BEIS in working directly with new Growth Hub Clusters to help shape and roll out the EU exit Brexit Readiness programme. There are 10 new regional Growth Hub clusters through which this particular funding will flow, that when

## Paper 5

# Impact of the Lincolnshire Growth Hub & Bi-Annual Report

connected will become more than the sum of their parts and provide a more strategically focused network through which government can engage the business community and deliver this project as pace. The primary key activities that have to be delivered at this time are:

- Supporting roll-out of regional 'One Government' EU exit business readiness workshops
- Drawing together a detailed programme of all regional and local events and wider opportunities which enable direct engagement with business, especially SMEs, and react where gaps exist.
- Reporting the specific issues that business report as barriers to being ready for EU exit, identify emerging issues/trends in respect of potential economic shocks (BEIS Business Intelligence Unit).
- Providing weekly reports on activities including business numbers engaged; events delivered, issues raised, issues resolved and issues to be escalated.
- Scaling up the number of businesses (particularly SMEs) engaged and cascading the business readiness message to as many businesses as possible in advance of EU exit.
- Focus on explaining and advocating for the clear readiness actions that all businesses can take and providing them with quick access to national and local business readiness collaterals.
- Signpost businesses to other sources of further information and support (local, national, public and private) where required.

The national managing partner and cluster leads have been selected on the basis of their existing Growth Hub performance over a number of years, capacity to absorb the new roles at pace, quality of business intelligence reported to date and achieving coverage with sensible clusters across England. Funding to clusters leads will reflect both a core standard role for each cluster and an element that reflects the relative size of the business population.

### 10.2 BREXIT Funding Allocation for East Midlands Cluster

Funds have been allocated to support businesses across the East Midlands LEP geography and will be available until 31 March 2020.

#### Coordination role funds for Cluster lead

- 1) Source a part time Project Manager from the Lincolnshire County Council Strategic Project Team and access an intern from the University of Lincoln, intelligence gathering role to collate, analyse report in to BEIS.

#### Funds - covering GLLEP/ D2N2 / Leicester & Leicestershire LEP

## Paper 5

# Impact of the Lincolnshire Growth Hub & Bi-Annual Report

- Use money to fund nationally recognised business analysts to provide tailored proactive support to businesses across then EM region- through free of charge drop in surgeries. Provision of consultancy support to review business plans, supply chain, internationalisation strategies - to bolster business thinking/ planning etc.
- Use money to fund specialist sectoral consultancy - after the 31 Oct.

The EM Cluster will need to devise an outline how the funds will be allocated for activity been now and the 31<sup>st</sup> March 2020.

Finally we need to liaise with West Yorkshire Combined Authority because they have the funds for the Humber area which includes our North and North East Lincolnshire overlap.

### 11. Future Actions/ Events for 2019/20

- Enhance advisor support for Brexit - Opportunities and shocks/intelligence gathering
- Further develop the growth hub's globalisation offer
- Support the development of the Tourism Sector Deal and the business support requirements for the visitor economy
- Promote the digitalisation support offer to traditional industries
- Bring the ScaleUp business community together in with an Alumni event/ make direct connection with innovation support offers

#### Flagship Events

- Greater Lincolnshire Food Robotics & Process Automation Conference Thursday 26 September 2019 National Centre for Food Manufacturing, Holbeach
- How to Attract, Recruit, Retain Talent for your Business- 31<sup>st</sup> October Lincoln City Football Club
- #GoDigital19 Conference - Digital Tools & Tricks for Transformation - 21<sup>st</sup> November Hilton Lincoln

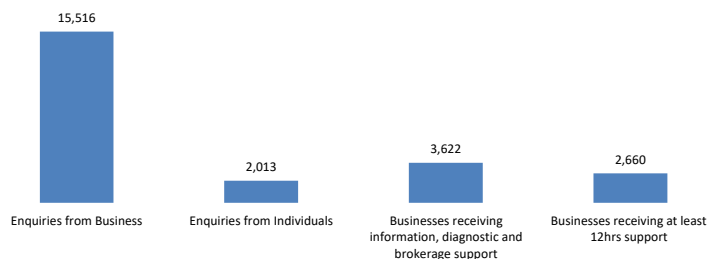
### 12 Conclusion

The LEP's Growth Hub is performing well and has achieved good results since its inception April 2015. Satisfaction levels and feedback reported from clients is also good. Impact in terms of job creation is excellent and this has been enhanced due to growth hub clients realising their growth plans and re engaging with their adviser for further support. The Growth Hub is maintaining relationships with all business contacts so that we are continually capturing jobs and GVA impacts as they are realised.

## Business Lincolnshire Growth Hub Performance & Impact Report

Cumulative from Start of Growth Hub to June 2019

### Businesses Supported

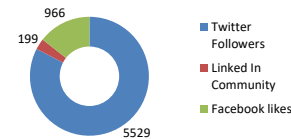


**970**  
helped to start a business

**566**  
Businesses Created

**1270**  
Jobs Created

### Social Media

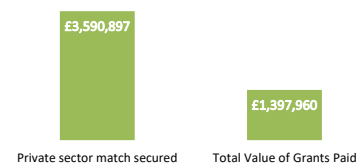


Website Visitors

147,800

**397**

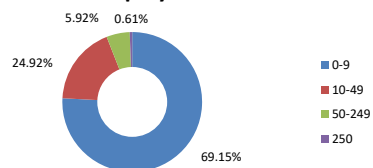
Number of Grants Approved



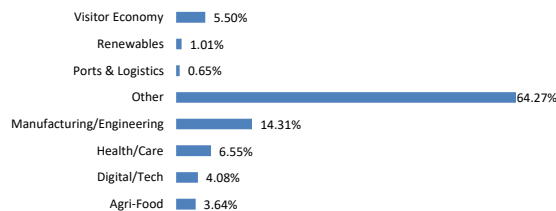
Satisfaction with the Growth Hub

**91%**

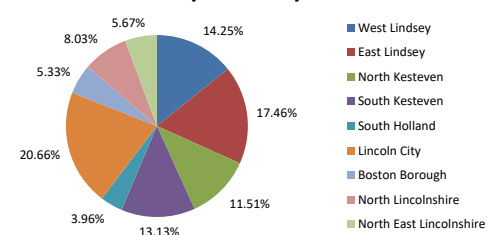
### SME Employee Numbers



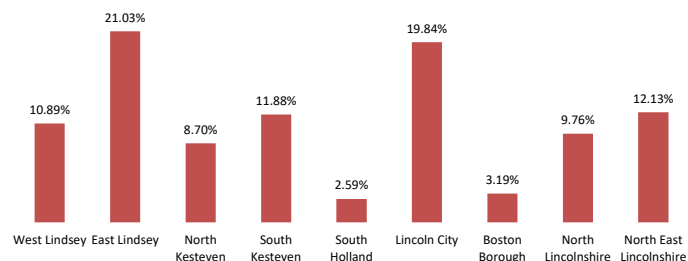
### SME Sectors



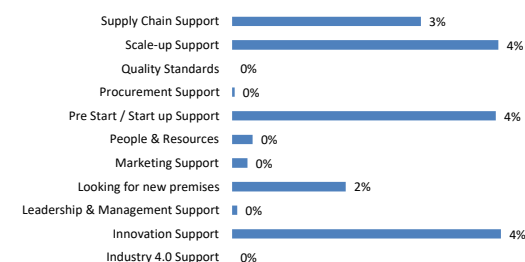
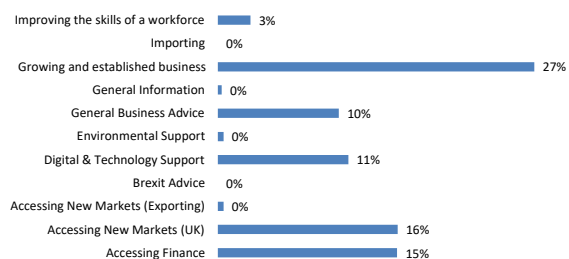
### SMEs by Authority Area



### Jobs Created by Authority Area



### Reasons for Accessing Support



# Paper 6

## Skills Analysis

<b>Publication</b>	<b>Public Paper (published)</b>					
<b>Meeting date:</b>	<b>27<sup>th</sup> September 2019</b>					
<b>Agenda Item:</b>	<b>6</b>					
<b>Item Subject:</b>	<b>Skills Analysis</b>					
<b>Author:</b>	<b>Clare Hughes, Skills Manager</b>					
<b>For:</b>	<b>Discussion</b>	<b>X</b>	<b>Decision</b>		<b>Information</b>	<b>X</b>

### 1 Purpose

- 1.1. To consider the draft Skills Analysis that has been commissioned by the Employment and Skills Board and comment on its effectiveness or accuracy in reflecting the labour market and providing the Department for Education and others with a useful picture.

### 2 Recommendations

- 2.1. That LEP Directors provide feedback and evidence that can be incorporated into the report if there is something missing or inaccurate. By Friday 4<sup>th</sup> October.

### 3 Background

- 3.1 Local Enterprise Partnerships across England have been asked by the Department for Education (DfE) to generate a high quality analysis of the local labour market. The LEP's Employment and Skills Board has commissioned this analysis and the findings of this analysis are provided in the accompanying report. We have a well-established understanding of the labour market so there should not be any great surprises in the new analysis. However using the data in this way will help central Government and the LEP understand where local interventions are needed most.

At the start of the year all 38 Local Enterprise Partnerships (LEP) across England were invited by the Department for Education (DfE) to form local advisory groups to help understand local skills challenges. The Department for Education has given these groups specific responsibilities (see: <https://www.gov.uk/government/publications/skills-advisory-panels-saps-role-and-governance>)

In some areas, like ours, these groups already exist and are called Employment and Skills Boards (ESB) so they will carry out the responsibilities.

The first task, to produce a high quality labour market analysis, must be completed by October 2019. The Employment and Skills Board met on 20th August to review a first draft and the second draft is supplied with this report.

The report follows a proposed methodology developed by analysts at the Department for Education.

It is expected that the analysis will be refreshed at least once a year by each LEP and that local evidence will be gathered to add value to it, helping central Government to understand each area better.

### 4 Financial Implications

- 4.1 DfE provided £75K to each LEP to build capacity and capability to analyse skills data.

### 5 Legal Implications

- 5.1 None.

# Paper 6

## Skills Analysis

### **6 Risks, opportunities and impacts**

6.1 N/A

### **7 Consultation**

7.1 No formal consultation required, however, the draft analysis will also be provided to Chief Executive Group.

### **8 Appendices**

8.1 N/A

# Paper 6

## Skills Analysis

### Annex 1 - Data

#### Total number of residents starting an apprenticeship 2009 - 2018

	Total number of residents starting an apprenticeship								
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Lincolnshire	3910	6070	6920	7330	5760	6480	6840	2400	5073
North East Lincolnshire	890	1330	1660	1590	1340	1570	1780	450	1250
North Lincolnshire	930	1520	1700	1820	1520	1960	1940	620	1530
Greater Lincolnshire	<b>5730</b>	<b>8920</b>	<b>10280</b>	<b>10740</b>	<b>8620</b>	<b>10010</b>	<b>10560</b>	<b>3470</b>	<b>7853</b>
England	276,900	453,000	515,000	504,200	434,600	494,200	503,900	153,300	375,760

Source: FE Data Library

The increase locally in 2012-13 against a drop nationally was in part attributed at the time to the work of the Employment and Skills Board and Lincolnshire County Council with the Work Based Learning Academy to deliver a number of schemes that raised awareness of apprenticeships;

The drop in 2013-14 was due to changes/confusion about funding arrangements for those over the age of 24;

The drop in 2016-17 was due to the introduction of Apprenticeship Levy and other reforms.

#### Total number of residents starting an apprenticeship by age and level in Greater Lincolnshire, 2017-18

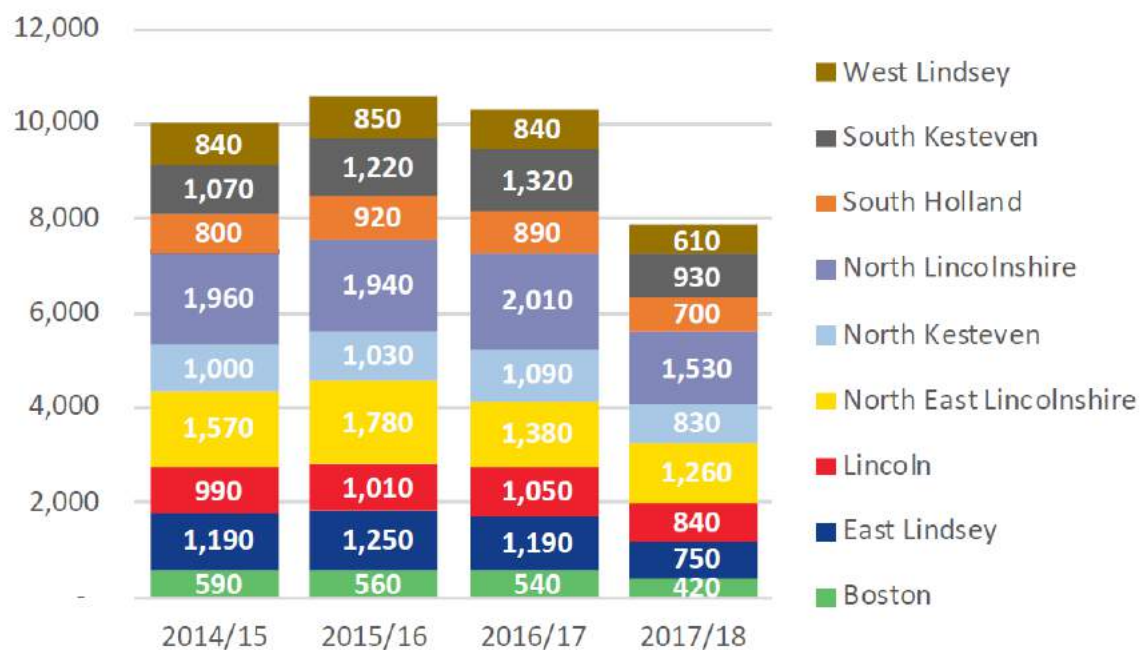
017/18 Starts, Learner Home Geography, Greater Lincolnshire, by age band (at point of Start)						
Age	Intermediate Apprenticeship	Advanced Apprenticeship	Higher Apprenticeship	2017/18 TOTAL	2014/15 TOTAL	2015/16 TOTAL
Under 16	<5	<5	0	6		
16-18	1404	964	30	2398	2770	2750
19-24	947	1059	222	2228	3110	3210
25+	1114	1426	687	3227	4130	4600
<b>Total</b>	<b>3467</b>	<b>3453</b>	<b>939</b>	<b>7859</b>	<b>10,010</b>	<b>10,560</b>

# Paper 6

## Skills Analysis

### Number of residents starting an apprentice

Source: Department for Education



## Introduction

Local Enterprise Partnerships across England have been asked by the Department for Education (DfE) to generate a high quality analysis of the local labour market. The Greater Lincolnshire LEP's Employment and Skills Board has commissioned this analysis and the findings are reported in this document.

The analysis will be used to identify skills and employment needs and priorities, as well as inform the local skills agenda and improve economic outcomes. It will assist local areas to develop action plans to address skills challenges which, in turn can give more people in the local community access to high quality skills provision that leads to good jobs. The analysis produced will underpin the 'People' element of their Local Industrial Strategy.

**The report is organised into several sections:**

**The Local Landscape:** local economy, place, travel to work areas;

**Economy and Labour Demand:** current job vacancies; transferrable skills, future demand, automation;

**Skills and Labour Supply:** the existing workforce, qualifications, commuting, migration, Apprenticeships, future workforce, students, Brexit;

**Supply meets Demand:** hard to fill vacancies, skills shortages, wages, skills gaps in the workforce.

**What the data is telling us...**

**Priorities**

**Appendix:** a selection of the data and charts that have been used in this analysis

# The Local Landscape

## Economy

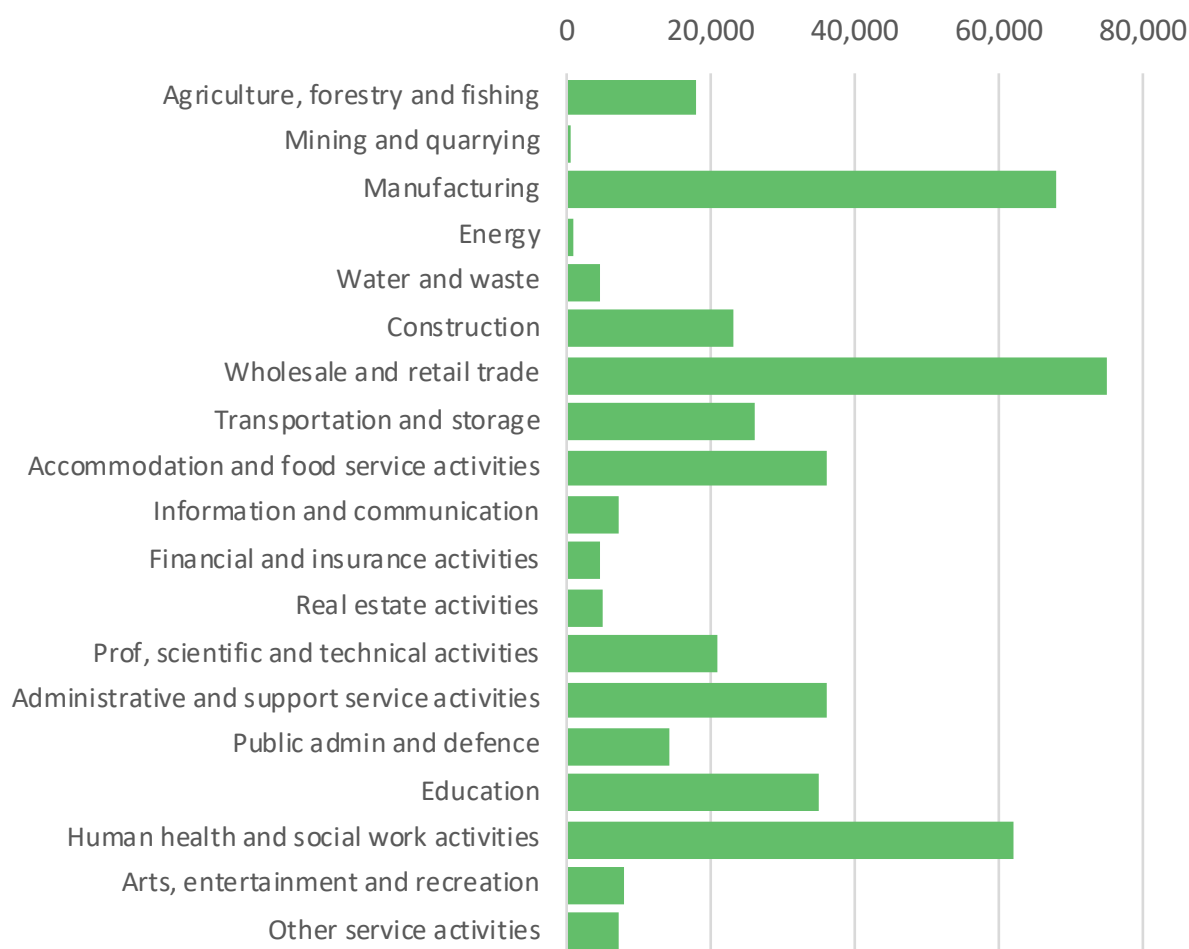
Greater Lincolnshire currently has a population of 1,087,659, supports 516,000 jobs, and is home to 37,650 businesses (enterprises). The local economy in 2017 was worth £20.7bn (based on current prices) as measured in terms of Gross Value Added (GVA).

The area has competitive strengths in a number of industries, notably agriculture and food, engineering and the low carbon/renewables sector. It has a thriving visitor economy and a growing healthcare sector, and with some of the largest and busiest international ports in the UK and its own airport, it is a natural hub for the logistics sector.

Employment is strong in sectors which tend to be labour intensive, relatively lower skilled and lower paid, and produce lower levels of value. As a result (though not the sole reason), Greater Lincolnshire's GVA per head, and levels of productivity (GVA per job, and GVA per hour worked) are lower than the national average, and many of its contemporary LEP areas.

### Chart 1: Employment by broad sector, 2017

**Source:** Business Register and Employment Survey, Office for National Statistics

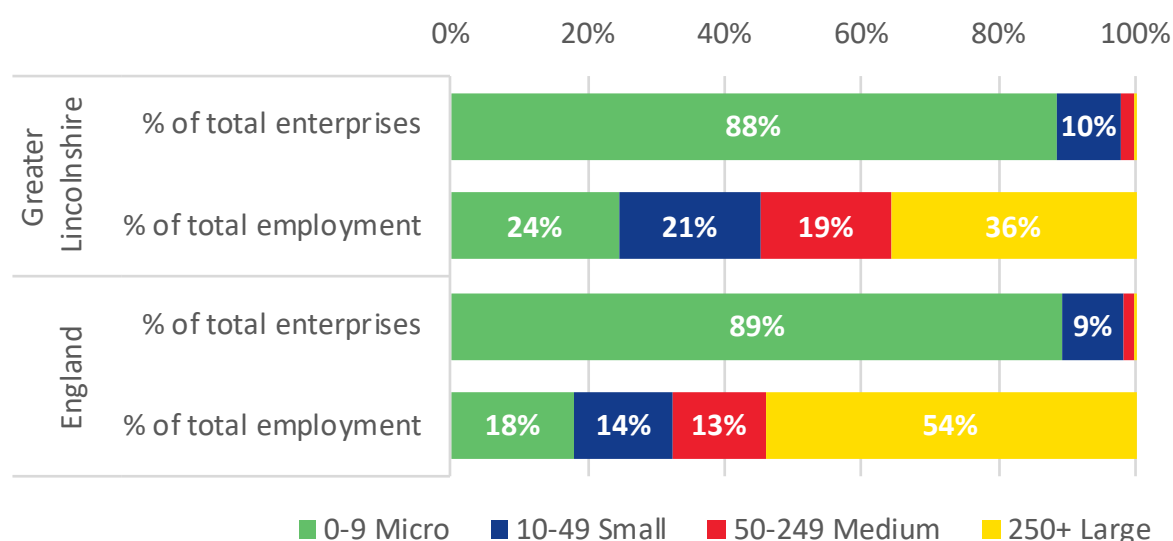


As well as the 37,650 enterprises there are an additional 7,350 local units, operating as local sites within an enterprise. These figures also do not count the estimated 50,500 non VAT/PAYE registered businesses (based on local analysis of the Business Population Estimate methodology) operating in Greater Lincolnshire (*See Appendix A, page 45, for additional explanation*).

Chart 2 shows that the size profile (measured by employee numbers) of Greater Lincolnshire enterprises is very similar to that seen nationally, with the vast majority (98%) being small, employing between 10 and 49 people. Significant differences arise when we consider the proportion of total employment by enterprise size. Greater Lincolnshire has 45% of employees (compared to 32% nationally) working in micro and small businesses.

## Chart 2: Proportions of enterprises and employment by enterprise employee numbers (size), March 2018

Source: Inter-Departmental Business Register (IDBR), Office for National Statistics



Resident employment locally is more concentrated in occupations such as ‘Skilled Trades’, ‘Machine Operatives’, and ‘Caring and Leisure’, with the share of residents in ‘Professional’ and ‘Associate Professional and Technical’ occupations being lower than the national share. The share of employment in ‘Professional’ and ‘Associate Professional and Technical occupations’ in Greater Lincolnshire has increased slightly over time, but has not kept up with the national level of change (*See Appendix A, Chart 24, Page 45*).

## Place

Greater Lincolnshire is a great place to live, work and learn, offering a mix of beautiful countryside, historic buildings, pretty market towns, miles of sandy beaches and vibrant urban centres. It has two universities, seven further education colleges, a number of independent and community based training providers and two University Technical Colleges. Notable educational and skills facilities include the industry-led CATCH training

facility in the north, supporting energy, engineering and renewable industries, the Joseph Banks Laboratories at the Science and Innovation Park in Lincoln, and the National Centre for Food Manufacturing in the south.

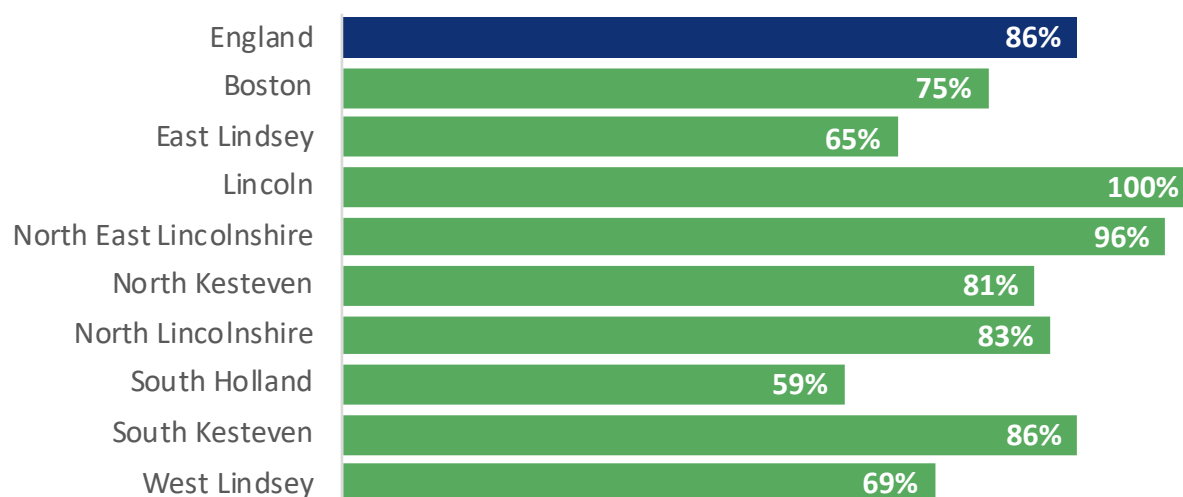
The area provides many quality of life advantages for the people who live and work here (good schools, low crime, clean air, low cost of living etc.) but its sheer size can cause barriers to employer-led skills training and development. Both because of a lack of accessible training facilities, and because in a large rural area it is difficult to achieve cohort numbers to make training economically viable.

Greater Lincolnshire is 7,997 sq. km in size (which is more than six times the size of the Greater Manchester City Region) covering some of the most rural and sparsely populated areas in the country. Greater Lincolnshire has a population density of just 136 people per sq.km compared to 430 nationally. Incidentally, Greater Lincolnshire's population density is below that of Cornwall's (158 people per sq.km) which is often used as an example nationally of a rural and sparsely populated area, and the issues this causes. This sparsity means that reaching the critical mass required for service delivery can be difficult, and that some areas are poorly connected by road and public transport infrastructure. A good example of this is travel times to further education institutions.

Chart 3 shows that only three of the district / unitary authority areas that make up the Greater Lincolnshire area (plus Rutland) have a proportion of the relevant aged population within 30 minutes travel time of a FE college via public transport / walking that is in line with or above the national proportion. Two of these areas (Lincoln and North East Lincolnshire) are the only district / unitary areas that are considered to be 'urban' (based on the Department for Environment, Food and Rural Affairs urban / rural classification) in Greater Lincolnshire. Access in East Lindsey, Rutland, South Holland and West Lindsey is well below the national rate.

### **Chart 3: Proportion of those aged 16-18 within 30 mins travel time to FE colleges and School 6<sup>th</sup> Forms via public transport / walking, 2016**

**Source:** *Journey Time Statistics, Department for Transport*

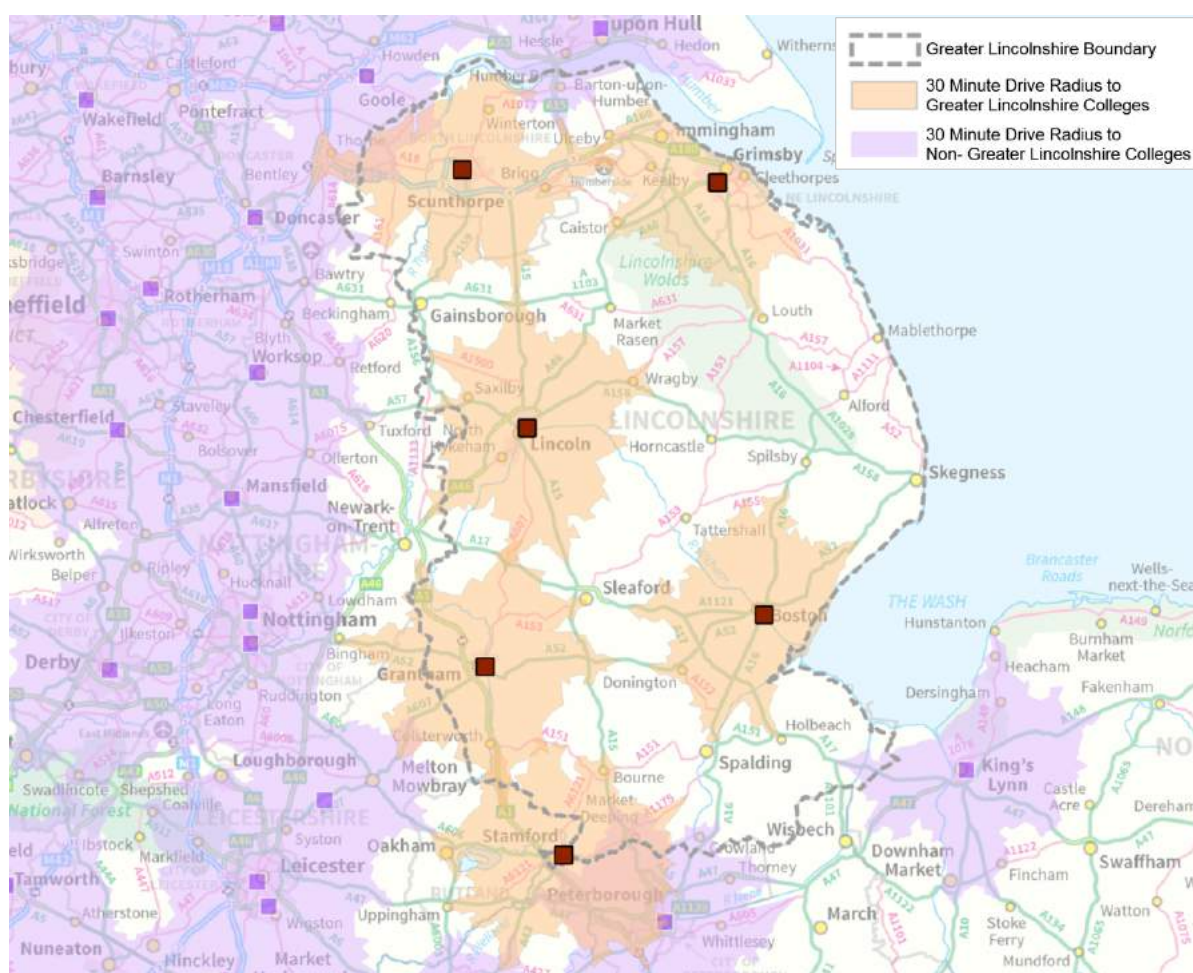


*Please note that publications of these access to learning statistics only refer to FE colleges and that the school 6<sup>th</sup> form element is only revealed within detailed definitions. This could be leading to incorrect assumptions being made at the national level with regards to access to FE across Greater Lincolnshire.*

Locally produced analysis (map 1) provides a clear picture of access to Further education in the Greater Lincolnshire area. This map was originally produced for the Area Review in 2017 and does not show Bishop Burton College, which is in Lincoln and therefore covers a similar radius to the one already shown. Local independent and community providers, not shown on this map, reach and deliver in parts of the LEP area that others do not, and are an important part of adult and workforce delivery.

### **Map 1: Greater Lincolnshire Colleges of Further Education and Surrounding Areas, 30 Minute Drive Radius to Main College Campus**

© Crown Copyright and database right 2014. Ordnance Survey 100025370.

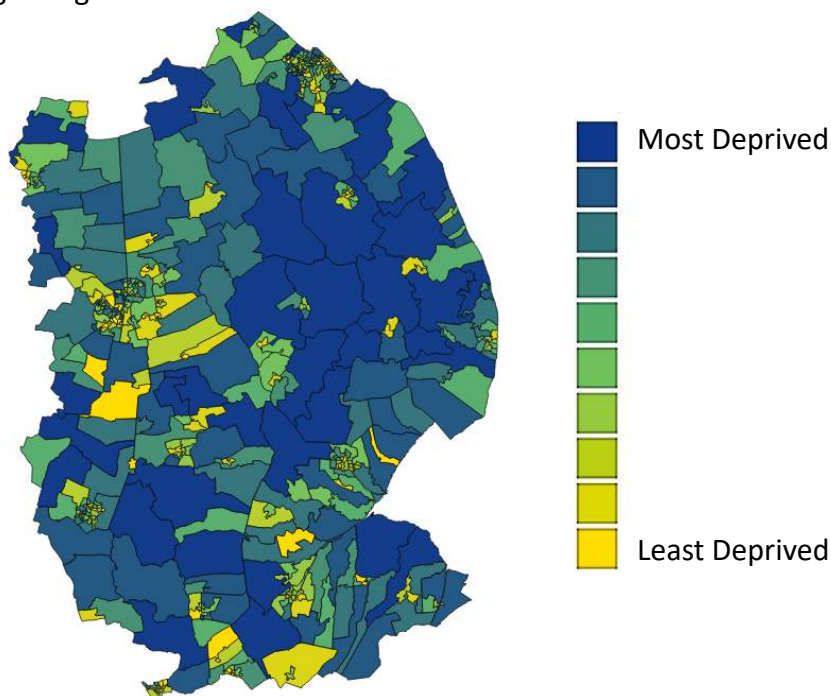


Map 2 demonstrates further the issues of access for Greater Lincolnshire residents using data from the Access to Housing and Services domain of the Index of Multiple Deprivation. This domain measures the physical and financial accessibility of housing and local services, and similar to Map 1, a corridor of patchy access can be seen to stretch from the south east

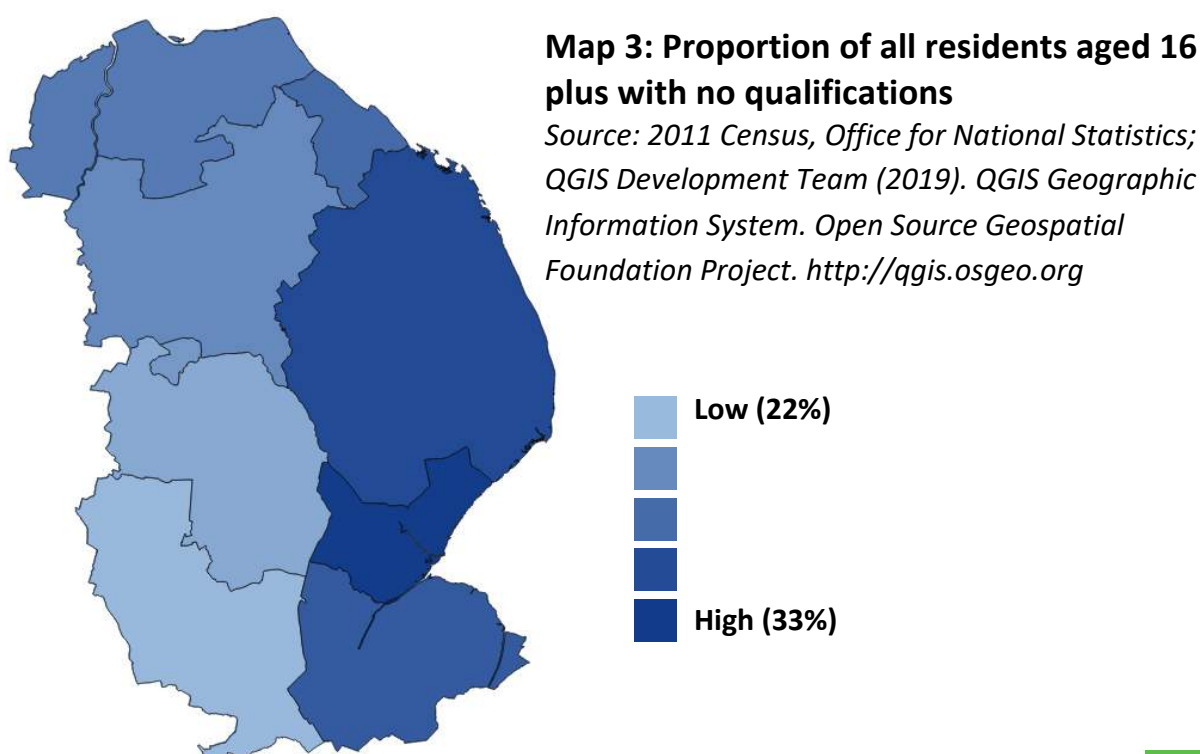
of Greater Lincolnshire, up and around Boston and into a large area in East Lindsey, touching the coastline.

### Map 2: Barriers to Housing and Services, 2015 Index of Deprivation

Source: Department for Communities and Local Government; QGIS Development Team (2019). QGIS Geographic Information System. Open Source Geospatial Foundation Project. <http://qgis.osgeo.org>



Map 3 below demonstrates further the issue of accessibility (amongst other things), showing a clear East/West divide in terms of residents aged 16 plus with no qualifications.



Map 2 also illustrates well another factor arising as a result of Greater Lincolnshire's size and sparsity. When considering issues at a Greater Lincolnshire level, or at unitary / district authority level, issues arising at small geographical levels can be smoothed out and ultimately hidden. So, when considering issues across Greater Lincolnshire, based on average figures then the area may seem to be doing ok, but these averages can hide large disparities in performance and conditions. For example, unemployment (as measured by the claimant count of Job Seekers Allowance and Universal Credit aged 16 plus as a proportion of residents aged 16 plus) in Greater Lincolnshire is currently (August 2019) 3.0%. However, if we were to look at this same figure for Gainsborough South-West ward in East Lindsey, then unemployment is as high as 11.3%.

Another good example of the disparities across Greater Lincolnshire is that of social mobility. The Social Mobility Index identifies the most and the least socially mobile areas of the country by examining, in detail, the chances available to young people from poorer backgrounds in each of the 324 local authority areas in England. Based on this measure, North Kesteven is ranked 29<sup>th</sup> out of the 324 areas, which means that it is classed as a Hot Spot i.e. young people from disadvantaged backgrounds who live in these areas are far more likely to achieve good educational outcomes and have more opportunities to do well as adults than those in the rest of the country. Conversely, North East Lincolnshire is ranked 309<sup>th</sup> and is classed as a Cold Spot for social mobility

Sparsity and access (in this case, to markets/customers) is also an issue for local businesses. Greater Lincolnshire has 4.7 enterprises per sq.km compared to 11 nationally. When presented with and asked to rate (from 1 to 10) 12 aspects of doing business in Greater Lincolnshire in 2014, 38% of employers rated 'Transport infrastructure' as between 1 and 4, with a further 16% giving it a rating of 5. 'Transport infrastructure' was also the worst rated of the 12. More recent research with local businesses has revealed that over two fifths (42%) say ease of access to training is either difficult or very difficult.

Greater Lincolnshire is covered by eight travel to work areas (areas where at least 75% of the area's resident workforce work in the area and at least 75% of the people who work in the area also live in the area). These eight travel to work areas are:

- Scunthorpe
- Grimsby
- Lincoln
- Skegness and Louth
- Boston
- Grantham

- Spalding
- Peterborough

Peterborough is the only area outside of Greater Lincolnshire that exerts any significant pull on the Greater Lincolnshire economy through its travel to work area. Similarly, only three of these travel to work areas encapsulate areas outside of the Greater Lincolnshire boundary (Lincoln, Grantham, and Scunthorpe), demonstrating the high level of containment of the area when compared to other LEPs. This is not surprising given Greater Lincolnshire's east coastline and the Humber to the north.

### Summary

In summary, the data on the local landscape is telling us that:

- The Greater Lincolnshire economy currently supports 516,000 jobs, is home to 37,650 businesses (enterprises), generates over £20bn in Gross Value Added (GVA).
- Greater Lincolnshire's GVA per head, and levels of productivity (GVA per job, and GVA per hour worked) are lower than the national average.
- Greater Lincolnshire has 45% of employees (compared to 32% nationally) working in micro and small businesses.
- Resident employment locally is more concentrated in occupations such as 'Skilled Trades', 'Machine Operatives', and 'Caring and Leisure', with the share of residents in 'Professional' and 'Associate Professional and Technical' occupations being lower than the national share.
- Greater Lincolnshire has a population density of just 136 people per sq.km compared to 430 nationally (below that of Cornwall's 158 people per sq.km). This level of sparsity means that reaching the critical mass required for service delivery can be difficult, and that some areas are poorly connected by road and public transport infrastructure.
- Levels of sparsity, and as a result, access to markets, customers, training, and potential employees, is also an issue for local businesses.
- Considering issues purely at a Greater Lincolnshire level can have the effect of hiding disparities in performance and conditions at smaller geographical levels.

# Economy and Labour Demand

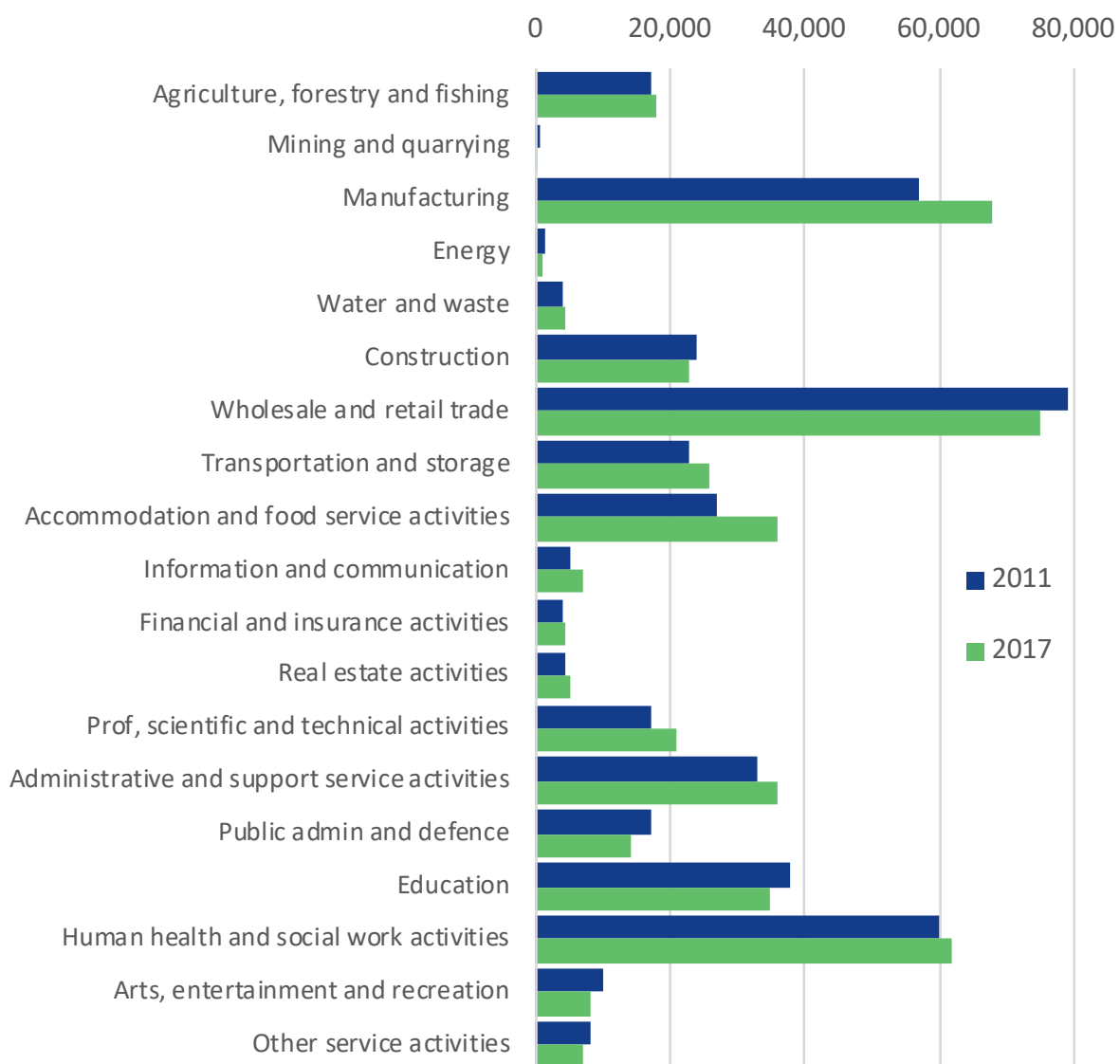
## Current Demand

The Greater Lincolnshire economy supported 516,000 full and part time jobs in 2017 (including self-employed, government-supported trainees and HM Forces) and, given its good track record of bringing people and jobs together, has ensured relatively high levels of employment (and low levels of unemployment) against a backdrop of continued population growth. Since 2011, the Greater Lincolnshire population has grown by 4%, but over that same period employment has risen by 9%, the rate of employment for 16-64 year old's rose from 72% to over 74%, whilst the unemployment rate dropped from 7.5% to 4.8%.

Chart 4 shows that growth in employment (and therefore demand for people) can be seen across the majority of sectors between 2011 and 2017, and 'Manufacturing' and 'Accommodation and food service activities' sectors to a greater extent.

### Chart 4: Change in employment by sector, 2011 – 2017

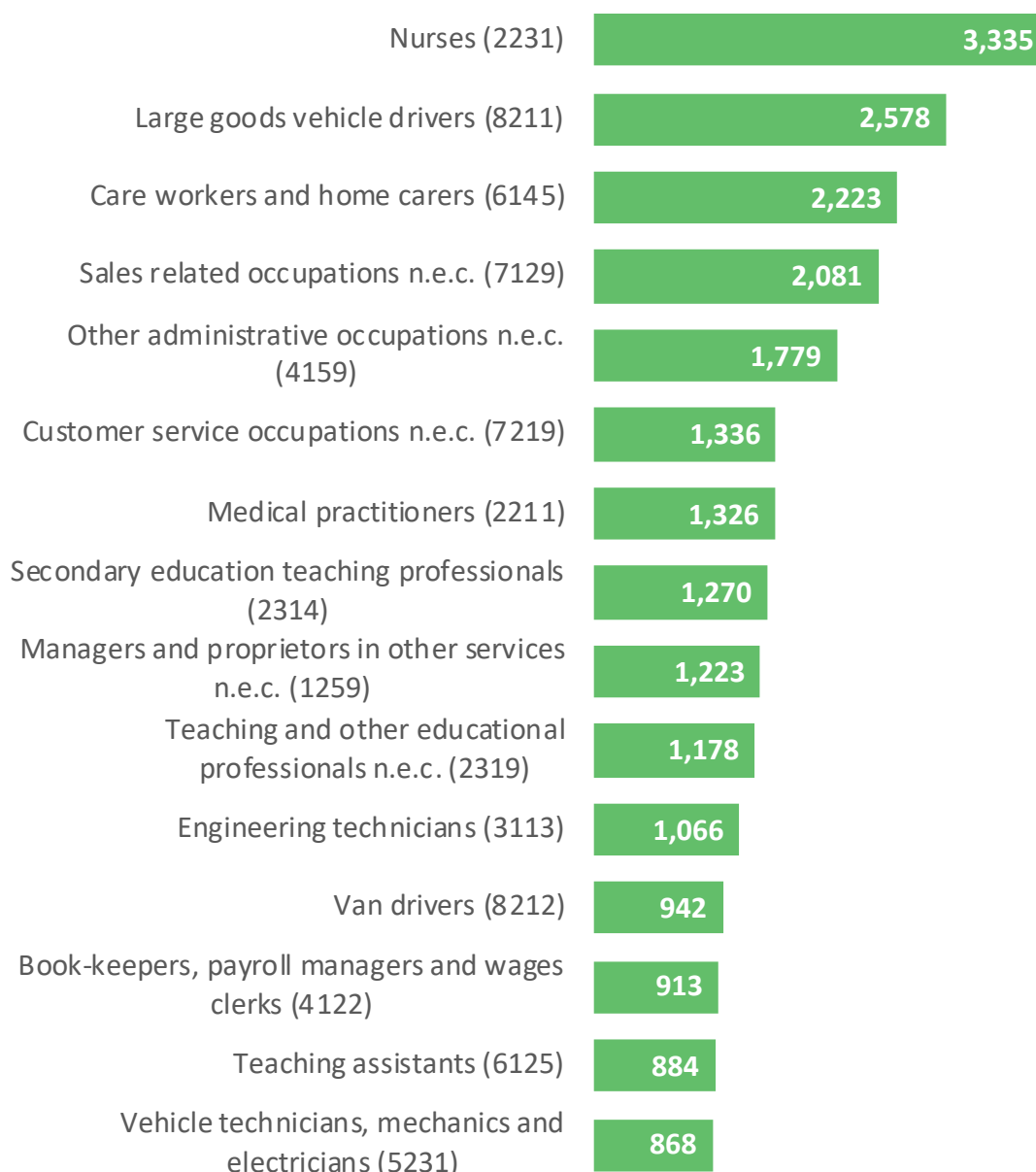
**Source:** Business Register and Employment Survey, Office for National Statistics



This growth in employment is in spite of the aforementioned various challenges relating to size, rurality, place and infrastructure. Despite these challenges, Greater Lincolnshire businesses (and the economy) support and generate demand for a wide variety of job types and skills sets as demonstrated by chart 5.

**Chart 5: Top 30 job vacancies by occupation (Standard Occupational Classification code) in Greater Lincolnshire, August 2018 – July 2019 (Part 1)**

*Source: Labour Market Insight, Burning Glass*



*Note: n.e.c. stands for not elsewhere classified. Examples of these job roles are provided in Appendix B, Table 2 (page 47). The numbers in brackets are the four digit Standard Occupational Classification (SOC) code.*

## Chart 5: Top 30 job vacancies by occupation (Standard Occupational Classification code) in Greater Lincolnshire, August 2018 – July 2019 (Part 2)

Source: Labour Market Insight, Burning Glass

Science, engineering and production technicians n.e.c. (3119)	846
Kitchen and catering assistants (9272)	787
Primary and nursery education teaching professionals (2315)	776
Human resources and industrial relations officers (3562)	766
Programmers and software development professionals (2136)	759
Solicitors (2413)	724
Chartered and certified accountants (2421)	682
Elementary storage occupations (9260)	671
Sales and retail assistants (7111)	653
Marketing and sales directors (1132)	635
Nursing auxiliaries and assistants (6141)	615
Chefs (5434)	599
Engineering professionals n.e.c. (2129)	599
Production managers and directors in manufacturing (1121)	574
IT user support technicians (3132)	566

*Note: n.e.c. stands for not elsewhere classified. Examples of these job roles are provided in Appendix B, Table 2 (page 47). The numbers in brackets are the four digit Standard Occupational Classification (SOC) code.*

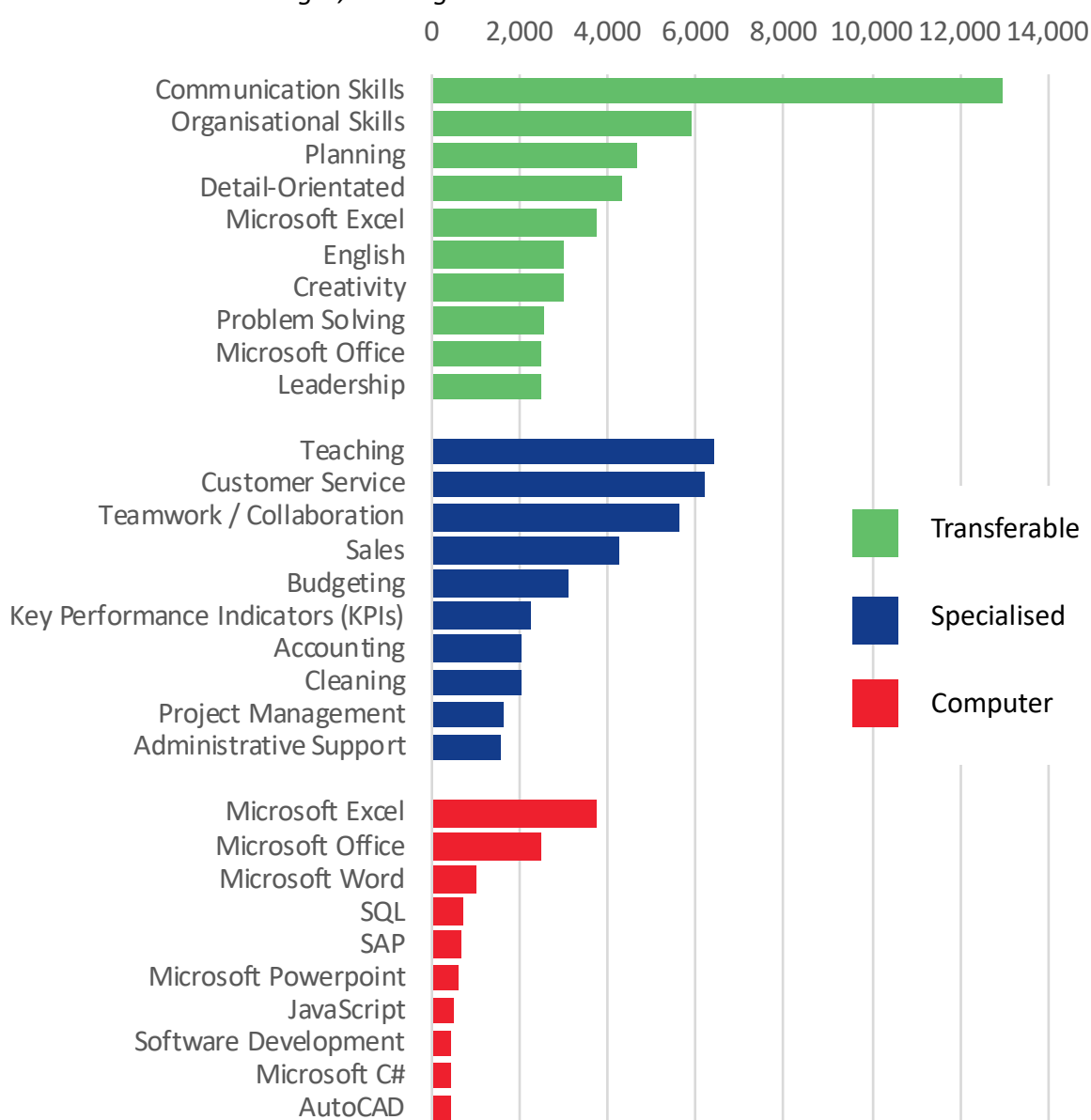
In total 62,232 vacancies were posted across Greater Lincolnshire during the 12 months from August 2018 to July 2019 that were collated and analysed by the Burning Glass Labour Market Analysis system. Estimates from Burning Glass suggest that this is somewhere in the region of 80% of all vacancies advertised. These vacancies cover an assortment of fields and specialisms, from IT and engineering to Health and Social Care. Chart 5 also serves to highlight some of the largest employment sectors (e.g. Health and Care, Education), those

that also have high levels of staff turnover or churn (Retail), and those where recruitment to particular job roles is proving difficult (the Transport & Storage sector in relation to Large goods vehicle drivers). *Charts presenting the top 15 job vacancies in each of the unitary and district authorities in Greater Lincolnshire can be found in Appendix B pages 49-57.*

Grouping the 62 vacancies into broad occupational groups provides a useful insight into the type of roles in demand. It can be argued that technical roles (comprising ‘Associate professional and technical occupations’, ‘Process, plant and machine operatives’ and ‘Skilled trade occupations’) make up the largest number of current vacancies, followed closely by professional occupations (*Appendix B, Chart 34, page 58*). *Further details on the job roles that these occupations cover are detailed in Appendix B, Table 3 (pages 61-62).* Of those vacancies listed over the last 12 months, just over half (53%) detailed specific skills required which are broken down into three types; Transferable, Specialised, and Computer skills (Chart 6).

### Chart 6: Top 10 transferable, specialised, and computer skills, 2018

Source: Labour Market Insight, Burning Glass



The analysis shows how important communication skills, customer service skills and team work is to employers. There has been little change to those top skills requirements in the last 6 years that this data has been available. *Information on 2013 and 2018 skills comparisons are presented in Appendix B, Charts 35-37, pages 59-60.*

Only 20% of adverts in Greater Lincolnshire contain a request for an educational qualification. This is seen in postings across the UK, and is very different to the US where the majority of job adverts contain qualification requirements, according to the company that collates this data. UK employers say this is because they do not wish to deter good candidates who have excellent skills and experience but not the qualification. The requirement changes between sectors (for example nearly 40% of job adverts for engineering professionals stipulate a qualification level). In IT for example, some elements of a degree that a candidate may have achieved two years ago could already be out of date, so an employer will use the space that they have in the advert for skills that they need now, rather than a potentially dated qualification.

Based on 20% of adverts that contain qualification requests, there has been an increase in qualifications at level 4 and above being requested over time. Of this fifth of adverts, 35% required qualifications at level 4 or above in 2013 compared to 40% in 2018.

## Future Demand

Over the ten year period 2014-2024 the Greater Lincolnshire economy is expected to have filled 207,000 jobs. The vast majority (90%, or 186,000) of positions will become available due to people leaving the Greater Lincolnshire workforce, mainly as a result of retirement. The remainder (21,000) are as result of job growth i.e. these are new positions that have been created over the time period in question and require filling. *Please refer to Appendix B (page 63) for important information on the assumptions and confidence related to this data source.* Chart 7 shows where this expansion (new jobs) and replacement demand (job vacancies as a result of retirement and out-migration) is projected to be by sector.

### Chart 7: Expansion and replacement demand by sector

Source: Working Futures 2014-2024, UK Commission for Employment and Skills

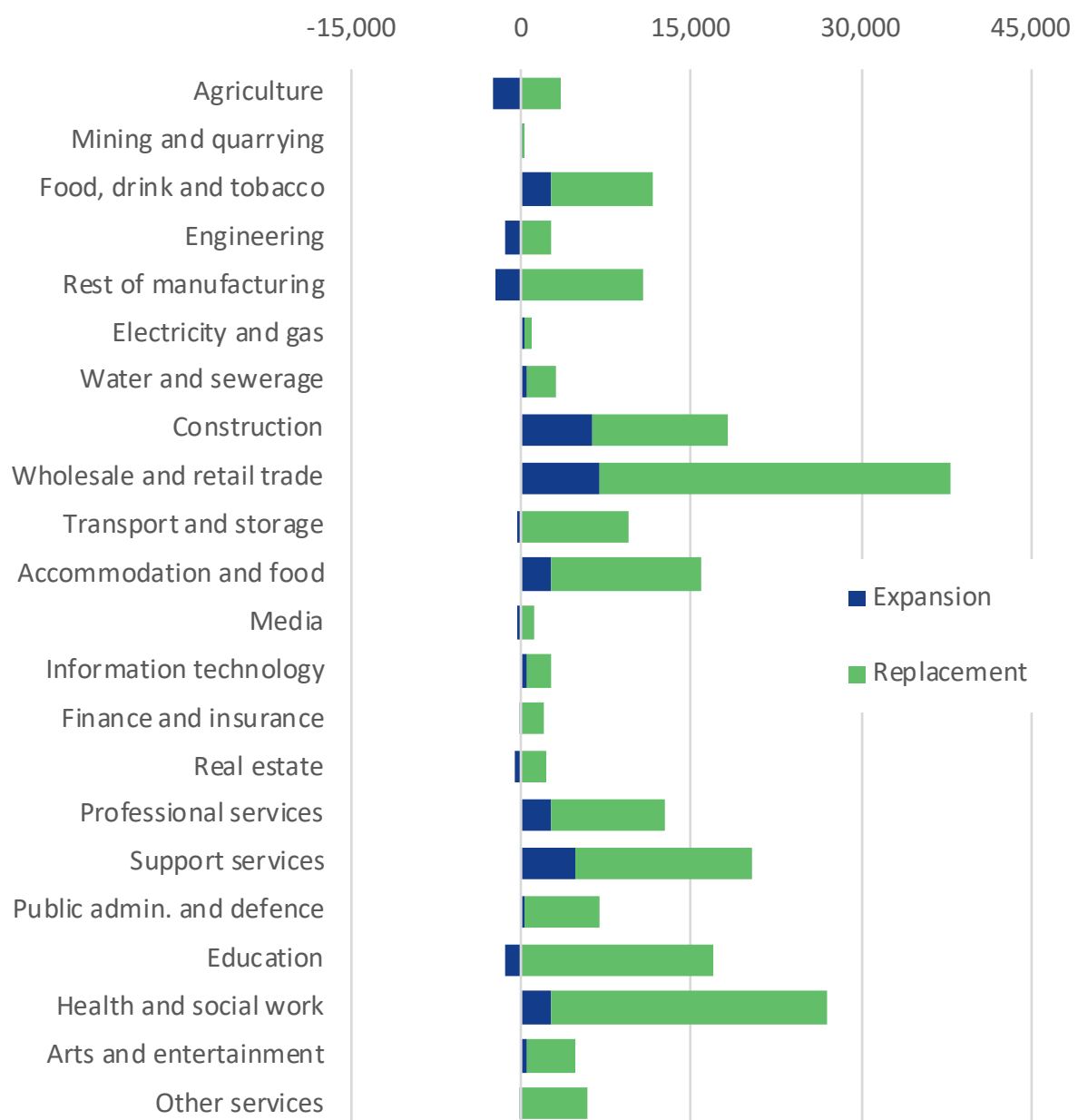


Chart 8 shows that expansion demand (new jobs) is concentrated in ‘Professional occupations’, ‘Caring, leisure and other service’ occupations, ‘Managers, directors and senior officials’ and ‘Associate professional and technical’ occupations (see Appendix B, Table 3, pages 61-62, for details of the jobs and industry sectors covered, and Chart 38, page 64, for a more detailed version of chart 8). Replacement demand is high across all occupation types.

### Chart 8: Expansion and replacement demand by occupation

Source: Working Futures 2014-2024, UK Commission for Employment and Skills

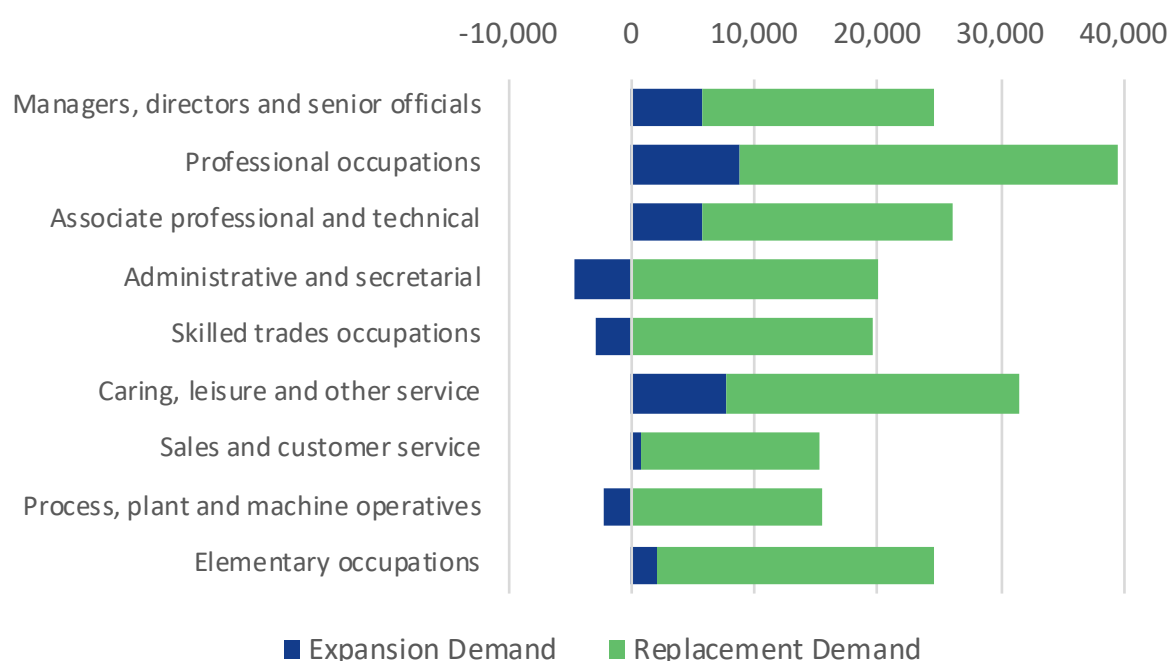
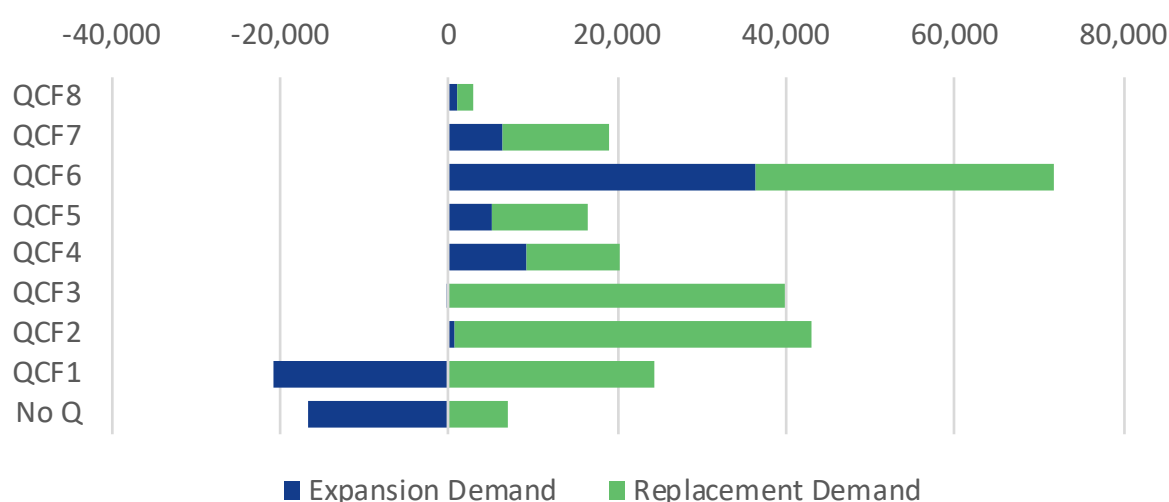


Chart 9 shows projected expansion demand (new jobs) based on qualifications levels confirms what we have seen in Chart 8, that it is positions that require qualifications at level 4 and higher. Replacement demand will ensure that there continues to be a large number of job vacancies for people with level 1 to 3 qualifications. Further details on these qualification levels and what they cover are provided in Appendix B, page 65.

### Chart 9: Expansion and replacement demand by qualification level

Source: Working Futures 2014-2024, UK Commission for Employment and Skills



It is difficult the replacement and expansion demand elements (i.e. projected growth and decline in number of jobs) across charts 7 to 9, but the overall net affect is the same (i.e. 207,000 jobs need filling by 2024 of which 21,000 will be new jobs).

Charts 7 and 8 show broadly the same levels of positive and negative expansion demand i.e. growth a decline in the forecast of future jobs (given the level of tolerances within the Working Futures data). That is that in the period 2014-2024, around 10,000 jobs will become obsolete, with 31,000 new jobs being created over the same period, the net effect of which is 21,000 new jobs.

Chart 9 shows a very different picture with the fall in expansion demand close to -40,000 (the sum of level 1 qualifications and no qualification). This figure for the fall in expansion demand is much higher when considering qualifications (as opposed to sectors and occupations) as not only does it relate to jobs becoming obsolete, it is also showing the changing levels of qualifications required by both new and existing jobs.

In terms of numbers, then over the period 2014-2024 the Greater Lincolnshire economy will see the requirement for qualifications at level 2 and above grow by nearly 59,000 whilst the demand for level 1 and no qualifications will decline by 38,000.

At the time of writing, as we are already halfway through this period of 2014-2024, then there should be evidence of this from other labour market data sources. Analysis of vacancies shows that the highest levels of growth (in numerical terms) were in 'Professional' and 'Associate professional and technical' occupations between 2012 and 2018 at both local and national levels. These two broad occupational levels, along with 'Directors and Managers' are considered to require higher levels of qualifications when compared with other occupations.

Whilst the Working Futures projections have their limitations, this type and level of analysis remains useful in terms of our understanding where the jobs of the future might be and what qualification levels will be required.

Technological change is ever increasing, and we know that there are jobs that exist today that didn't a decade ago (e.g. social media manager). We are currently going through a fourth industrial revolution, or IR 4.0 in modern terminology. This revolution, in both the workplace and the market place, will be centred around the following advancements:

- Virtual and augmented reality
- Big Data and Analytics
- Additive manufacturing
- Cloud storage
- Cyber security

- Industrial internet and sensors
- Simulation
- Multi-modal integration
- Automation

Automation is perhaps *the* element that gets the most interest and attention, and ultimately will impact the jobs market. Building on research conducted by PriceWaterhouseCooper (PWC), and combining it with longer term job forecasts, our calculations show that over the course of the next 15 years, nearly a third (31%) of Greater Lincolnshire jobs will be impacted by IR 4.0.

The PWC research ('Will robots really steal our jobs? – An international analysis of the potential long term impact of automation'), highlights that the automation of jobs can be broken down into three phases, or waves:

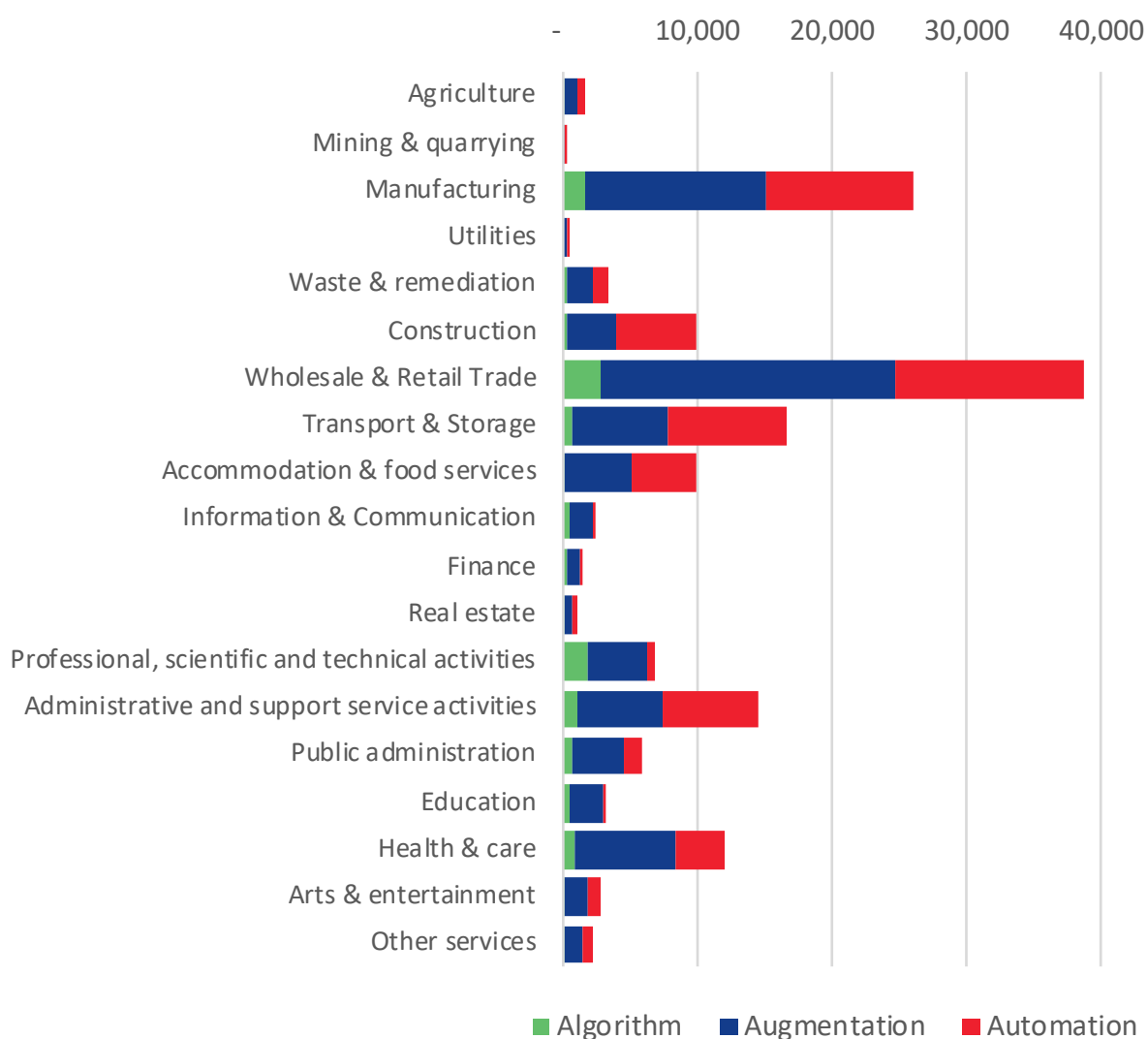
- Algorithm wave (late 2010s to early 2020s); Automation of simple computational tasks and analysis of structured data, affecting data-driven sectors such as financial services.
- Augmentation wave (early 2020s to late 2020s); Dynamic interaction with technology for clerical support and decision making. Also includes robotic tasks in semi-controlled environments such as moving objects in warehouses.
- Automation wave (late 2020s to mid 2030s); Automation of physical labour and manual dexterity, and problem solving in dynamic real- world situations that require responsive actions, such as in transport and construction.

Chart 10 shows where these jobs are by sector and where within the three phases of automation that they will be affected. The Algorithm wave of impacts has seen and will see around 13,000 jobs effected. The Augmentation wave is going to affect an estimated 85,000, whilst the final Automation wave will impact on 62,000 jobs. In total, this will mean that nearly 160,000 jobs over the next 15 years or so will have been affected in some way through the Industrial Revolution 4.0.

## Chart 10: Number of jobs impacted by Industrial Revolution 4.0, by sector

Source: PriceWaterhouseCooper; Local Economy Forecasting Model, Cambridge

Econometrics; Codename:Consulting



The sector predicted to undergo the greatest changes in terms of jobs impacted (wholesale and retail trade) is also the same sector that is projected to have the largest elements of expansion and replacement demand (chart 7). This raises an interesting question, how much of that demand will be met by humans?

## Summary

In summary, data on the economy and skills demand is telling us that:

- Greater Lincolnshire businesses (and the economy) support and generate demand for a wide variety of job types and skills sets.
- Job vacancies in Greater Lincolnshire cover an assortment of fields and specialisms, from IT and engineering, to Health and Social Care.
- Of the 62,000 job vacancies posted in Greater Lincolnshire during the period August 2018 – July 2019, just over 30% were classed as being 'Technical' i.e. 'Associate professional and technical occupations', 'Process, plant and machine operatives' and 'Skilled trade occupations' can all be combined to form a 'Technical' role classification.
- In terms of skills requirements, employers are still focused on the softer side of skills, with 'communication skills', 'customer service' and 'teamwork / collaboration' featuring prominently.
- In those job vacancies that do stipulate a qualification requirement, there has been an increase in skills at level 4 and above being requested over time with 35% of Greater Lincolnshire employers requiring qualifications at level 4 or above in 2013 compared to 40% in 2018. However, the majority (80%) of job vacancies do not stipulate a qualification requirement.
- Over the ten year period 2014-2024 the Greater Lincolnshire economy is expected to have filled 207,000 jobs. The vast majority (90%, or 186,000) of positions will become available due to people leaving the Greater Lincolnshire workforce, mainly as a result of retirement. The remainder (21,000) are as result of job growth.
- Forecasts for qualification requirements point to a decline in demand for positions to be filled by people with no qualifications and Level 1 qualifications.
- Nearly 160,000 jobs over the next 15 years or so will be affected in some way (either by being made obsolete or the role changing) through the introduction of new technologies as part of Industrial Revolution 4.0.

# Skills and Labour Supply

## Current Supply

There are nearly 650,000 residents in Greater Lincolnshire aged 16-64 (according to 2018 population estimates) and just over 501,000 of them are economically active. That is, they are working, or seeking work.

**Table 1: Labour market indicators, April 2018 – March 2019**

*Source: Annual Population Survey, Office for National Statistics*

	Greater Lincolnshire		UK
<b>Economic activity - aged 16-64</b>	<b>501,100</b>	<b>78.2%</b>	<b>78.5%</b>
Employment - aged 16-64	476,400	74.3%	75.2%
Employees - aged 16-64	415,600	64.8%	64.3%
Self employed - aged 16-64	59,200	9.2%	10.6%
Unemployment - aged 16-64	24,700	4.9%	4.2%
<b>Economically inactive - aged 16-64</b>	<b>140,100</b>	<b>21.8%</b>	<b>21.5%</b>
Economically inactive who want a job	32,600	23.3%	20.6%
Economically inactive who do not want a job	107,500	76.7%	79.4%
Economically inactive - student	28,500	20.3%	26.8%
Economically inactive - looking after family/home	33,600	24.0%	23.6%
Economically inactive - temporary sick	2,900	2.0%	2.0%
Economically inactive - long-term sick	34,500	24.6%	23.1%
Economically inactive - discouraged	>500	0.4%	0.4%
Economically inactive - retired	28,100	20.0%	13.1%
Economically inactive - other	12,100	8.6%	11.1%

As shown in table 1, there are just over 140,000 residents that are of working age, but do not work and are not looking for work. This group includes (amongst other) students, those who are sick, and retirees (noting that the percentage of retirees is considerably higher in Greater Lincolnshire than nationally). It also shows that, according to the national survey (*details on this survey and how it is conducted can be found in Appendix C, page 66*), there are 32,600 of this group, more people than the UK average, who would like a job.

Greater Lincolnshire's unemployment rate for those aged 16-64 is currently slightly higher than the national rate, 4.9% compared to 4.2% respectively.

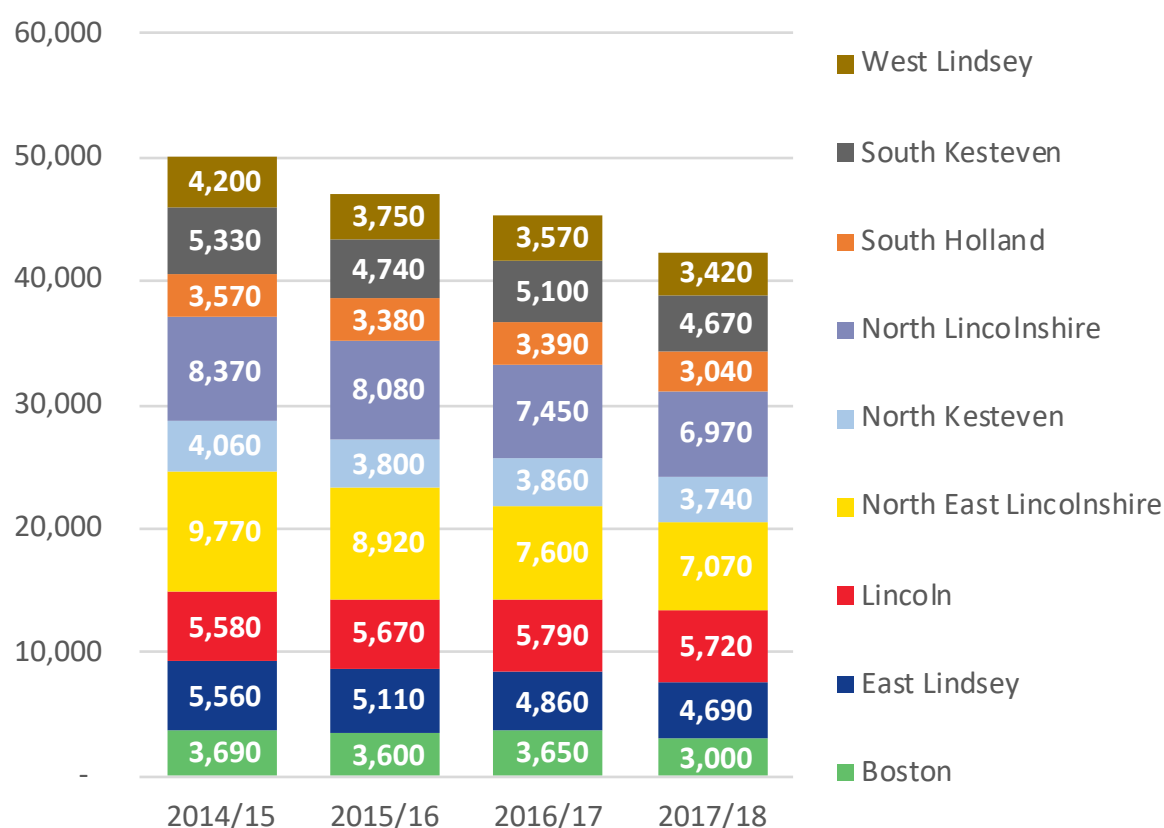
Youth unemployment (as measured by the claimant count which records those aged 16-24 claiming Job Seekers Allowance, and those claiming Universal Credit who are required to seek work) is consistently higher in Greater Lincolnshire than nationally (latest data shows just over 4,000 people aged 16-24 claiming these benefits in Greater Lincolnshire, 3.8% of this age group compared to 3.0% nationally) and despite falling over the last five years is now on the rise.

The proportion of 16 and 17 year olds not in education, employment or training (NEET) or whose activity is not known in February 2019 stood at 5.5% in Lincolnshire, 6.4% in North East Lincolnshire, and 4.9% in North Lincolnshire. The national (England) average was 5.5%.

Data reported for the 2017/18 academic year show there were 2,179,100 learners aged 19 and over participating in government-funded further education nationally, compared to 2,236,800 reported in 2016/17, a decrease of 2.6%. In Greater Lincolnshire, numbers decreased by 6.5% over the same period, from 45,270 to 42,320 (Chart 11).

### Chart 11: Adult FE participation over time by local district/unitary authority area

Source: Department for Education

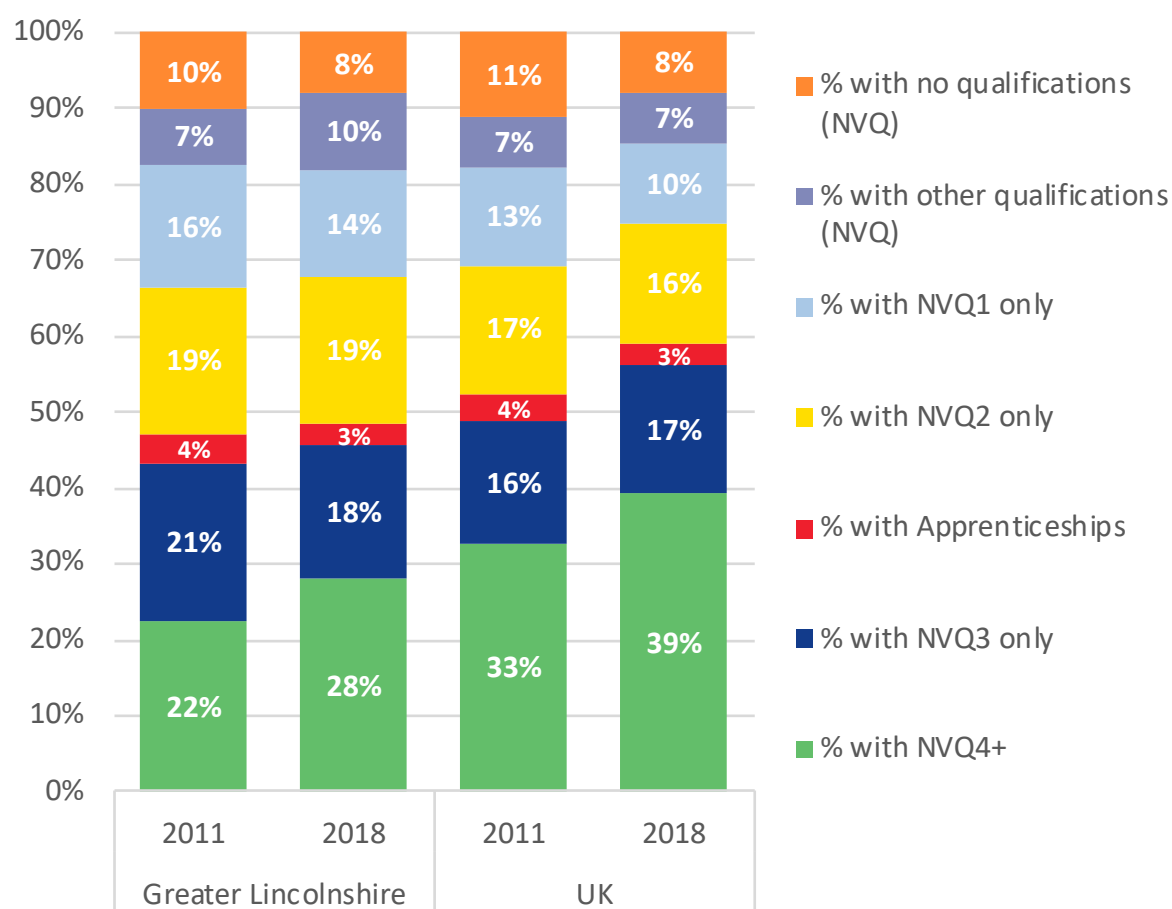


Nationally, almost all forms of adult education are in decline, both in terms of funding and take-up, with adult apprenticeships being the singular exception since 2015/16. Since 2005, there has been a 45 per cent decline in adults (age 19+) participating in FE and skills (Source: Department for Education, *Further Education and Skills 2018 Main Tables, Table 4.1, 2018*).

Chart 12 shows that Greater Lincolnshire still lags behind the national skills picture with only 28% of the resident population aged 16-64 holding a qualification at level 4 or higher in 2018, compared to 39% nationally. Similarly, just over half (51%) of Greater Lincolnshire's resident population aged 16-64 hold up to level 2 qualifications in 2018 compared to 41% nationally. Chart 12 also shows that qualification levels in Greater Lincolnshire have improved over time, but that this improvement has not closed the gap on national levels.

### Chart 12: Highest education qualification held by resident population aged 16-64, 2011 and 2018

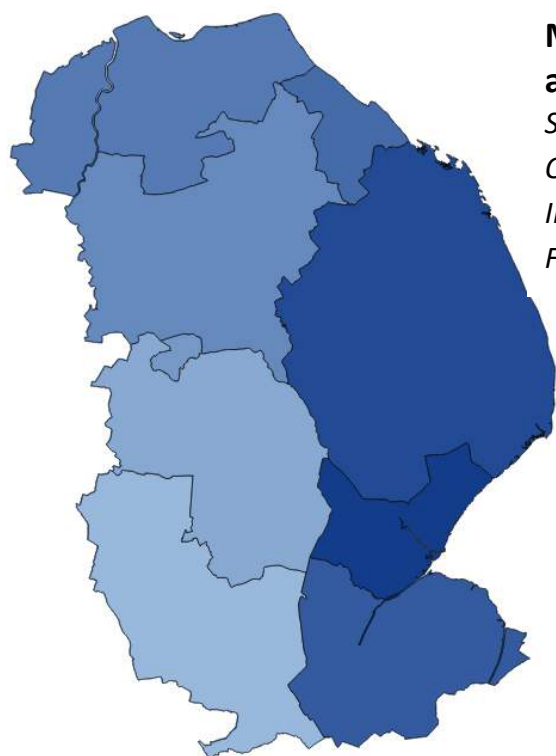
Source: Annual Population Survey, Office for National Statistics



Even if we look to limit this analysis to residents who are economically active (i.e. in work or seeking work), in Greater Lincolnshire 31% hold a qualification at Level 4 or higher compared to 44% nationally.

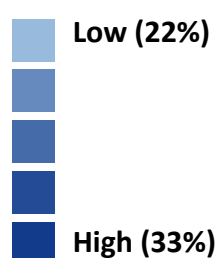
The data also shows that there are differences in local and national qualification level according to age band. For example, only 35% of Greater Lincolnshire residents aged 25-39 have a level 4 qualification or above, compared to 48% nationally.

A difference in performance in qualification levels is seen across Greater Lincolnshire. Maps 4 and 5 below show a clear East/West divide in terms of residents aged 16 plus with no qualifications, and those with qualifications at level 4 or above.



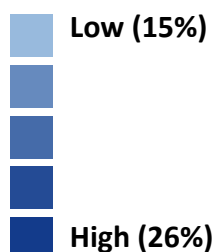
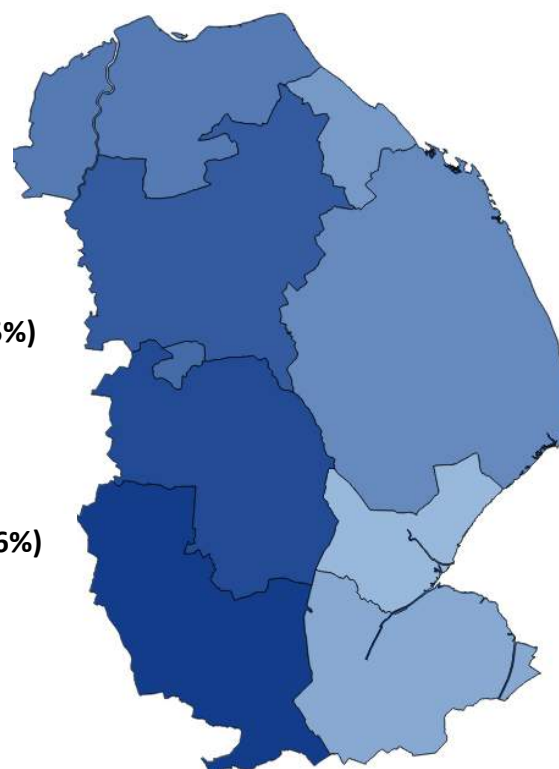
**Map 4: Proportion of all residents aged 16 and above with no qualifications**

Source: 2011 Census, Office for National Statistics; QGIS Development Team (2019). QGIS Geographic Information System. Open Source Geospatial Foundation Project. <http://qgis.osgeo.org>



**Map 5: Proportion of all residents aged 16 and above with level 4 qualifications or above**

Source: 2011 Census, Office for National Statistics; QGIS Development Team (2019). QGIS Geographic Information System. Open Source Geospatial Foundation Project. <http://qgis.osgeo.org>



Literacy and numeracy levels in Greater Lincolnshire were also slightly below those seen nationally when the Skills for Life Survey was undertaken by the then Department for Business, Innovation and Skill (BIS) in 2011. Data is not as up to date as we would like, but it is worth noting that around 15% of the 16-65 population in the UK, and Greater Lincolnshire, have literacy levels below a Level 1. That means they are unlikely to be able to read short messages or road signs.

Over half of Greater Lincolnshire residents aged between 16 and 65 have numeracy levels that are at, or below, Entry Level 3, and 24% below Entry Level 3. Adults with numeracy skill levels below Entry Level 3 may not be able to understand price labels or pay household bills *(See Appendix C, Chart 44, page 71)*

Data from the 2011 Skills For Life Survey also shows progress in computer skills. At that time, residents of Greater Lincolnshire were falling behind national averages using word-processing, emails and excel *(See Appendix C, Charts 39-41, page 67)*.

Much more recently, data on internet usage (which is a good proxy measure of digital skills) shows that in Greater Lincolnshire in 2019, just over 100,000 people aged 16 plus had either never used the internet or not used it in the last three months. That figures equates to 11.3% of the local population compared to 7.5% across the UK.

## **Commuting**

Greater Lincolnshire's position on the coastline means that it does have higher level of worker containment than most other LEP areas i.e. it has a low amount of commuting generally.

According to the last Census, that shows the qualification levels of residents who commute, Greater Lincolnshire has a net loss of around 13,000 workers with over 6,100 qualified to Level 4 or above *(See Appendix C, Chart 45, page 72)*.

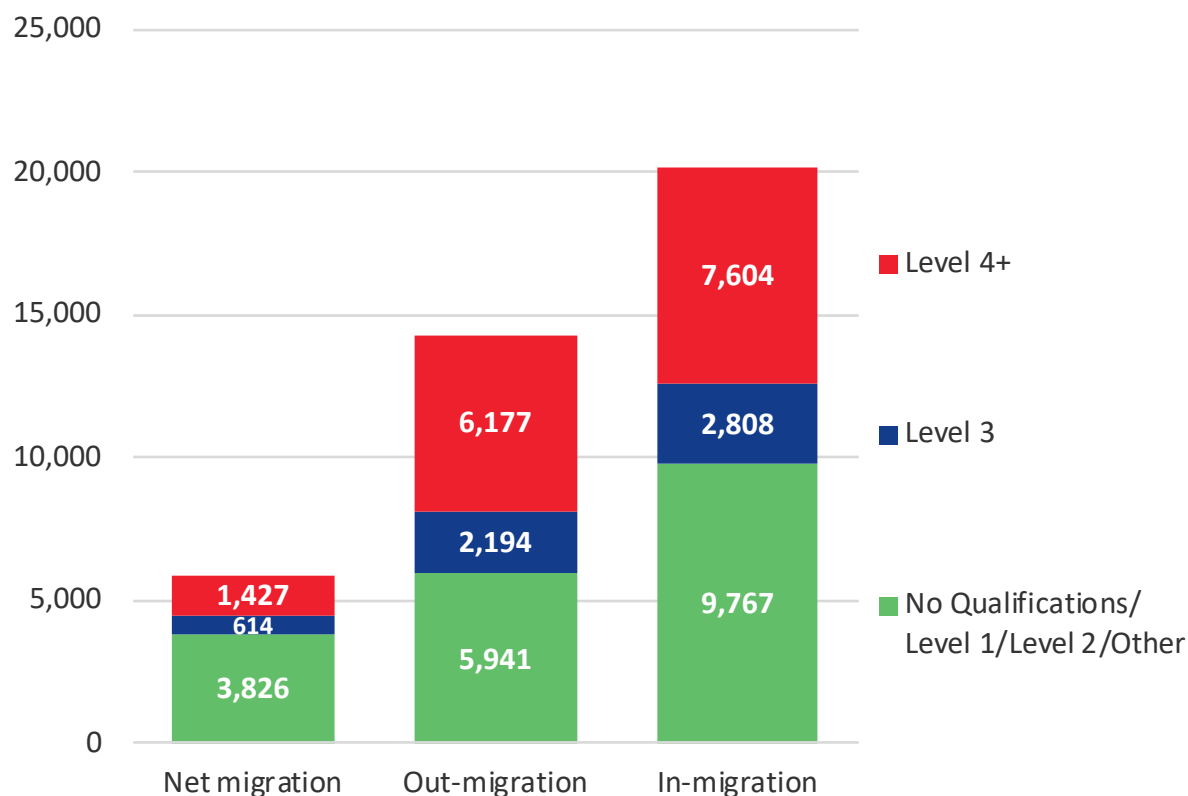
We know that commuting out of the Greater Lincolnshire area had risen slightly between the 2001 and 2011 Censuses and that the net loss of people increased from nearly 20,000 to over 22,000. Given the improvements in local road infrastructure to both the South and the South West of Greater Lincolnshire since the last Census there is every chance that these figures will have continued to increase.

20,179 people aged 22-64 moved into the Greater Lincolnshire area in the year prior to 2011 Census, with 14,312 moving the other way (noting here that we are using the 22-64 age group to avoid confusion by introducing the movement of students). The net effect of these moves is an increase in the population of 5,867 people.

The qualification levels of those people are shown in chart 13, the net affect being that the area gains people at the lower end of the qualification scale at a higher rate than those with higher level qualifications.

**Chart 13: Qualifications levels of Greater Lincolnshire migrants aged 22-64**

Source: 2011 Census, Office for National Statistics



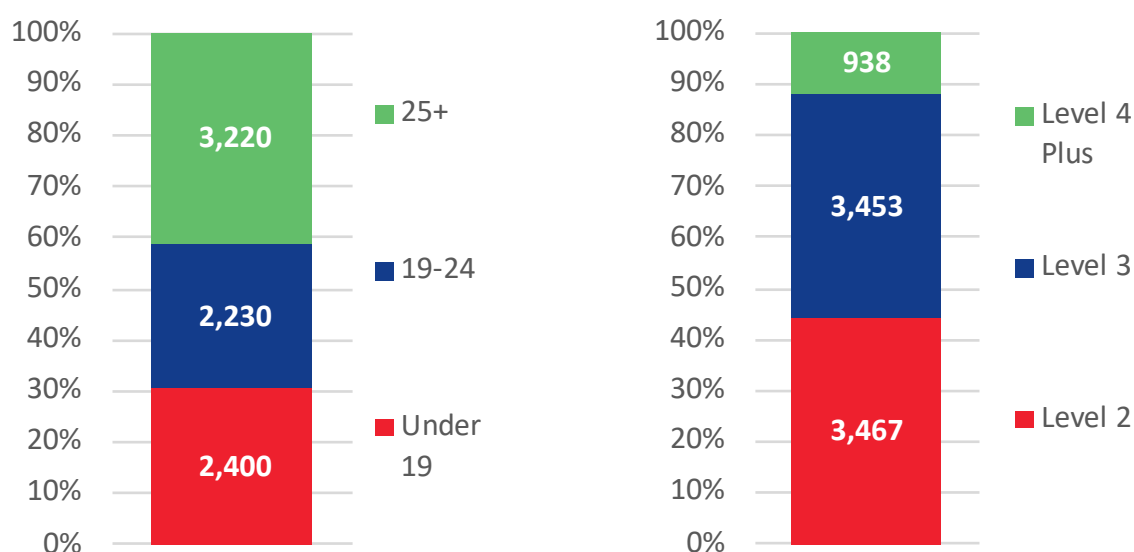
***This data shows that migration during that time period increased the number of higher level skilled people within the Greater Lincolnshire area. However, this same migration increased the number of people who have qualifications at Level 2 (GCSEs including maths and english) and below by nearly twice the amount of higher skilled people.***

## Apprenticeships

Apprenticeship start numbers have fallen in Greater Lincolnshire since 2014/15, from just over 10,000 in 2014/15 to 7,870 in 2017/18, in part due to changes in the funding mechanism. This trend can also be seen at the national level. Chart 14 shows how those apprenticeship starts in 2017/18 are broken down age and level, and chart 15 shows how apprenticeship start numbers in Greater Lincolnshire have changed over time.

### Chart 14: 2017/18 Apprenticeship starts by age and level

Source: Department for Education; DataCube, Education and Skills Funding Agency



### Chart 15: Apprenticeship starts by local district and unitary authority area

Source: Department for Education; DataCube, Education and Skills Funding Agency

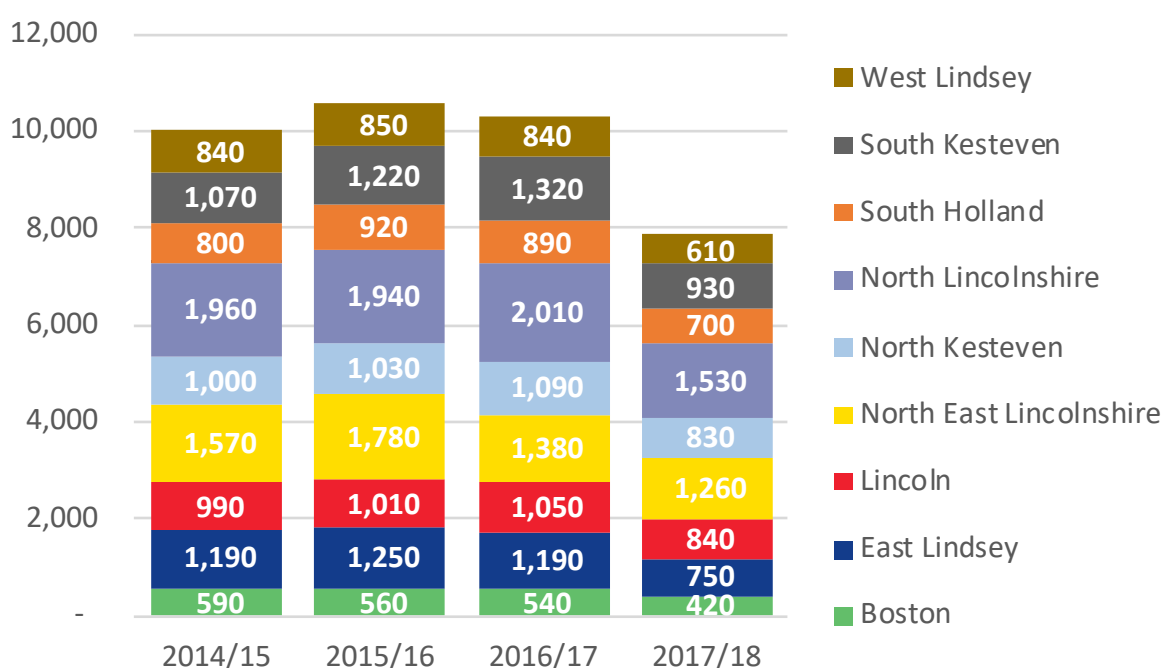
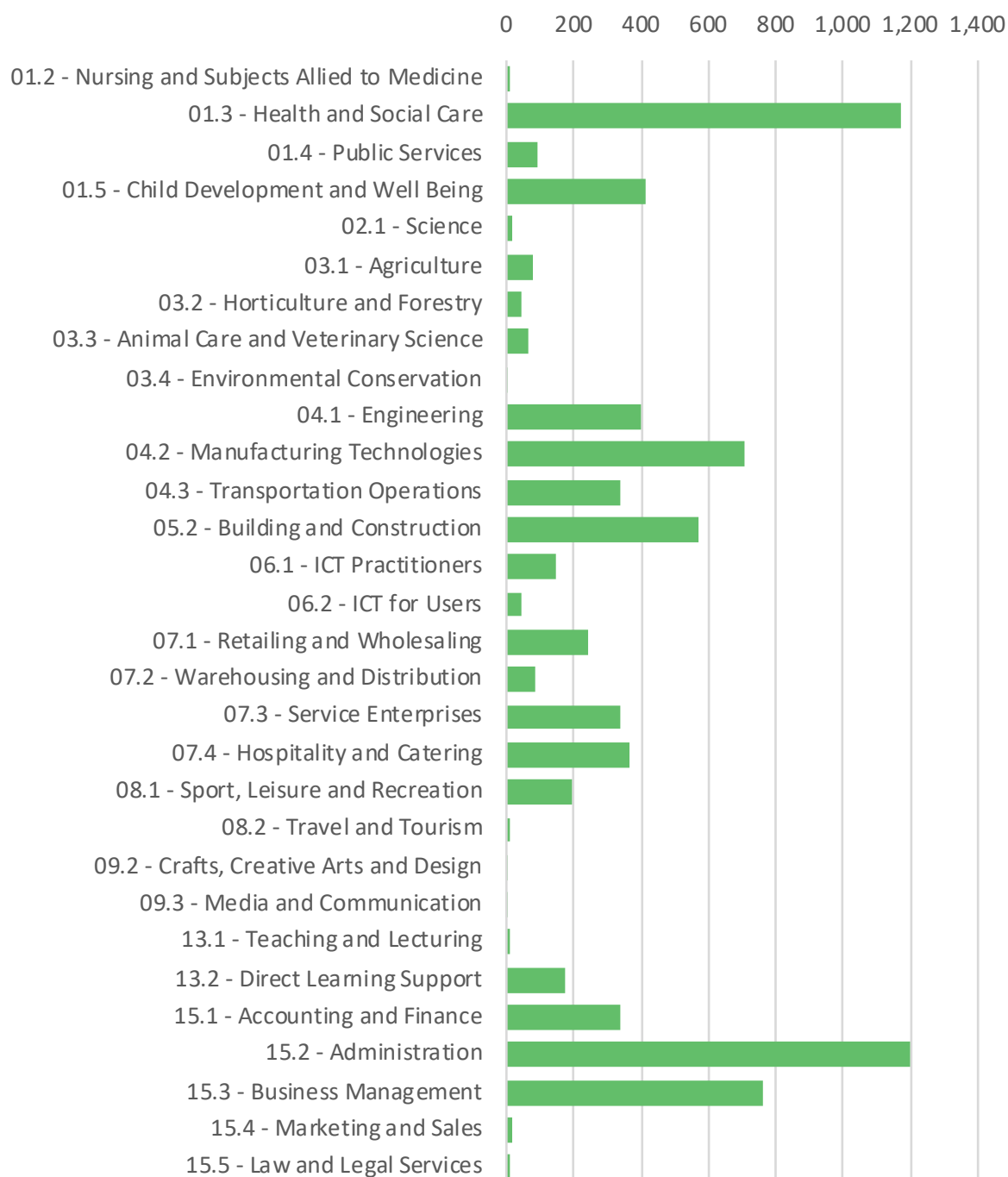


Chart 16 shows the subjects that apprentice training is focused on. Given the size of the sector in Greater Lincolnshire it is surprising that there are not more apprentices in Agriculture, Warehousing and Distribution and Hospitality and Catering. It is curious that there are so few apprentices in Marketing & Sales, Media & Communication, and Nursing & Subjects Allied to Medicine. Further research and analysis is required to understand if this is due to lack of training standards or lack of employer demand.

### Chart 16: 2017/18 Apprenticeship starts by sector subject area

Source: DataCube, Education and Skills Funding Agency



Please note that a number of sector subject areas had no apprenticeship starts against them in the academic year 2017/18. These are listed in full in Appendix C on page 73.

## Future Supply

### Primary and Secondary Education

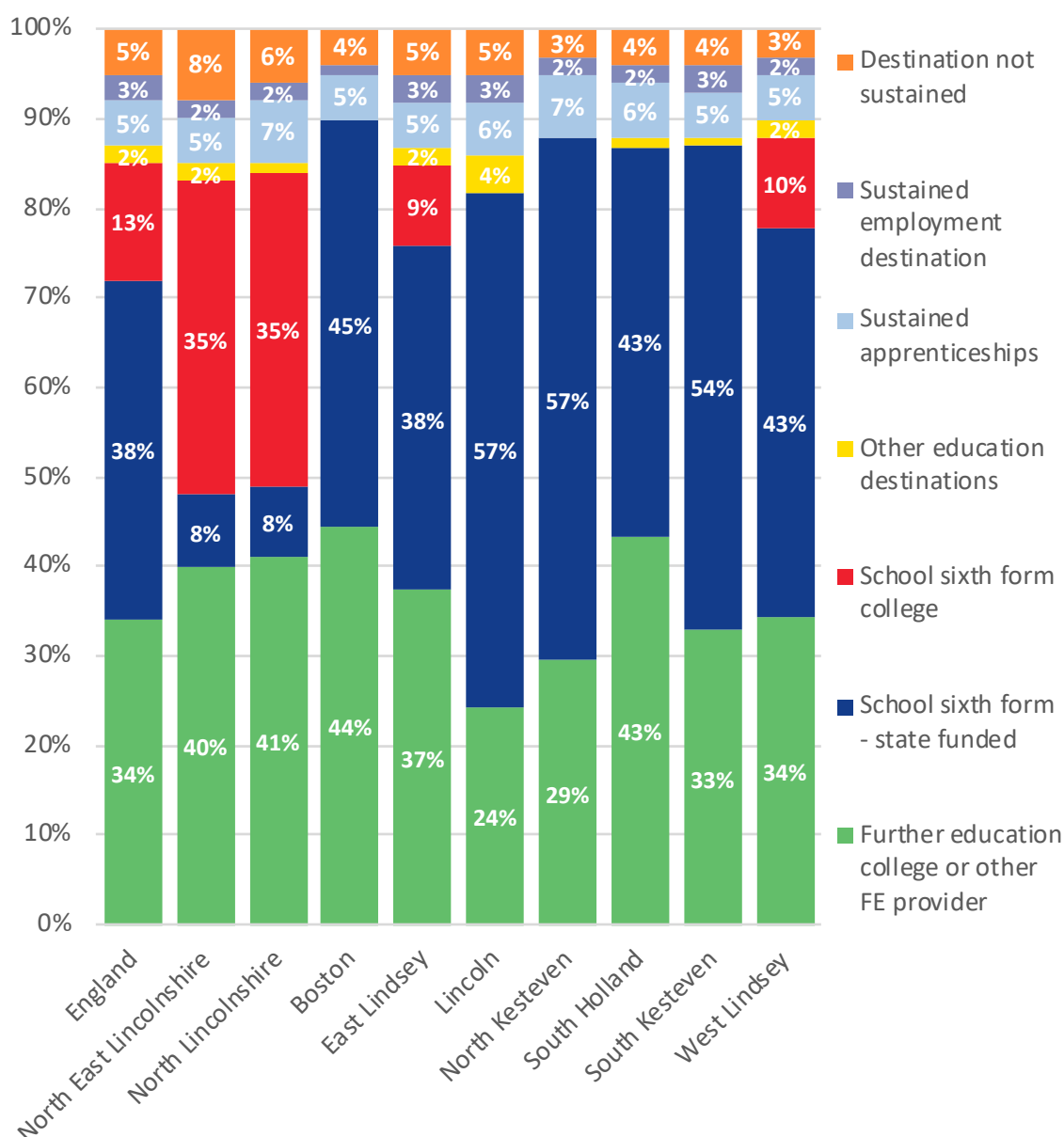
There are 157,000 resident young people aged 5-17 currently at school, and based on current performance we can expect 56% to achieve a full Level 2 (i.e. 5 GCSEs Grade A-C including maths and english), compared to 57% nationally.

Across the state funded education sector nationally only 64.2% of pupils achieve both maths and english GCSE pass (Grade A-C). Lincolnshire and North East Lincolnshire are similar with 63.2% and 63.9% respectively and North East Lincolnshire almost 60%.

Chart 17 shows that there are some large differences across Greater Lincolnshire in terms of further education and employment destinations for pupils leaving school at 16. However, some of these differences are down to the provision in each district and unitary area.

**Chart 17: Key stage 4 destinations, 2015/16 cohort**

Source: Department for Education



Analysis of Further Education participation numbers over time for 16-18 year olds show that they have fallen by 7% since 2014/15.

The working age population is reducing as a proportion of the total population. Based on current birth and death rates, and levels of migration, and projecting these forwards, by 2041 the working age population will make up just 54% of the total population, compared to 60% now. This trend can also be seen at the national level but it is more pronounced at the local level.

Although the population overall is set to grow by nearly 8% between 2016 and 2041, the working age population is set to decrease from 649,000 to 630,000 over the same period, meaning there will be 19,000 fewer people available within the local labour market.

Recent research produced by the Office for National Statistics ('The probability of automation in England: 2011 to 2017') and our own analysis of the data suggests that rural areas and younger people will be hardest hit in terms of job effects. The impact on rural areas will be due to a current over-reliance on industries (such as Manufacturing) that are more exposed to elements of automation. The impact on younger people will be a result of them being more likely to occupy (at least initially in their careers) the roles which are more exposed to the effects of automation. This is a concern for the future given that analysis shows that eastern coastal towns are already experiencing a net out-migration of young people, with three over-60 year olds arriving for every two 16-24 year olds who leave.

Overall, while automation means that the future labour pool will include robots (and therefore fill gaps left by a reduced workforce), it could also potentially increase the out-migration of younger people from rural to urban areas.

## **Students**

Of the 32,000 people who grew up in the Greater Lincolnshire area who went into higher education between 2014 and 2017, around 21,000 (64%) of them went to institutions outside of Greater Lincolnshire. Over 14,000 did move into the area to study over the same period resulting in a net loss of some 7,000 younger people.

Further to this, of those that studied in the LEP area between 2014 and 2017, 61% then left the area for employment. Of the total amount of students that secured employment in Greater Lincolnshire, 58% had studied outside of the area, again representing an albeit smaller net loss.

## **Brexit**

Finally, and in terms of future supply, consideration needs to be given to the much more short-term effects of Brexit. The effect that this will have on the labour market will be much sooner and quicker than some of the other future issues that concern us i.e. decline in the working age population, and the effects of automation. The issue here is that there is still

vast amount of uncertainty around form Brexit might take so it is both difficult to reliably estimate and plan for in terms of labour market impacts.

The Office for National Statistics has identified at regional and a detailed sector level the proportion of jobs that are held by overseas workers (including the European Economic Area – EEA). Analysis of these sectors, and the job numbers they support in the Greater Lincolnshire economy, shows that around 12,200 of these jobs are held by workers born in the EEA (excluding the UK), with a further 3,700 held by workers born in any other country. This suggests then that 16,000 jobs could be impacted by new rules around migration, though, given that these figures are based on regional estimates then they are likely to be very conservative.

*For further and more detailed analysis of the potential impacts of Brexit on the Greater Lincolnshire economy, please refer to the report 'Greater Lincolnshire LEP – Brexit economic analysis, May 2018' produced by Metro-Dynamics and available via the Greater Lincolnshire LEP website at [https://www.greaterlincolnshirelep.co.uk/assets/documents/GLLEP\\_-\\_Implications\\_of\\_Brexit.pdf](https://www.greaterlincolnshirelep.co.uk/assets/documents/GLLEP_-_Implications_of_Brexit.pdf)*

## Summary

In summary, the data on skills and labour supply is telling us that:

- Greater Lincolnshire has a higher proportion of people than nationally (23.3% compared to 20.6% respectively) that are economically inactive but do want to work.
- Apprenticeship start numbers have also fallen in Greater Lincolnshire since 2014/15, from just over 10,000 in 2014/15 to 7,870 in 2017/18.
- There has been a drop in the numbers of adults participating in further education across all areas of Greater Lincolnshire apart from Lincoln.
- Greater Lincolnshire still lags behind the national skills picture with only 28% of the resident population aged 16-64 holding a qualification at level 4 or higher, compared to 39% nationally.
- Only 35% of Greater Lincolnshire residents aged 25-39 have a level 4 qualification or above, compared to 48% nationally.
- There is clear East/West divide across Greater Lincolnshire in terms of qualification levels.
- A larger proportion of Greater Lincolnshire residents have never used or not used the internet in the last three months; 11.3% of the population compared to 7.5% across the UK.
- It is estimated that on a workday, Greater Lincolnshire area experienced a net loss of around 13,000 workers with qualifications, over 6,000 of which are qualified to level 4 and above.
- As a result of people moving between areas, Greater Lincolnshire gains people at the lower end of the qualification scale at a higher rate than those with higher level qualifications.
- Although the population overall is set to grow by nearly 8% between 2016 and 2041, the working age population is set to decrease from 649,000 to 630,000, meaning there will be 19,000 fewer people available within the local labour market.

# Supply Meets Demand

## Hard-to-fill Vacancies

In 2017, 29% of vacancies in Greater Lincolnshire were reported by employers as hard-to-fill, and more than two thirds were reported to be due to skills shortages. This compares to 33% hard to fill vacancies nationally, with a lower proportion due to skills shortages. The incidence of hard-to-fill vacancies (as a proportion of all vacancies) has increased between 2011 and 2017 both nationally and at the Greater Lincolnshire level.

Not all employers experience hard-to-fill or skill-shortage vacancies. whilst 29% of all vacancies were hard to fill, only 5% of employers experienced this. Likewise, whilst 21% of vacancies were reported to be due to a skill shortage, this was experienced by 4% of employers. In both instances, these incidence rates were lower than those experienced nationally (8% and 6% respectively).

Further analysis of results from the 2017 Employer Skills Survey (*see Appendix D, Chart 48, page 76*) tells us that 'skilled trade occupations' and 'sales and customer service staff', along with 'Caring, leisure and other services staff', were more likely to be cited by employers as being hard-to-fill.

'Skilled trade occupations' cover job/roles such as farmers, electricians, plasterers, motor mechanics, butchers, and chefs. Examples of 'sales and customer service staff' include call centre agents, telesales, retail cashiers, and customer care operations. 'Caring, leisure and other service staff' cover positions such as care assistants, nursery nurses, hairdressers, and dental nurses. *For full and further details of what these occupational groups cover, please refer to Appendix B, Table 3, page 61.*

Data also shows that incidences of hard-to-fill and skill-shortage vacancies for Greater Lincolnshire employers have both dropped since 2015, though remain higher than levels recorded in 2011. The same cannot be said of national rates which show an upward trend over the same period.

Chart 18 shows that Greater Lincolnshire employers were most likely to cite 'low numbers of applicants with the required skills' for why vacancies were hard-to-fill, although they were much less likely to point to this than employers nationally. Greater Lincolnshire employers were however more likely than nationally to cite reasons of attitude, motivation, and lack of qualifications.

## Chart 18: Main causes of having a hard-to-fill vacancy

Source: Employer Skills Survey 2017, UK Commission for Employment and Skills

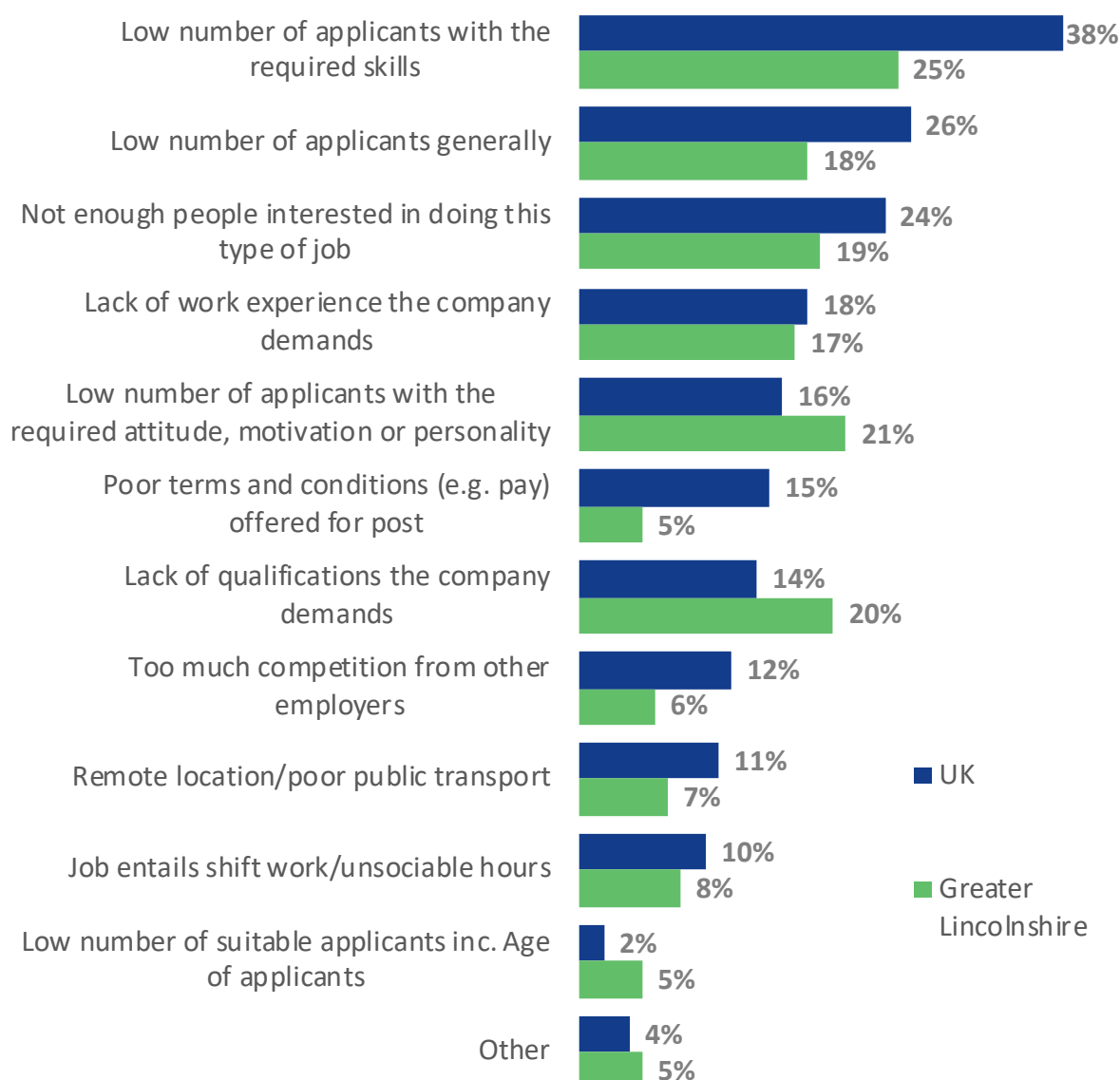


Chart 18 also shows that local employers do not think that low wages or poor terms and conditions are the reason for hard to fill vacancies with only 5% of local employers with hard-to-fill vacancies citing this as a reason compared to 15% nationally. Employers nationally are more likely to think that location and poor public transport is the reason for not filling a vacancy (11% compared to 7% in Greater Lincolnshire) which is a surprise given what we know about the local area.

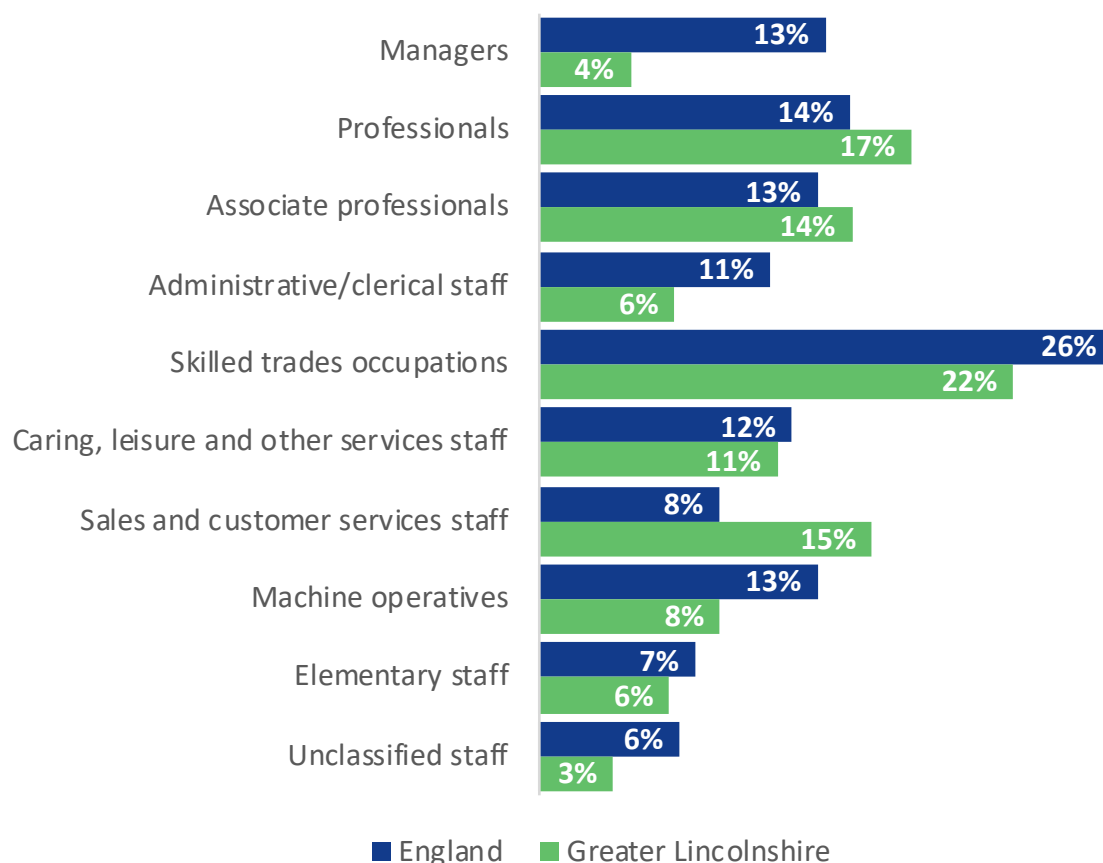
In sectoral terms, employers in the 'Transport and storage' sector were more likely to report having a vacancy that was hard to fill (13% compared to the Greater Lincolnshire average of 5%). See Appendix D, Chart 49, page 77.

## Skill-shortage vacancies

Employers in the 'Transport and storage' sector (along with those in the sectors of 'Information and communications' and 'Arts and other services') who were more likely to report a skill-shortage vacancy (7% compared to a Greater Lincolnshire average of 4%). See *Appendix D, Chart 50, page 78*.

### Chart 19: Skill-shortage vacancies as a % of total vacancies by occupation

Source: Employer Skills Survey 2017, UK Commission for Employment and Skills



If we consider skills shortage vacancies in terms of occupation (rather than sector), and referring to chart 19, 'Skilled trades occupations' are most likely to be a skill-shortage vacancy both locally and nationally. However, it is vacancies for 'Professionals', 'Associate professionals' and 'Sales and customer services staff' that are more likely to be skill-shortage vacancies in Greater Lincolnshire than they are nationally. Managerial skill-shortage vacancies make up only 4% of total managerial vacancies locally compared to 13% nationally.

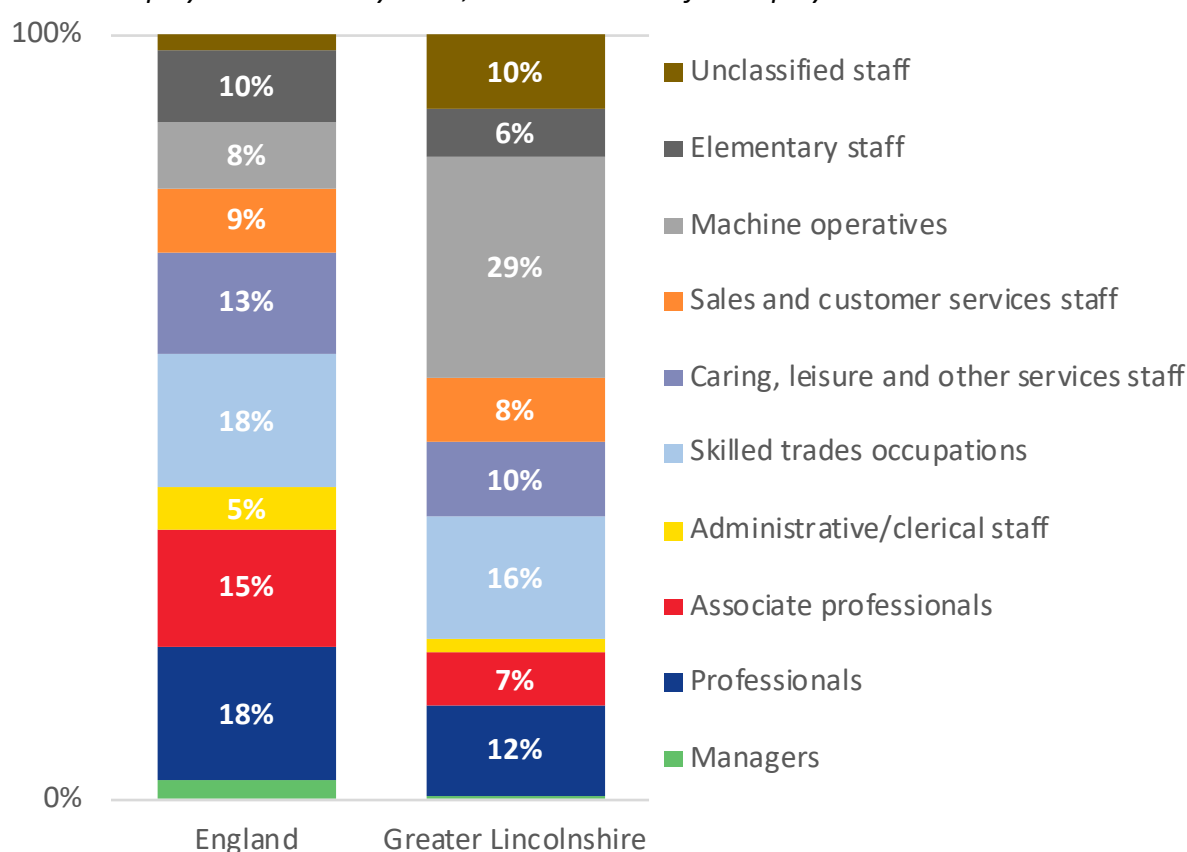
'Professional' roles cover job titles and activities such as engineers, IT and software professionals, nurses, teachers, accountants, doctors, and social workers. 'Associate professional' roles include engineering technicians, finance advisers, adult care workers, analysts, buyers, lab technicians and paramedics. *For full and further details of what these occupational groups cover, please refer to Appendix B, Table 3, page 61.*

Whilst the incidence of skill-shortage vacancies for employers has dropped, and the proportion they make up of total vacancies has dropped, skill-shortage vacancies do make up a greater proportion of all hard-to-fill vacancies in Greater Lincolnshire than nationally, 72% compared to 68% respectively.

Chart 20 groups all of the skill-shortage vacancies together across England and Greater Lincolnshire in 2017 and then breaks them down by occupation. ‘Technical’ occupations (Associate professionals, Skilled trade occupations, and Machine operatives) make up over half (52%) of all skill-shortage vacancies in Greater Lincolnshire compared to just over two-fifths (41%) nationally. In Greater Lincolnshire, the majority of these technical skill shortage vacancies were for Machine Operatives (for example, HGV and tractor drivers, users of automated tools and 3D printers).

### Chart 20: All skill-shortage vacancies by occupation

Source: *Employer Skills Survey 2017, UK Commission for Employment and Skills*



Again, for full and further details of what the occupational groups in chart 26 cover, please refer to Appendix B, Table 3, page 61.

The UK, through the Home Office, operates a skill-shortage occupation list which is used to help determine the validity of immigration cases in certain circumstances. This list (which is produced in full in Appendix D, pages 79-80) provides a further level of detail when it comes to identifying skill-shortage occupations at the national level.

There are a number of overlaps between the Home Office occupation shortage list and that of the list of specific occupational skills gaps produced by recent research with local employers (*Source: LEP Commissioned ESF Report ‘Supporting skills in Greater Lincolnshire: A profile of business engagement, skills needs and skills shortages’, July 2019, SkillsReach and Bishop Grosseteste University*).

The full list of local occupational skill shortages is detailed in Appendix D on page 81, but in summary the following occupations (and four digit Standard Occupational Classification code) appear on both sets of lists:

- Engineering professionals not elsewhere classified (2129)
- Nurses (2231)
- Design and development engineers (2126)
- Production and process managers (2127)
- Engineering technicians (3113)
- Chefs (5434)

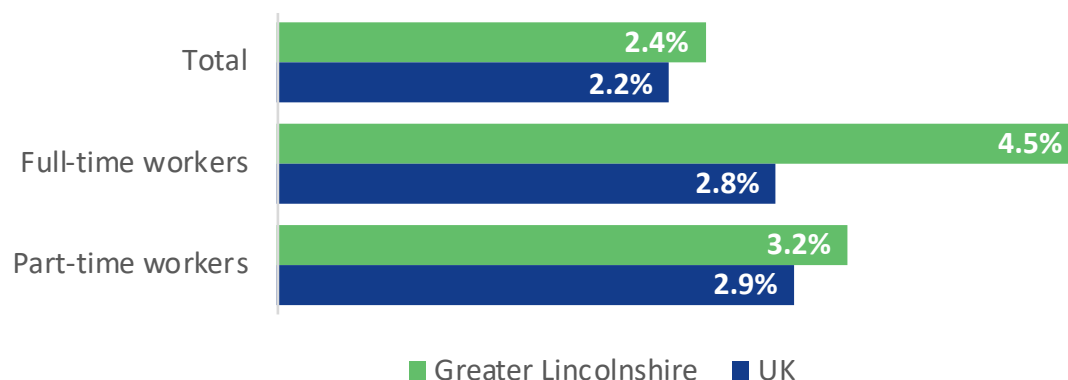
## Wages

One tool that employers have for attracting more skilled and qualified applicants is wages. Wages rates for all workers in Greater Lincolnshire are on average 86% of the national average, with nearly a third (32%) of workplace jobs pay under the real living wage. However, the picture across the LEP area is complex with average salaries advertised for vacancies (aimed at FE/HE finishers with less than two years experience) as high as £38,400 and as low as £20,600.

The picture is starting to change because in the last year Greater Lincolnshire has seen growth in wages faster/higher than the national average (Chart 21), and should continue to rise if, as projected, jobs that require no qualifications are replaced by jobs that do require qualifications.

### Chart 21: Change in workplace based median wage levels, 2017 - 2018

*Source: Annual Survey of Hours and Earnings, Office for National Statistics*



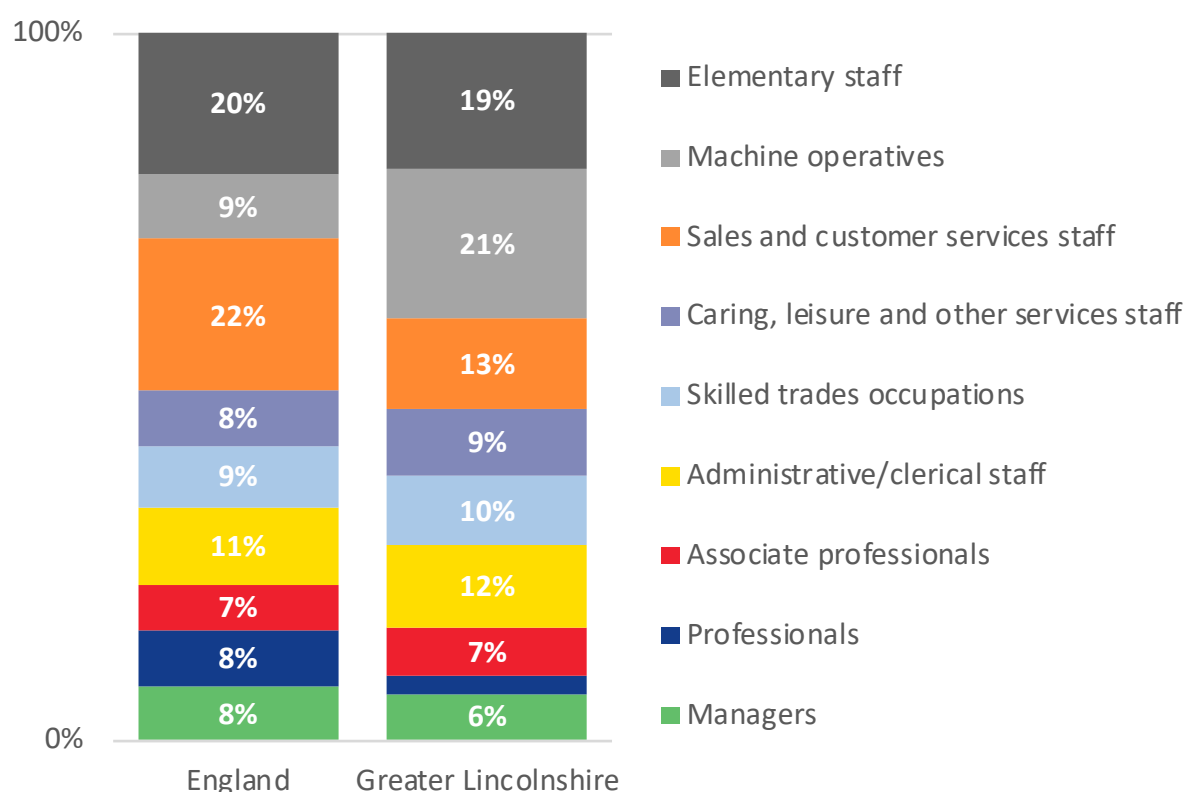
As of 2018, the median wage for full time workers in Greater Lincolnshire was £25,720, compared to £29,574 across the UK. In North Lincolnshire this figure was as high as £28,727, whilst in Boston it was £22,414. These relatively lower wages do need to be considered alongside the higher quality of life and lower cost of living enjoyed by many, but not all, residents.

## Workforce

Up until now we have concentrated on those employers who are trying to recruit, but employers can experience skills gaps across their workforce (i.e. they have staff who are not fully proficient). 14% of Greater Lincolnshire employers reported this as an issue, compared to 13% nationally. Chart 22 shows the occupations where these skills gaps are arising with 'Machine operatives' being a particular issue in Greater Lincolnshire when compared to the national picture.

### Chart 22: Staff not fully proficient by occupation

Source: Employer Skills Survey 2017, UK Commission for Employment and Skills

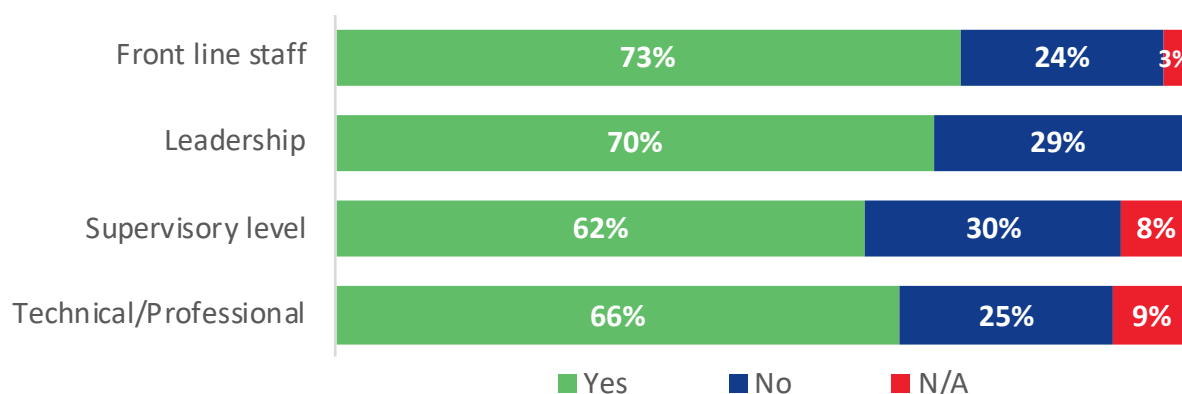


It is worth noting here that, based on charts 20 and 22, it is Machine Operative occupations that make up the majority of skill-shortage vacancies, and also where skills gaps are arising in the current workforce in Greater Lincolnshire. Again, Machine Operative occupations cover such roles as HGV and tractor drivers, and users of automated tools and 3D printers.

Recent local research about skills gaps within the workforce with Greater Lincolnshire employers, has identified challenges across all four key employment categories with the highest reported incidences amongst front line staff (Chart 23).

### Chart 23: Skills gaps experienced by Greater Lincolnshire employers with existing staff

Source: LEP Commissioned ESF Report 'Supporting skills in Greater Lincolnshire: A profile of business engagement, skills needs and skills shortages', July 2019, SkillsReach and Bishop Grosseteste University



As well as people lacking the right skills and qualifications, in some cases staff are over-qualified and effectively being underutilised. In 2017, nearly a third (32%) of Greater Lincolnshire employers reported having staff that are under-utilised (i.e. those that have both qualifications and skills that are more advanced than required for their current job role). Nationally, this figure was slightly higher at 34%, and it also worth noting here that employers reporting underutilised staff has fallen from 41% in 2013.

Analysis of employer provided training from the Employer Skills Survey tells us that the number of staff being trained locally is falling over time, from 256,000 in 2013 to 240,000 in 2017. Nationally, this figure increased over the same period. However, it would appear that the training being delivered locally is much more targeted and specific to the trainee. Over this same period, in Greater Lincolnshire both the number of training days per trainee, and training days per staff have increased, whereas nationally they decreased (See Appendix D, Chart 47, page 75).

## Summary

In summary, the data on issues where supply meets demand is telling us that:

- In 2017, 29% of vacancies in Greater Lincolnshire were reported by employers as hard-to-fill, and more than two thirds were reported to be due to skills shortages. This compares to 33% hard to fill vacancies nationally, with a lower proportion due to skills shortages.
- The incidence of hard-to-fill vacancies (as a proportion of all vacancies) has increased between 2011 and 2017 both nationally and at the Greater Lincolnshire level.
- Only 5% of Greater Lincolnshire employers experienced hard-to-fill vacancies in 2017, and 4% experienced skill-shortage vacancies. In both instances, these incidence rates were lower than those experienced nationally (8% and 6% respectively).
- 'Skilled trade occupations' and 'sales and customer service staff', along with 'Caring, leisure and other services staff', were more likely to be cited by employers as being hard-to-fill.
- Greater Lincolnshire employers were most likely to cite 'low numbers of applicants with the required skills' for why vacancies were hard-to-fill, although they were much less likely to point to this than employers nationally.
- Greater Lincolnshire employers were however more likely than nationally to cite reasons of attitude, motivation, and lack of qualifications.
- Local employers do not think that low wages or poor terms and conditions are the reason for hard to fill vacancies with only 5% of local employers with hard-to-fill vacancies citing this as a reason compared to 15% nationally.
- Skill-shortage vacancies make up a greater proportion of all hard-to-fill vacancies in Greater Lincolnshire than nationally, 72% compared to 68% respectively.
- 'Skilled trades occupations' are most likely to be a skill-shortage vacancy both locally and nationally. However, it is vacancies for 'Professionals', 'Associate professionals' and 'Sales and customer services staff' that are more likely to be skill-shortage vacancies in Greater Lincolnshire than they are nationally.
- Wages rates for all workers in Greater Lincolnshire are on average 86% of the national average, with nearly a third (32%) of workplace jobs pay under the real living wage.
- 14% of Greater Lincolnshire employers reported experiencing skills gaps across their workforce (i.e. they have staff who are not fully proficient) compared to 13% nationally.

## What the data is telling us...

The report is data rich and choosing headlines is not easy so those below show some of the main features of the Greater Lincolnshire LEP labour market.

### **The Local Landscape**

Greater Lincolnshire has 45% of its employees (compared to 32% nationally) working in micro and small businesses.

Greater Lincolnshire has a population density of just 136 people per sq.km compared to 430 nationally. This is below Cornwall's 158 people per sq.km. This level of sparsity means that reaching business and employees is challenging.

Considering issues purely at a Greater Lincolnshire level hides disparities in performance and conditions at smaller geographical levels. Some locations in the LEP area are amongst the upper end of the Social Mobility Index and some amongst the lowest.

Wages rates are approximately 14% lower than the national average however this fact hides a very complex picture across the LEP area and there are rates at very good and very low levels.

### **Economy and Labour Demand**

Of the 62,000 job vacancies posted in Greater Lincolnshire during the period August.

2018 – July 2019, just over 30% were classed as being 'Technical'. Employers focus on skills such 'communication skills', 'customer service' and 'teamwork / collaboration', and 80% of advertised job vacancies did not stipulate a qualification requirement.

Over the ten year period 2014-2024 the Greater Lincolnshire economy is expected to have filled 207,000 jobs. The vast majority (90% or 186,000) of positions will become available due to people leaving the Greater Lincolnshire workforce, mainly as a result of retirement.

Forecasts for qualification requirements point to a decline in demand for positions to be filled by people with no qualifications and Level 1 qualifications.

Nearly 160,000 jobs over the next 15 years or so will be affected in some way (either by being made obsolete or the role changing) through the introduction of new technologies as part of Industrial Revolution 4.0.

### **Skills and Labour Supply**

The proportion of residents aged 16 plus with higher level qualifications is growing but not as fast as the national average.

35% of Greater Lincolnshire residents aged 25-39 have a level 4 qualification or above, compared to 48% nationally.

A larger proportion of Greater Lincolnshire residents have never used or not used the internet in the last three months; 11.3% of the population compared to 7.5% across the UK.

There is clear divide across Greater Lincolnshire in terms of qualification levels between many west and east areas.

### **Supply Meets Demand**

In 2017, 29% of vacancies in Greater Lincolnshire were reported by employers as hard-to-fill, and more than two thirds were reported to be due to skills shortages.

In 2017, nearly a third (32%) of Greater Lincolnshire employers reported having staff that are under-utilised, (i.e. those that have both qualifications and skills that are more advanced than required for their current job role).

Greater Lincolnshire employers were most likely to cite 'low numbers of applicants with the required skills' for why vacancies were hard-to-fill, and were however more likely, than nationally, to cite reasons of attitude, motivation, and lack of qualifications.

Local employers do not think that low wages or poor terms and conditions are the reason for hard to fill vacancies with only 5% of local employers with hard-to-fill vacancies citing this as a reason compared to 15% nationally.

14% of Greater Lincolnshire employers reported experiencing skills gaps across their workforce, and gaps are across all types of roles: front line staff, supervisor level, leadership and technical/professional.

### **In Summary**

Unemployment is low, employment is high, reported occurrences of hard-to-fill vacancies are just below the national average, (although high at 29%), and employer incidences of both hard-to-fill and skill shortage vacancies is below that seen nationally. That would suggest that the Greater Lincolnshire labour market is performing well.

Yet we know from our own local intelligence that some of our sectors are struggling to find the right skilled labour and that Greater Lincolnshire's GVA per head and levels of productivity (GVA per job, and GVA per hour worked) are lower than the national average, and many of its contemporary LEP areas.

Qualification levels of the overall population have risen over time but remain far behind the national average, and have for many years. Wages have increased in the last year, but they remain on average well below national rates, yet employers struggling to fill vacancies don't report this as a reason, as we might expect.

Given the long history of lower level qualifications within the population, combined with a history of traditional industries and small businesses, employers might have become accustomed to having a small pool of high level skills from which to recruit, and they have simply managed without. Local reports have, in the past, recognised that there is limited demand from employers, and possibly employees, to grow intermediate and higher skills because they do not recognise the need.

However, the landscape has changed. Many employees are starting to retire, and business owners cannot find people to replace them. New sectors have developed, technology has changed, and automation is displacing lower skilled jobs. So, it is likely that, in addition to increasing the qualification levels of the population, and inspiring young people to remain in the area, smaller businesses may need support to plan their future workforce, consider levels of wages and recruit.

# Priorities

**Work with schools to help inspire and inform our young people about the kinds of businesses and careers available on their doorstep so that fewer leave the LEP area**

**Engage with the new National Retraining Scheme when it is rolled out across England in 2020 so that adults are inspired and informed about the kinds of businesses and careers available on their doorstep**

**Work with Government to maximise the effectiveness of skills and training schemes so that all employers and residents can benefit:**

- Continue to work with ESFA teams to ensure that European Social Funding skills and training programmes are supporting adults across the whole LEP area not just urban areas.
- Maximise the effectiveness of the Apprenticeship Levy so that it is working for businesses across the whole LEP area.
- Support Government to successfully rollout T Levels in all areas
- Raise awareness of the Fuller Working Lives agenda

**Work with business to prioritise workforce development, succession planning and recruitment strategies so that they can replace staff that will retire:**

- Develop apprenticeship programmes and industry placements.
- Work with schools.
- Train their staff.

**Find ways to support small business owners and self-employed people to re-train or upskill because they make up a good proportion of the population**

**Continue to invest in modernising and advancing Further and Higher Education facilities and equipment, making them more relevant to the present working environment and more appealing to young people so that they remain in the area rather than seek better facilities elsewhere, through:**

- The Local Growth Fund
- The Greater Lincolnshire Institute of Technology

**Develop additional local analysis about how the labour market works at local level because the large LEP geography has a relatively high number of travel to work areas.**

**Use our existing networks to understand and communicate employers real skills needs, it is not enough to say that we will upskill our young people and our residents.**

**Ensure that adults and young people are not digitally excluded by working with Government to develop Digital Partnerships in our market towns**

*For further information and relevant policies please see Appendix E, pages 83-85.*

## Appendix A

# The Local Landscape – Additional Data Analysis and Commentary

### Enterprises and Businesses

An Enterprise is defined as the overall business, made up of individual sites, workplaces or branches. It is defined as the smallest combination of legal units, generally based on VAT and/or PAYE records, that has a certain degree of autonomy within an enterprise group. An Enterprise may have several, or hundreds of sites. Enterprises, such as supermarket chains, that have their main base outside of Greater Lincolnshire are not included in this count.

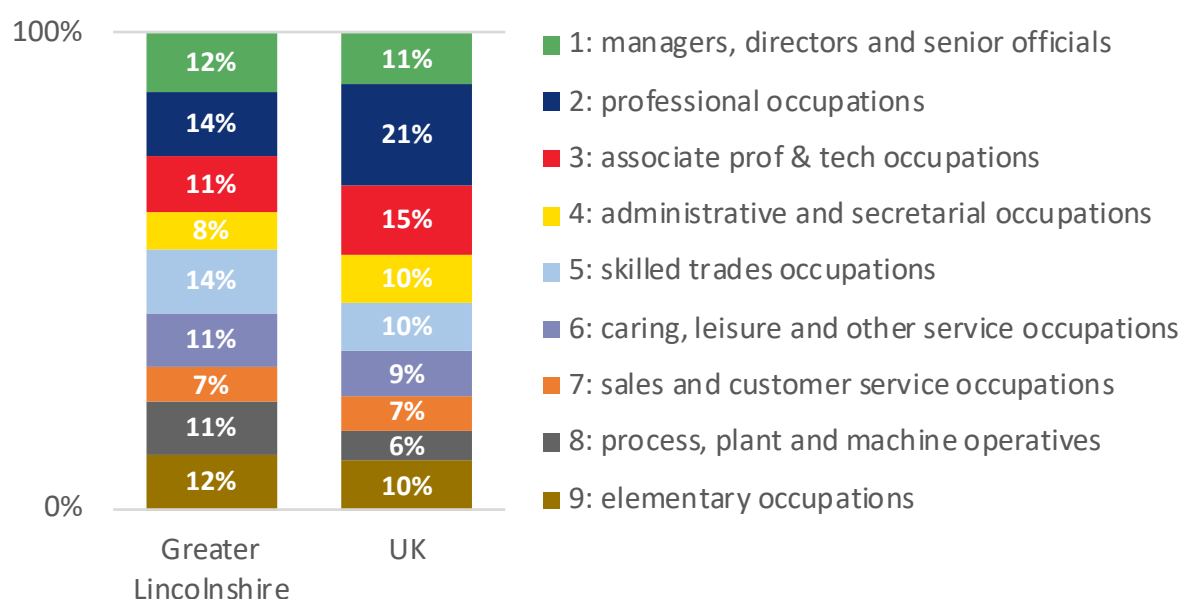
Referring to the Business Register and Employment Survey (BRES, Office for National Statistics), there are 427,300 people who are employees in Greater Lincolnshire (in VAT/PAYE businesses).

Employment figures relating to local enterprises places employment at 338,490. On this basis we could assume that the difference of 88,810 people are employed in enterprises not local to the area. These will be mainly large businesses headquartered out of the area.

These figures also do not count the estimated 50,500 non VAT/PAYE registered businesses (based on local analysis of the Business Population Estimate methodology) operating in Greater Lincolnshire.

### Chart 24: Resident Employment by Occupation, 2018/19

Source: Annual Population Survey, Office for National Statistics



**Greater Lincolnshire Business Demography - Enterprises 2018**

Industry	Total	Micro (0 to 9)		Small (10 to 49)		Medium-sized (50 to 249)		Total SME (0 to 249)		Large (250+)	
		Number	%	Number	%	Number	%	Number	%	Number	%
1 : Agriculture, forestry & fishing (A)	4,320	4,085	94.6%	215	5.0%	20	0.5%	4,320	100.0%	0	0.0%
2 : Mining, quarrying & utilities (B)	230	185	80.4%	35	15.2%	10	4.3%	230	100.0%	0	0.0%
3 : Manufacturing (C)	2,225	1,750	79.4%	345	15.6%	110	5.0%	2,205	99.1%	20	0.9%
4 : Construction (F)	5,170	4,825	93.4%	305	5.9%	35	0.7%	5,165	99.9%	5	0.1%
5 : Motor trades (Part G)	1,545	1,390	90.0%	140	9.1%	15	1.0%	1,545	100.0%	0	0.0%
6 : Wholesale (Part G)	1,555	1,265	81.6%	240	15.5%	45	2.9%	1,550	99.7%	5	0.3%
7 : Retail (Part G)	2,980	2,630	88.4%	325	10.9%	20	0.7%	2,975	99.8%	5	0.2%
8 : Transport & storage (inc postal)	2,760	2,500	90.9%	205	7.5%	45	1.6%	2,750	99.6%	10	0.4%
9 : Accommodation & food service	2,495	1,910	76.7%	535	21.5%	45	1.8%	2,490	99.8%	5	0.2%
10 : Information & communication	1,230	1,175	95.5%	45	3.7%	10	0.8%	1,230	100.0%	0	0.0%
11 : Financial & insurance (K)	540	510	94.4%	25	4.6%	5	0.9%	540	100.0%	0	0.0%
12 : Property (L)	1,120	1,050	93.8%	60	5.4%	10	0.9%	1,120	100.0%	0	0.0%
13 : Professional, scientific & tech	4,380	4,130	94.4%	215	4.9%	30	0.7%	4,375	99.9%	5	0.1%
14 : Business administration & su	2,555	2,245	88.6%	230	9.1%	60	2.4%	2,535	99.2%	20	0.8%
15 : Public administration & defen	295	275	94.8%	10	3.4%	5	1.7%	290	98.3%	5	1.7%
16 : Education (P)	645	425	68.0%	120	19.2%	80	12.8%	625	96.9%	20	3.1%
17 : Health (Q)	1,410	920	66.2%	390	28.1%	80	5.8%	1,390	98.6%	20	1.4%
18 : Arts, entertainment, recreatio	2,215	1,980	89.6%	205	9.3%	25	1.1%	2,210	99.8%	5	0.2%
<b>Column Total</b>	<b>37,655</b>	<b>33,250</b>	<b>88.6%</b>	<b>3,640</b>	<b>9.7%</b>	<b>640</b>	<b>1.7%</b>	<b>37,530</b>	<b>99.7%</b>	<b>125</b>	<b>0.3%</b>

## Appendix B

### Economy and Labour Demand – Additional Data Analysis and Commentary

**Table 2: Jobs not elsewhere classified**

Standard Occupational Classification (SOC)	Job Title	Jobs related to this code:
1259	Managers and proprietors in other services n.e.c.	<ul style="list-style-type: none"> <li>- Betting shop manager</li> <li>- Graphic design manager</li> <li>- Library manager</li> <li>- Plant hire manager</li> <li>- Production manager (entertainment)</li> </ul>
2129	Engineering professionals n.e.c.	<ul style="list-style-type: none"> <li>- Acoustician (professional)</li> <li>- Ceramicist</li> <li>- Food technologist</li> <li>- Metallurgist</li> <li>- Patent agent</li> <li>- Project engineer</li> <li>- Scientific consultant</li> <li>- Technical engineer</li> <li>- Technologist</li> <li>- Traffic engineer</li> </ul>
2319	Teaching and other educational professionals n.e.c.	<ul style="list-style-type: none"> <li>- Adult education tutor</li> <li>- Education consultant</li> <li>- Music teacher</li> <li>- Nursery manager (day nursery)</li> <li>- Owner (nursery: childrens)</li> <li>- Private tutor</li> </ul>
3119	Science, engineering and production technicians n.e.c	<ul style="list-style-type: none"> <li>- School technician</li> <li>- Technical assistant</li> <li>- Technician</li> <li>- Textile consultant</li> <li>- Workshop technician</li> </ul>
4159	Other administration occupations n.e.c.	<ul style="list-style-type: none"> <li>- Administrative assistant</li> <li>- Clerical assistant</li> <li>- Clerical officer</li> <li>- Clerk</li> <li>- Office administrator</li> </ul>
7129	Sales Related Occupations n.e.c	<ul style="list-style-type: none"> <li>- Demonstrator</li> <li>- Hire controller</li> <li>- Sales representative (retail trade)</li> </ul>

Standard Occupational Classification (SOC)	Job Title	Jobs related to this code:
7219	Customer service occupations n.e.c.	<ul style="list-style-type: none"> <li>- Customer adviser</li> <li>- Customer service administrator</li> <li>- Customer service adviser</li> <li>- Customer service assistant</li> <li>- Customer services representative</li> </ul>

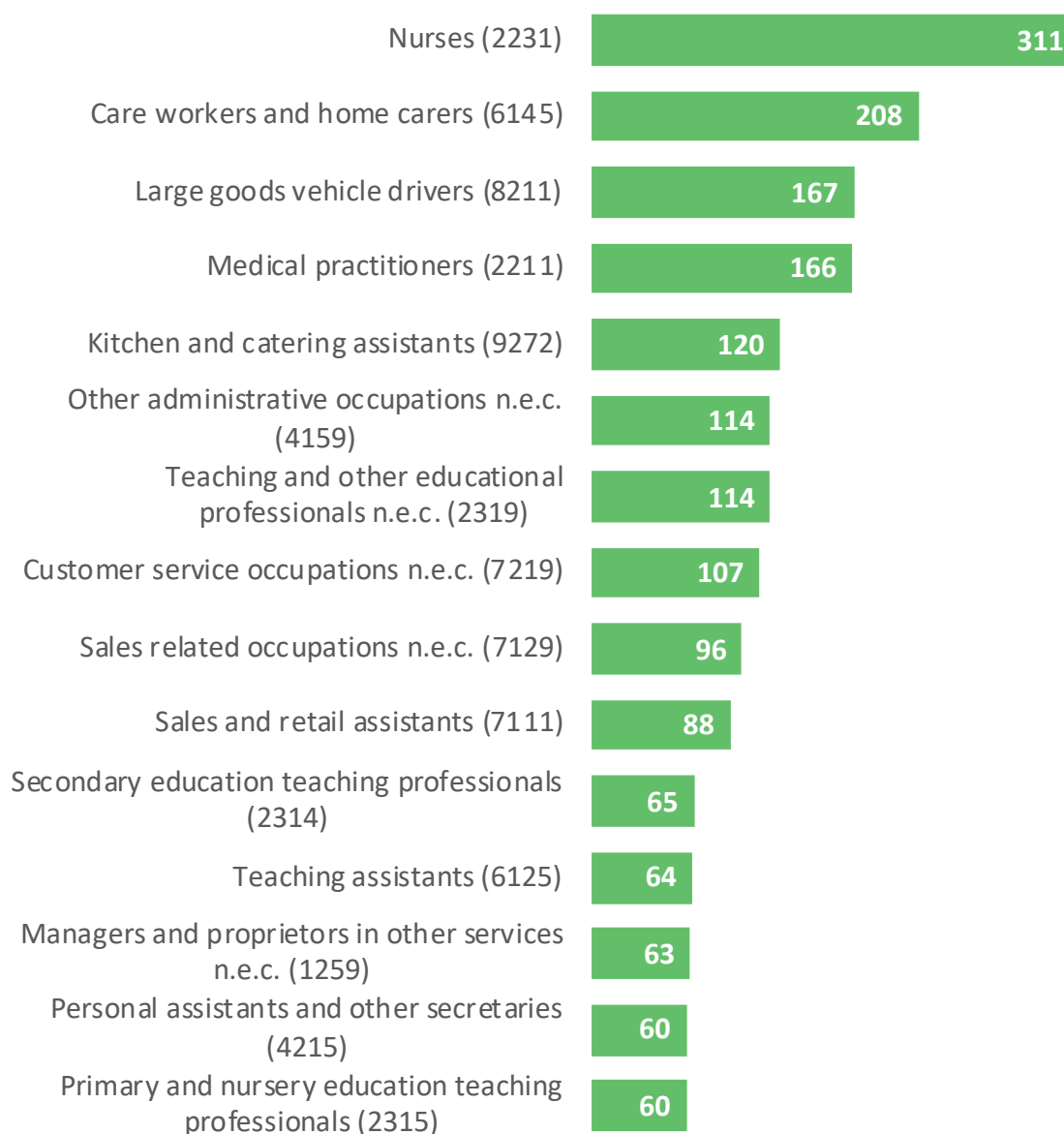
**Chart 25: Top 15 Vacancies in Boston, August 2018 – July 2019 (*Total number of vacancies during this period = 4,389*)**

*Source: Labour Market Insight, Burning Glass*



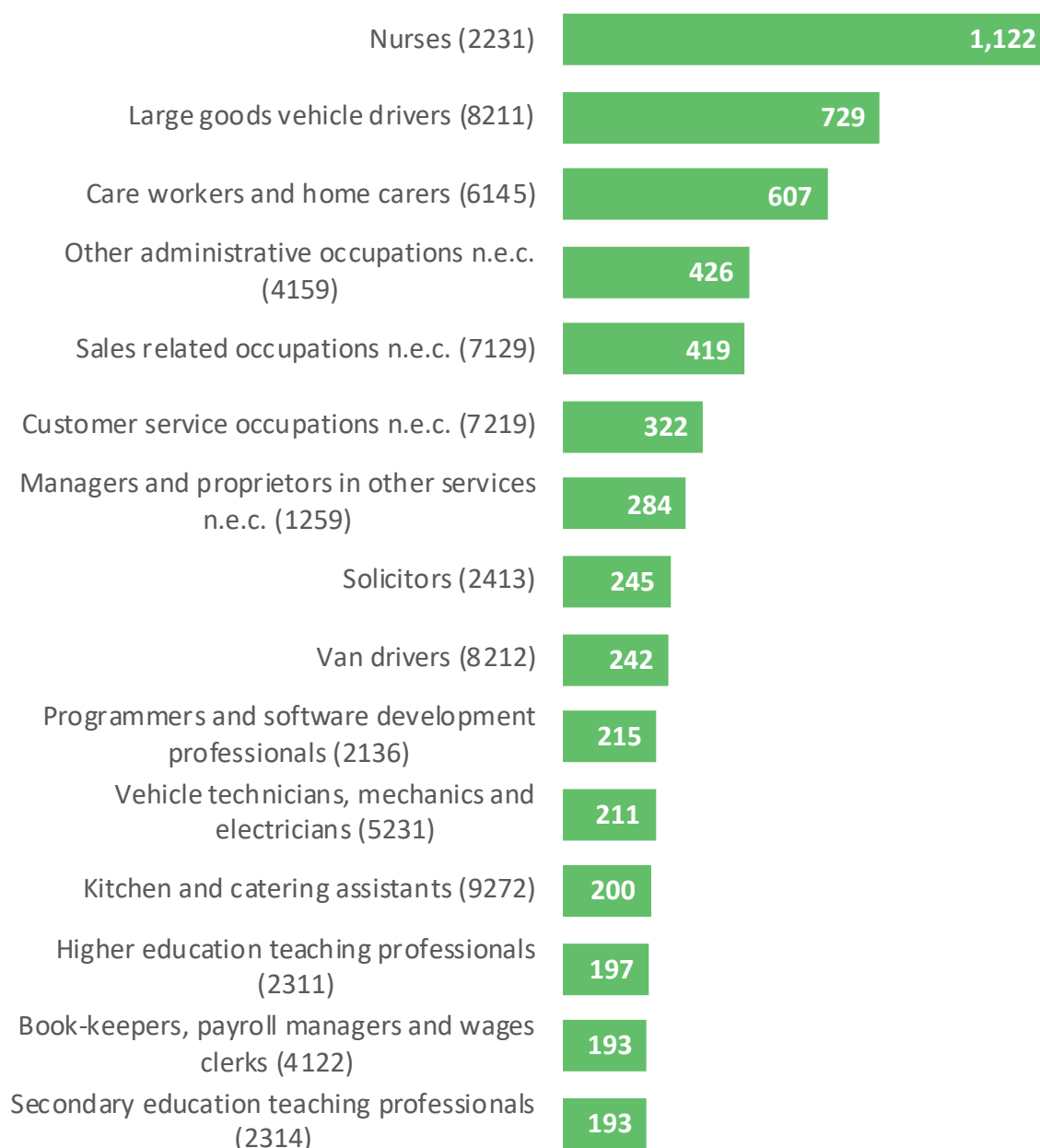
**Chart 26: Top 15 Vacancies in East Lindsey, August 2018 – July 2019 (Total number of vacancies during this period = 3,540)**

Source: Labour Market Insight, Burning Glass



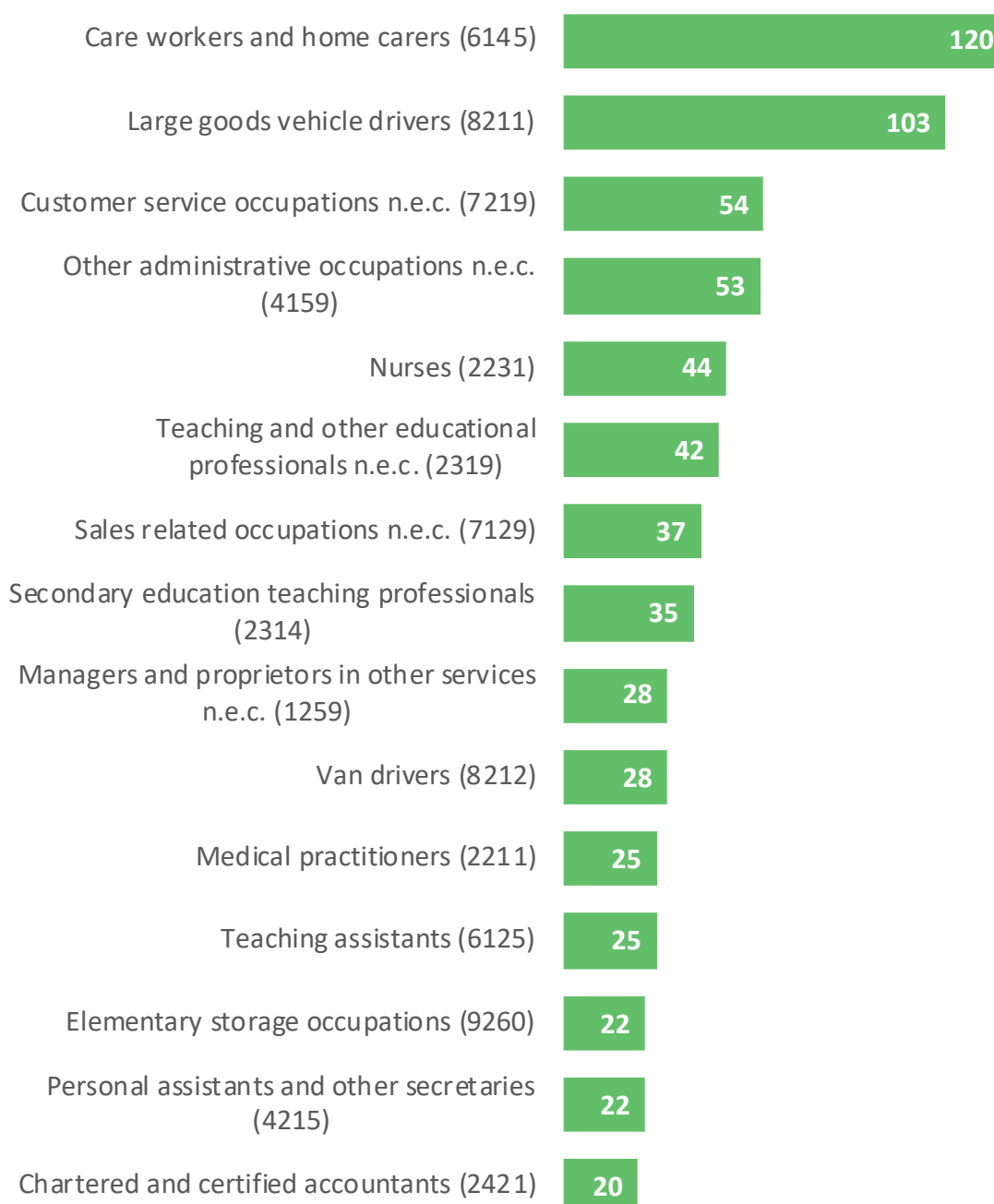
**Chart 27: Top 15 Vacancies in Lincoln, August 2018 – July 2019 (Total number of vacancies during this period = 14,680)**

Source: Labour Market Insight, Burning Glass



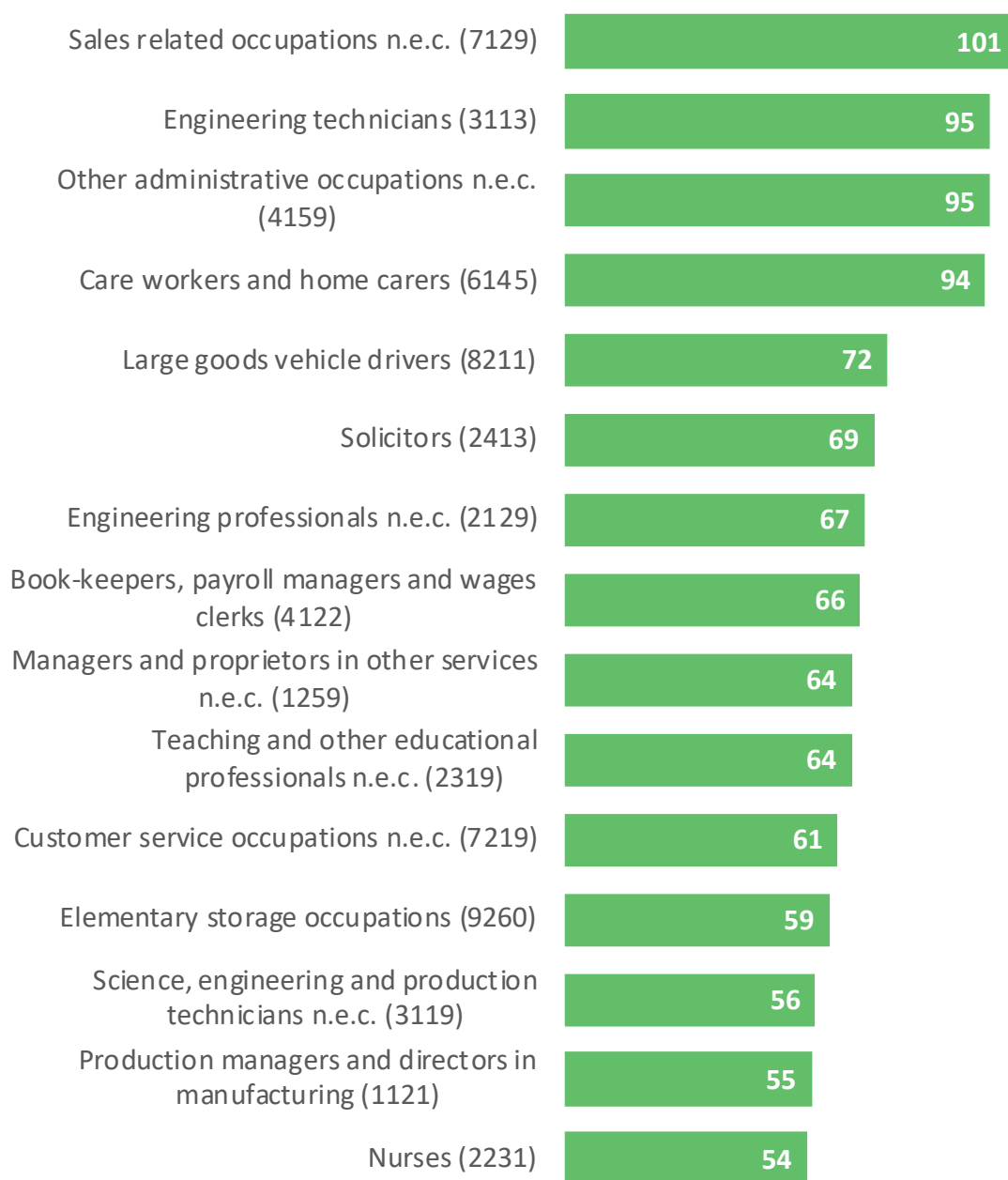
**Chart 28: Top 15 Vacancies in North Kesteven, August 2018 – July 2019 (Total number of vacancies during this period = 1,339)**

Source: Labour Market Insight, Burning Glass



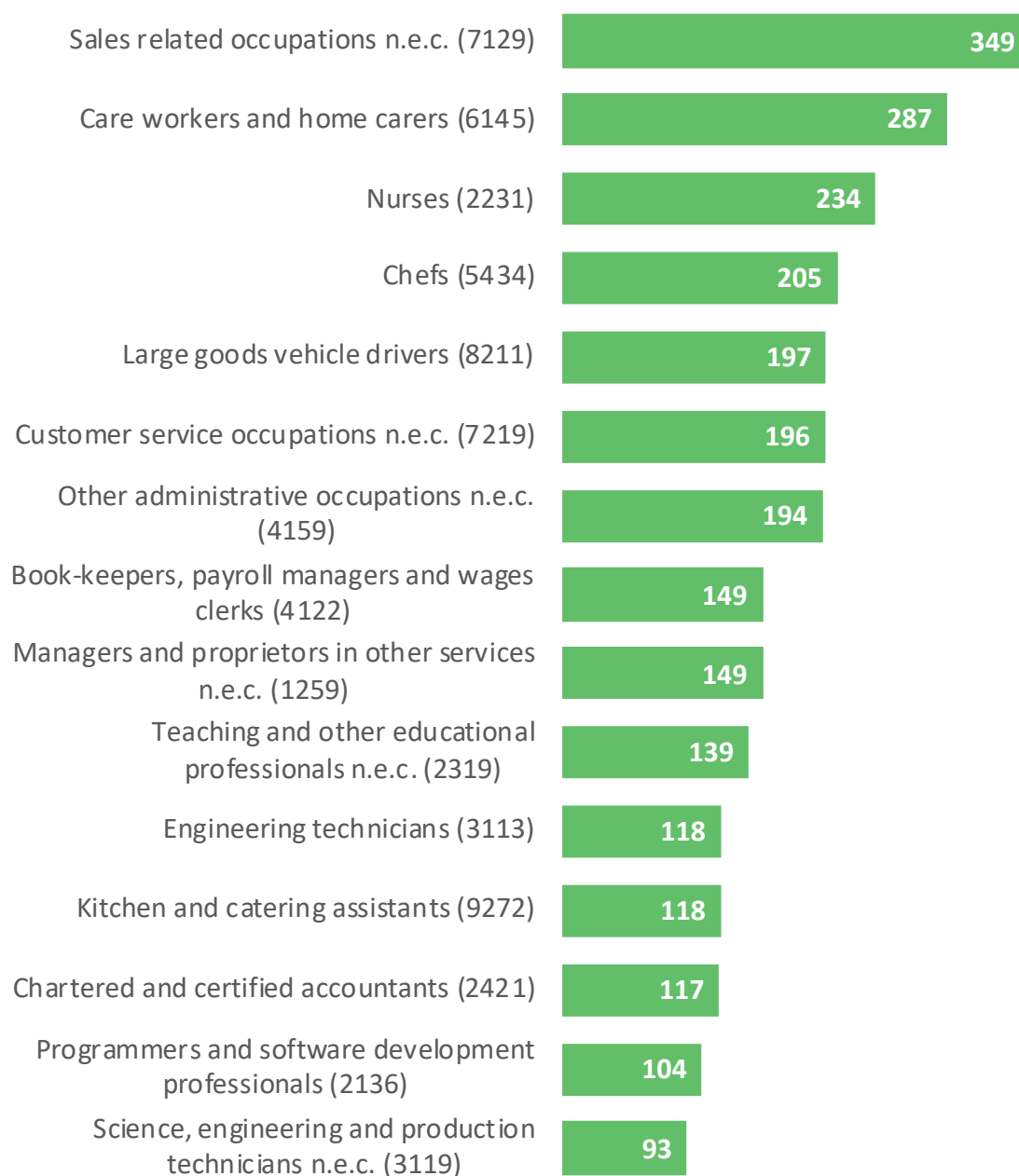
**Chart 29: Top 15 Vacancies in South Holland, August 2018 – July 2019 (Total number of vacancies during this period = 2,791)**

Source: Labour Market Insight, Burning Glass



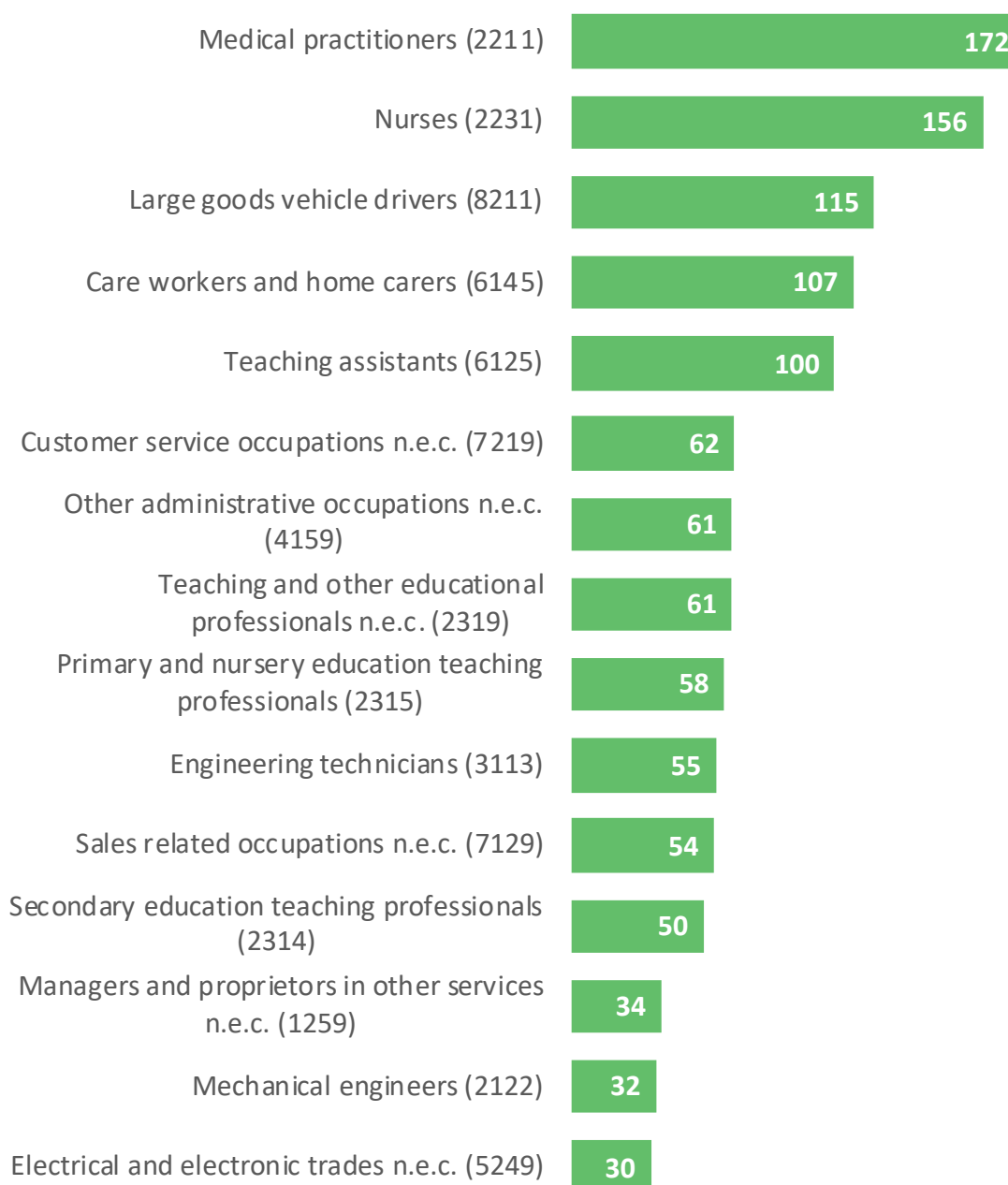
**Chart 30: Top 15 Vacancies in South Kesteven, August 2018 – July 2019 (Total number of vacancies during this period = 6,995)**

Source: Labour Market Insight, Burning Glass



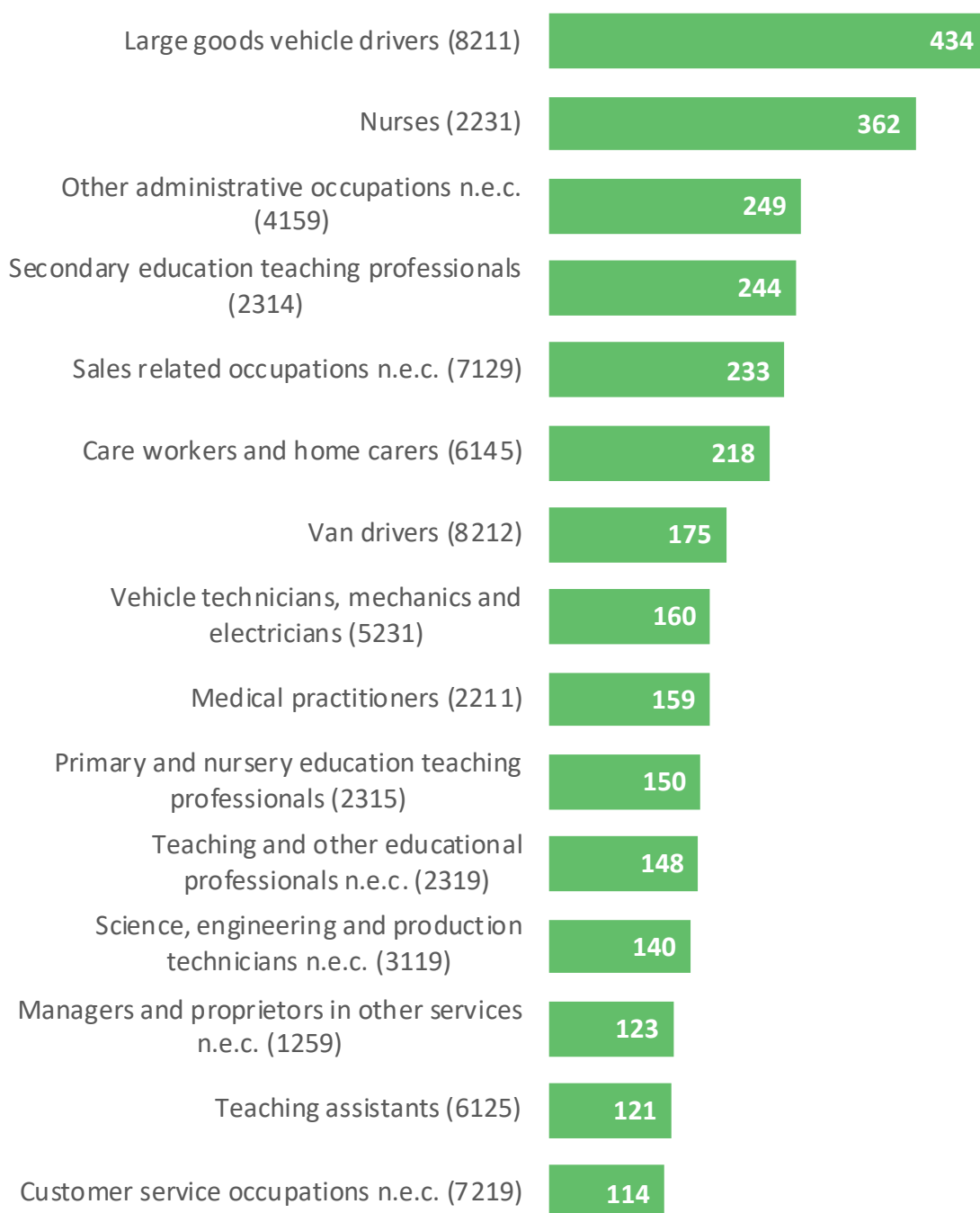
**Chart 31: Top 15 Vacancies in West Lindsey, August 2018 – July 2019 (Total number of vacancies during this period = 2,346)**

Source: Labour Market Insight, Burning Glass



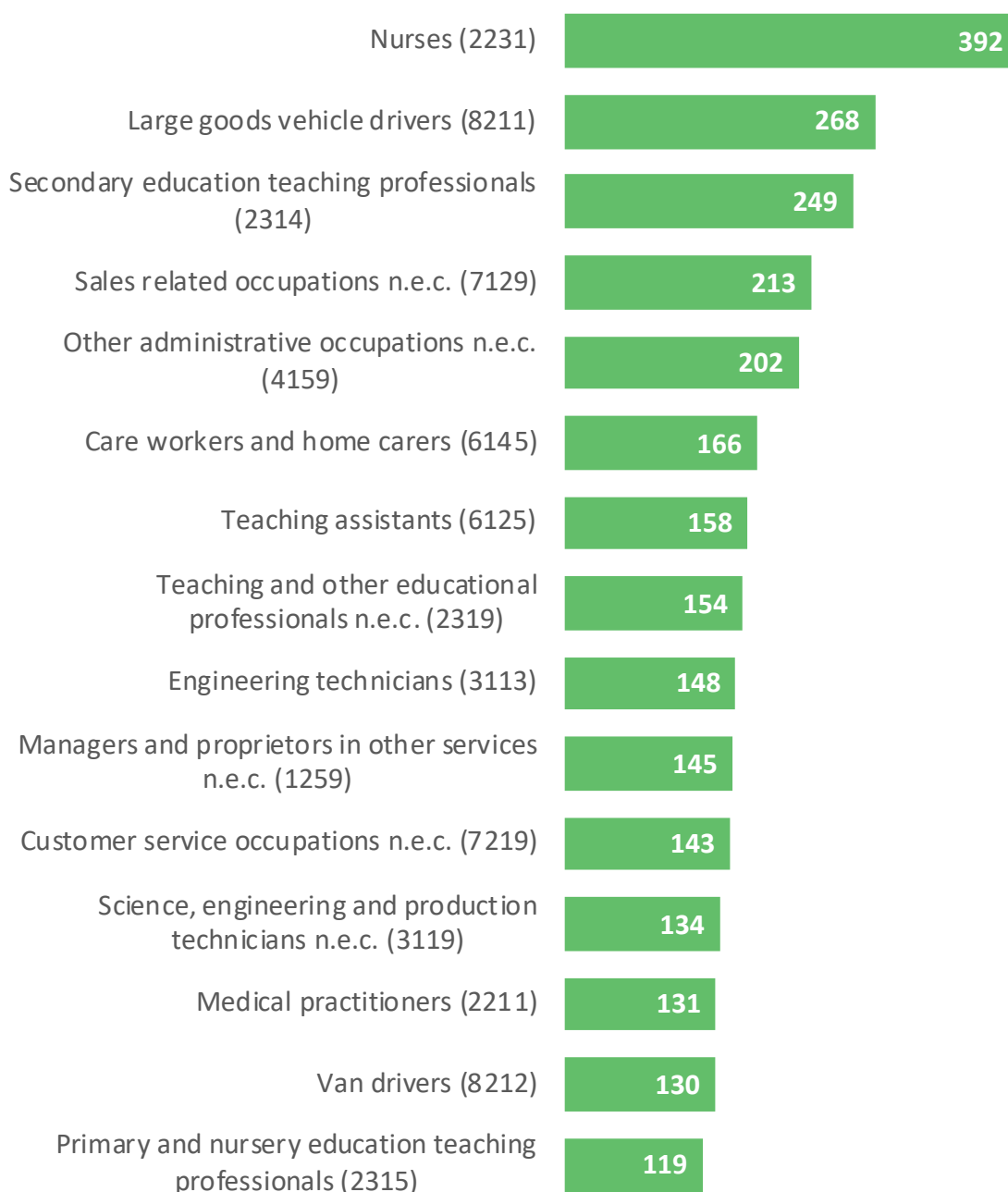
**Chart 32: Top 15 Vacancies in North East Lincolnshire, August 2018 – July 2019**  
**(Total number of vacancies during this period = 7,300)**

Source: Labour Market Insight, Burning Glass



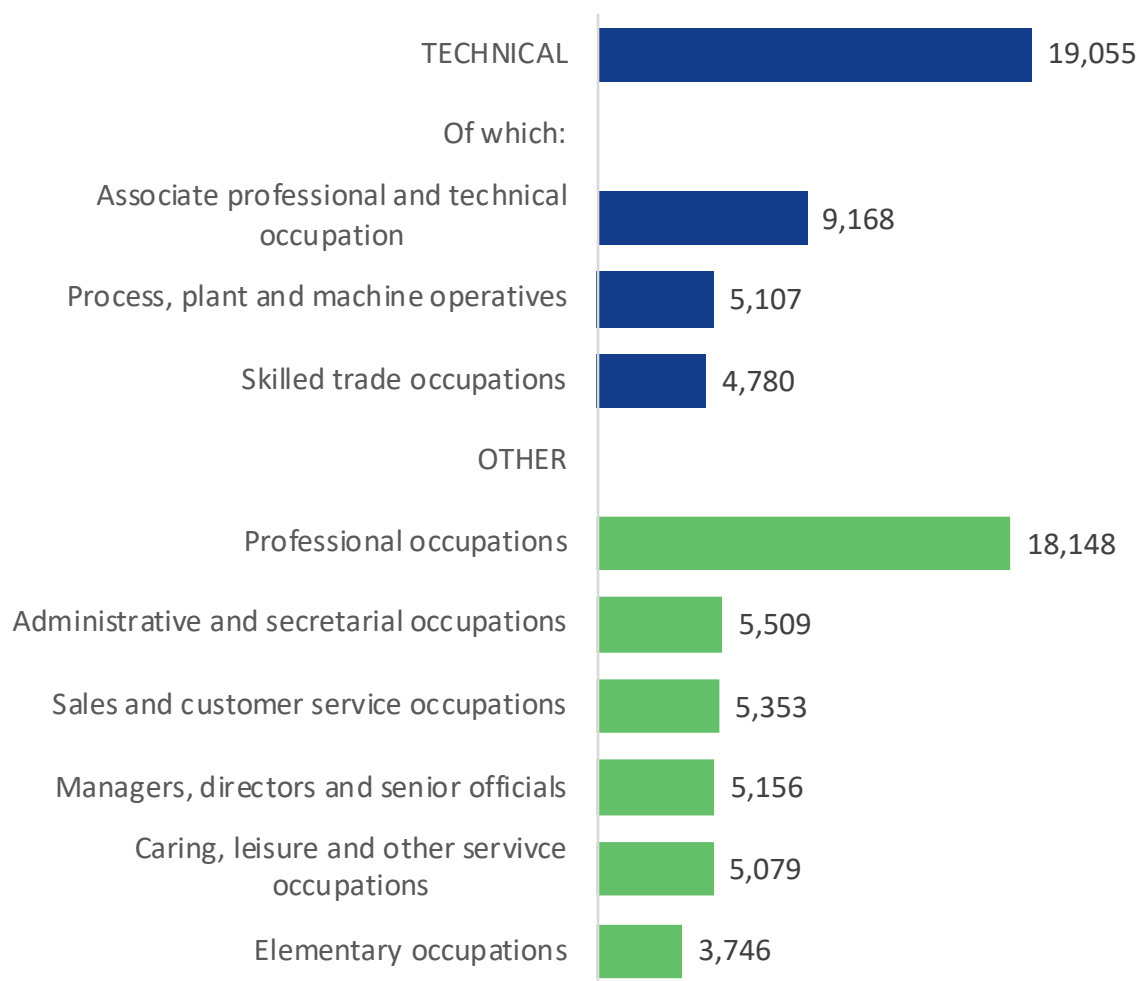
### Chart 33: Top 15 Vacancies in North Lincolnshire, August 2018 – July 2019 (Total number of vacancies during this period = 6,782)

Source: Labour Market Insight, Burning Glass



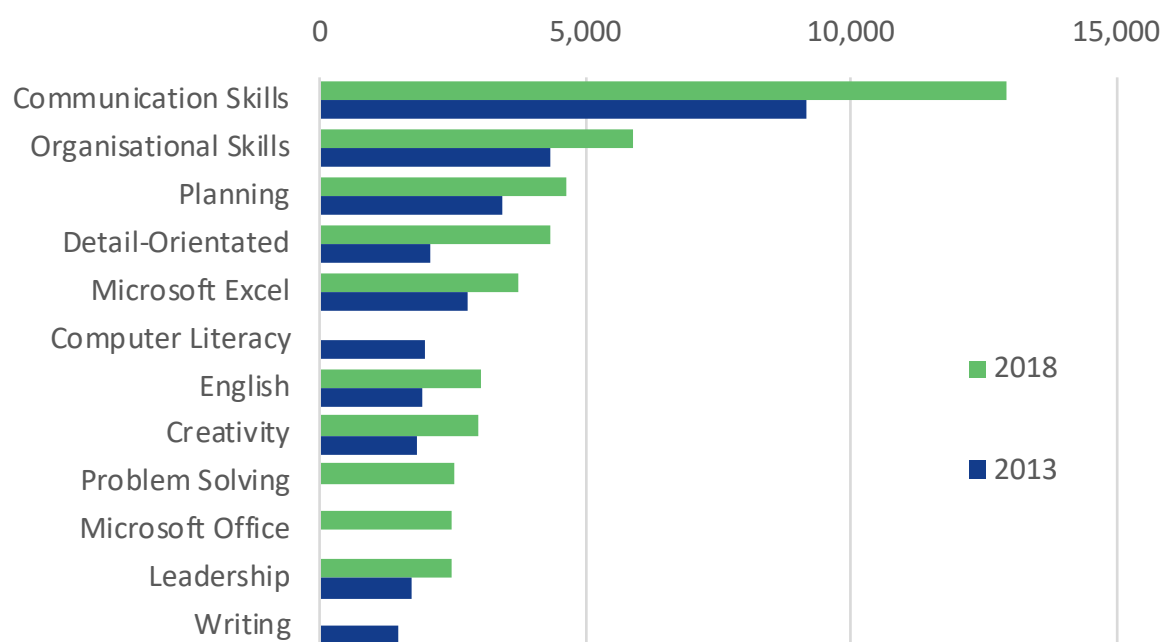
**Chart 34: Job vacancies by broad occupation (Standard Occupational Classification code) in Greater Lincolnshire, August 2018 – July 2019**

*Source: Labour Market Insight, Burning Glass*



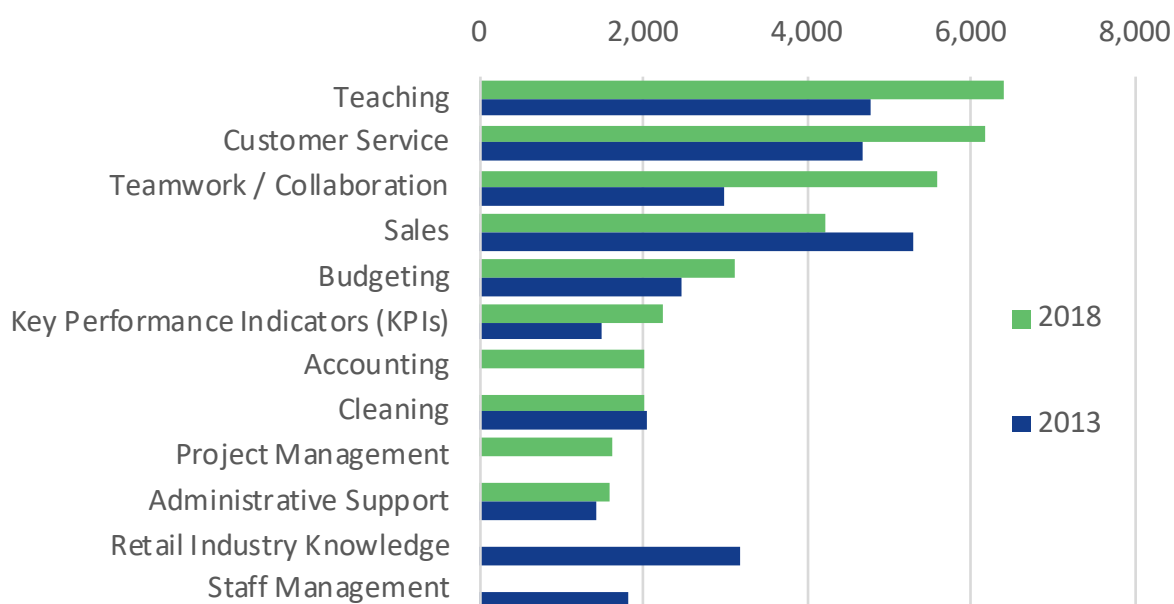
### Chart 35: Top 10 Baseline Skills, 2013 and 2018

Source: Labour Market Insight, Burning Glass



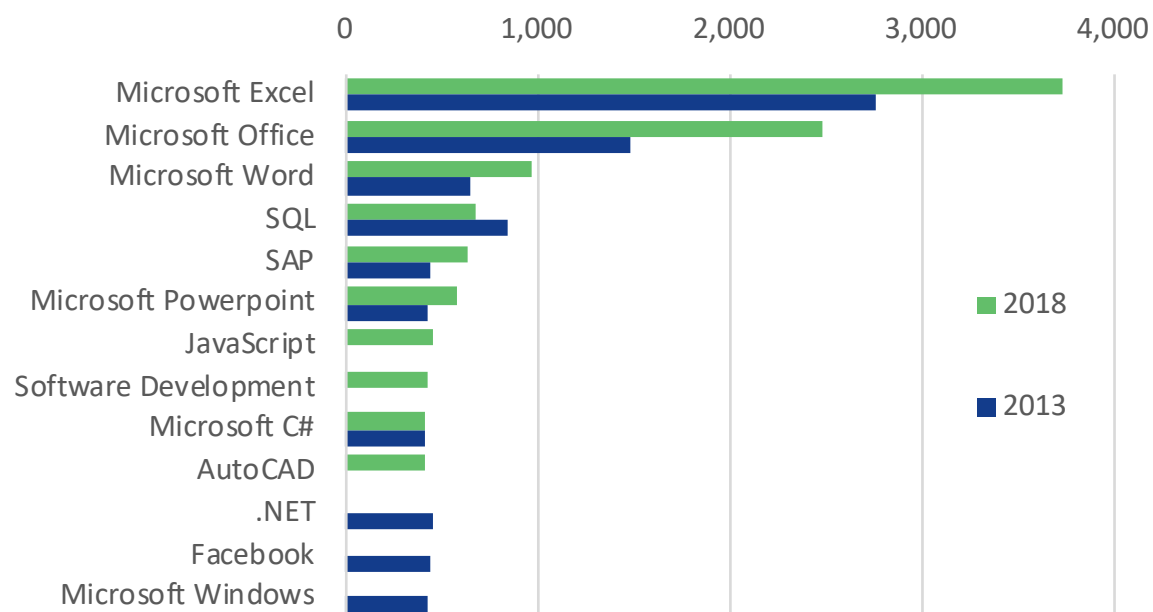
### Chart 36: Top 10 Specialised Skills, 2013 and 2018

Source: Labour Market Insight, Burning Glass



**Chart 37: Top 10 Computer Skills, 2013 and 2018**

*Source: Labour Market Insight, Burning Glass*



**Table 3: Further examples of job types by occupational group and sector**

<b>Occupational Group</b>	<b>Primary sectors (Agriculture, Utilities, Manufacturing, Construction)</b>	<b>Service sectors (Retail, Business, Finance, Transport, etc.)</b>	<b>Public sector (Public admin, Health, Education, etc.)</b>
Managers, Directors and Senior Officials	Site managers, department heads, shift managers (not supervisors)	Directors, Managers /Branch/Site managers, shift managers (not supervisors)	Police inspectors and above, department heads, head teachers, senior officials, health/social service managers/directors
Professionals	Professional engineers, software and IT professionals, accountants, chemists, scientific researchers	Solicitors, lawyers, accountants, IT professionals, economists, architects, actuaries	Doctors, nurses, midwives, teachers, social workers, librarians
Associate Professionals	Science and engineering technicians, lab technicians, IT technicians, accounting technicians	Insurance underwriters, finance/investment analysts and advisers, writers/ journalists, buyers, estate agents	Junior police/fire/ prison officers, therapists, paramedics, adult care workers, housing officers
Administrative staff	Secretaries, receptionists, PAs, telephonists, bookkeepers	Secretaries, receptionists, PAs, communication operators, market research interviewers, clerks	Secretaries, receptionists, PAs, local government officers and assistants, office assistants, library and database assistants
Skilled Trades	Farmers, electricians, machine setters / tool makers, carpenters, plasterers	Motor mechanics, printers, TV engineers, butchers	Chefs
Caring, Leisure and Other Service Occupations	Care assistants, nursery nurses	Travel agents, travel assistants, hairdressers, housekeepers	Care assistants, home carers, nursery nurses, ambulance staff, pest control, dental nurses, caretakers

<b>Occupational Group</b>	<b>Primary sectors (Agriculture, Utilities, Manufacturing, Construction)</b>	<b>Service sectors (Retail, Business, Finance, Transport, etc.)</b>	<b>Public sector (Public admin, Health, Education, etc.)</b>
Sales and customer service occupations	Customer facing roles: sales staff and call centre agents	Sales assistants and retail cashiers, telesales, call centre agents	Customer care operations
Process, plant and machine operatives	Routine operatives, drivers, machine operators, sorters and assemblers	HGV, van, fork-lift, bus and taxi drivers	Drivers, vehicle inspectors
Elementary occupations	Labourers, packers, goods handling and storage staff	Bar staff, shelf fillers, catering assistants, waiters/waitresses, cleaners	Labourers, cleaners, road sweepers, traffic wardens, security guards

## Working Futures Data – Assumptions and confidence

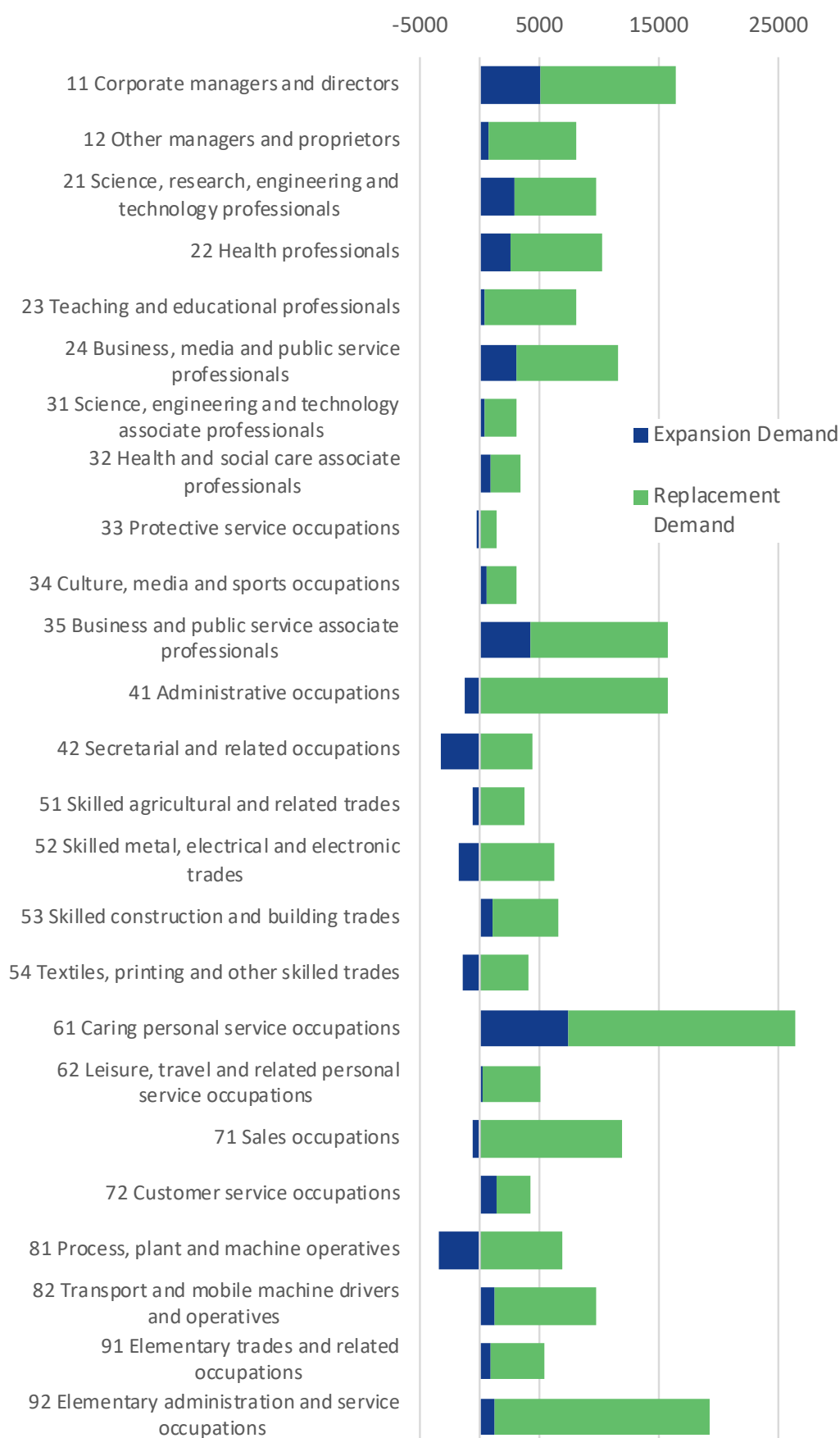
Working Futures is the leading source of information on the potential future jobs market because of its robustness, comprehensiveness, and granularity. The projections are founded on rigorous assumptions about some of the key economic, technological, and social trends. They should not, however, be interpreted as a concrete snapshot of the future. Focus should be on the patterns of employment for industries and occupations.

It is very important to note that industry no longer falls into classifications as neatly as it did when SOC (Standard Occupational Classification) and SIC (Standard Industrial Classification) codes were first developed, and the technological advancements and new roles particularly within the agricultural and food industry and the low carbon / renewables industry are not reflected well. This means that while the forecast overall is robust, growth or replacement demand may not always be reflected in the correct sector. A good example of this is the role of agronomists within the agricultural and food industries. We know locally that many hundreds of the jobs are within consultancies, or specific support services, yet the work that they do is within both the agricultural and food industries.

Local sector specialists have told us that they are puzzled by the decline that is shown in SOC 'Skilled Trades' and 'Process Plant and Machine Operatives'. Whilst there will be jobs in these occupations due to replacement demand the forecasts suggest that the number of people within these occupations will not grow. It is possible that this is an effect of employment agencies. People employed by employment / temping agencies do a variety of jobs (particularly within the agricultural and food sector) and we know that these jobs are recorded in the Administrative and Support Services Activities SIC code, rather than the Agricultural or Food activities SIC codes. It is therefore possible that occupational codes are also wrongly aligned, and as a result caution is advised.

**Chart 38: Expansion and replacement demand by detailed occupation**

Source: *Working Futures 2014-2024, UK Commission for Employment and Skills*



# Working Futures Qualifications

QCF8 - Doctorate

QCF7 - Other higher degree

QCF6 - First degree

QCF5 - Foundation degree; Nursing; Teaching

QCF4 - HE below degree level

QCF3 - A level & equivalent

QCF2 - GCSE (A-C) & equivalent

QCF1 - GCSE (below grade C) & equivalent

No Q - No Qualification

## Appendix C

### Skills and Labour Supply – Additional Data Analysis

#### An Overview of the Annual Population Survey

- the sample size is approximately 320,000 respondents
- has the largest coverage of any household survey and allows the generation of statistics for small geographical areas
- uses data from the Labour Force Survey (LFS)
- the data sets consist of 12 months of survey data and are broken down on a quarterly basis

The Annual Population Survey (APS) is a continuous household survey, covering the UK. The topics covered include employment and unemployment, as well as housing, ethnicity, religion, health and education.

The purpose of the APS is to provide information on important social and socio-economic variables at local levels. The published statistics enable monitoring of estimates between censuses for a range of policy purposes and provide local area information for labour market estimates.

The sample frame for the survey in Great Britain is the Royal Mail Postcode Address File (PAF) and the National Health Service (NHS) communal accommodation list.

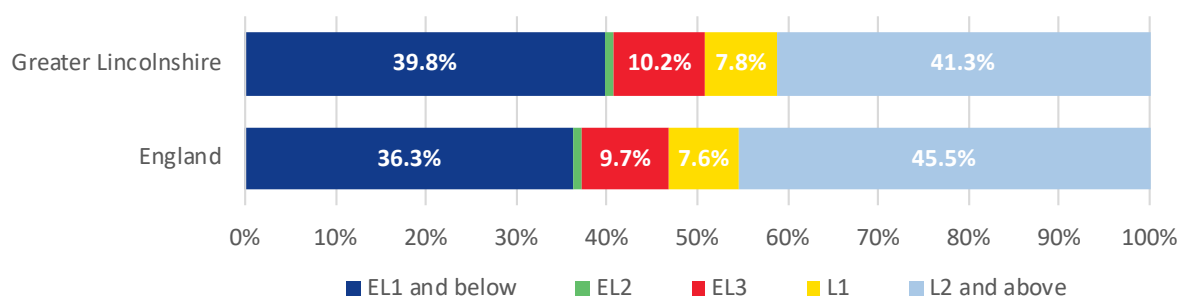
The resident population comprises persons who regard the sample address as their main address and also those who have lived in the dwelling for more than 6 consecutive months, even if they do not regard this as their principal dwelling. Persons absent for more than 6 months are not regarded as members of the resident population. A private household comprises one or more persons whose main residence is the same dwelling and/or who share at least one meal per day. Students living in halls of residence are sampled via the private households of their parents.

Interviews are carried out either on a face-to-face basis with the help of laptops, known as Computer Assisted Personal Interviews (CAPI) or on the telephone, known as Computer Assisted Telephone Interviews (CATI).

For further information on the APS, please refer to <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/methodologies/annualpopulationsurveyapsqmi>

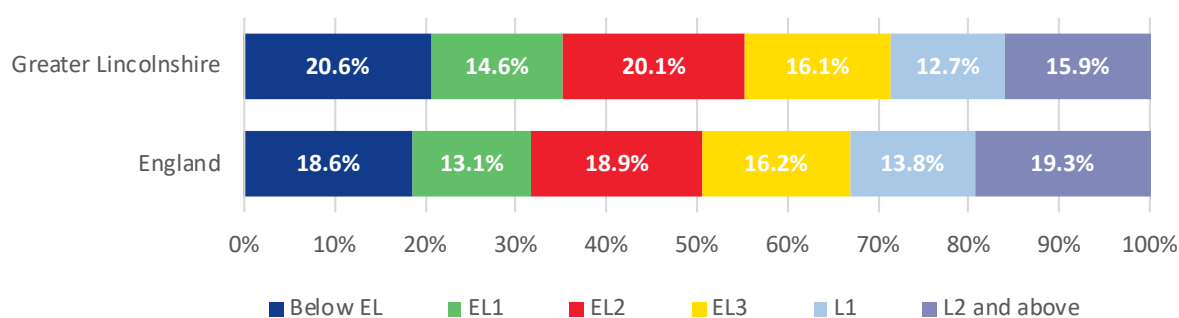
### Chart 39: Computer skills levels (emails)

Source: 2011 Skills for Life Survey, BIS



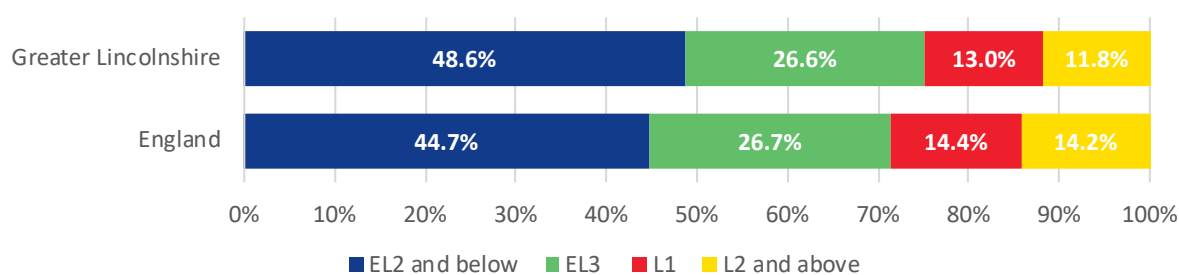
### Chart 40: Computer skills levels (Word-processing)

Source: 2011 Skills for Life Survey, BIS



### Chart 41: Computer skills levels (Spreadsheets)

Source: 2011 Skills for Life Survey, BIS



**Table 4: GCSE and equivalent entries and achievements of pupils at the end of key stage 4, 2017/18 cohort**

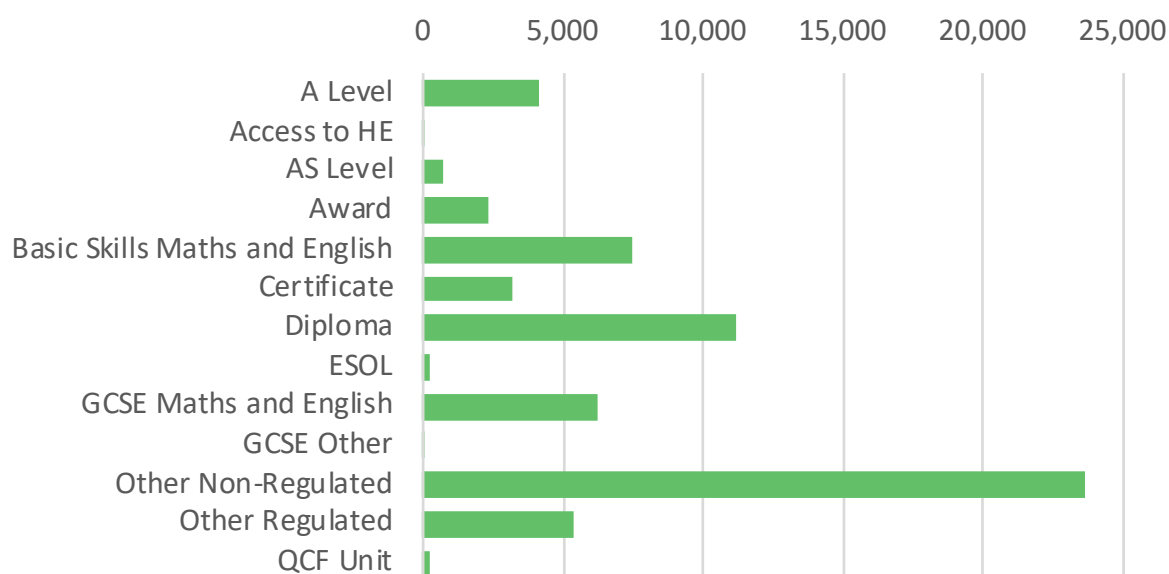
Source: Department for Education

	Number of pupils at the end of key stage 4	Average Attainment 8 score per pupil	English and maths GCSEs	
			Percentage of pupils entered for components	Percentage of pupils who achieved a 9-4 pass
<b>Total (state-funded sector)</b>	<b>521,377</b>	<b>46.5</b>	<b>97.0</b>	<b>64.2</b>
Lincolnshire	7,268	46.4	97.1	63.2
North East Lincolnshire	1,575	42.8	96.3	59.7
North Lincolnshire	1,685	44.5	97.6	63.9

Note: A 9-4 pass is the equivalent of an A\*- C grade pass.

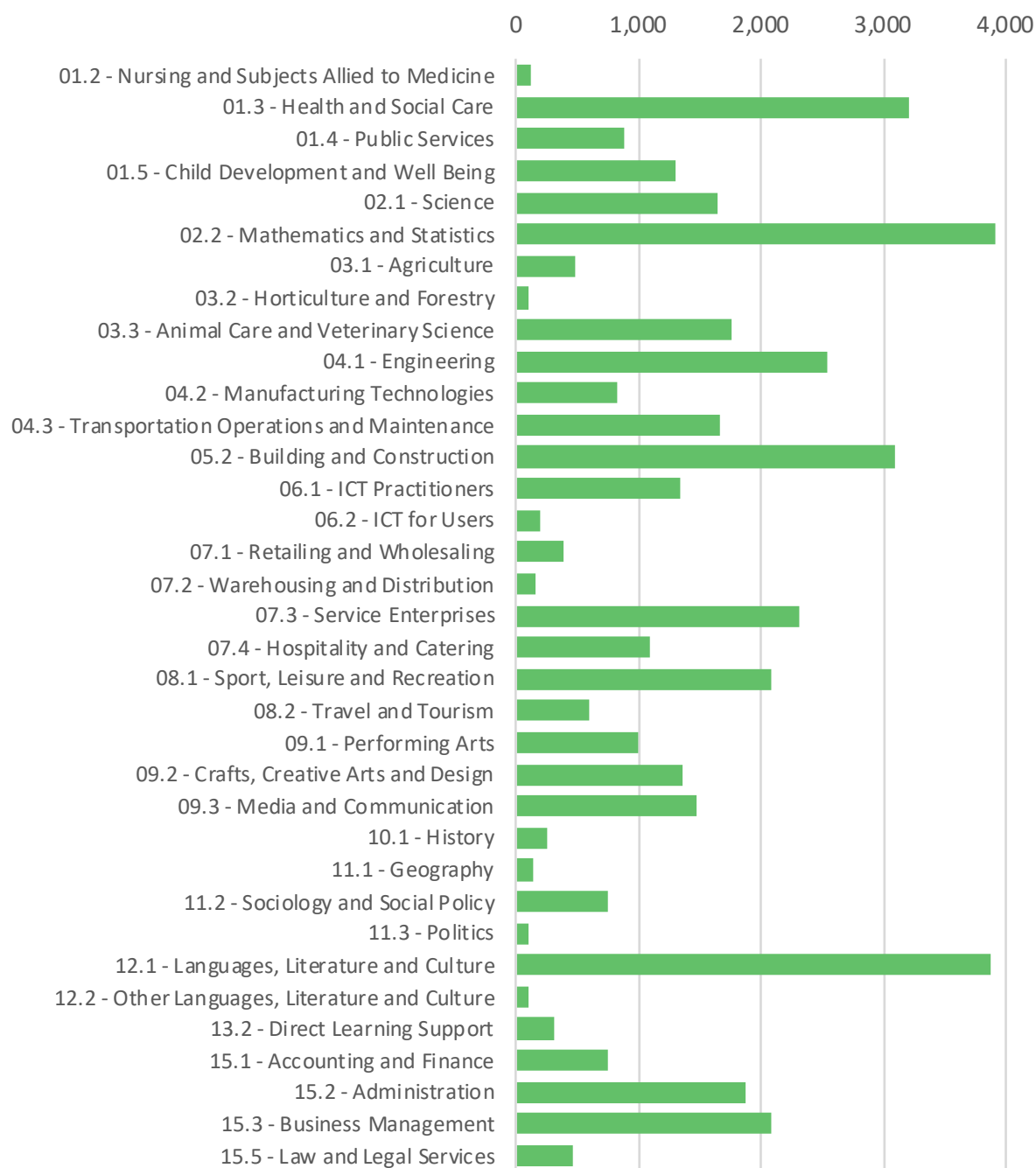
**Chart 42: FE course level of Greater Lincolnshire 16-18 year olds, 2017/18**

Source: DataCube, Education and Skills Funding Agency



**Chart 43: FE Starts by Sector Subject Area in Greater Lincolnshire, 2017/18**

Source: DataCube, Education and Skills Funding Agency



Please note that this is a count of the number of Learning Aims and that each student can start more than one Learning Aim.

Please also note that the following select courses, and those with less than 100 starts have been removed from this chart.

Courses removed due to having less than 100 students:

01.1 – Medicine and Dentistry

03.4 – Environmental Conservation

06 – Information and Communication Technology

10 – History, Philosophy and Theology

10.2 – Archaeology and Archaeological Sciences

10.4 – Theology and Religious Studies

11 – Social Sciences

11.4 – Economics

13 – Education and Training

13.1 – Teaching and Lecturing

15.4 – Marketing and Sales

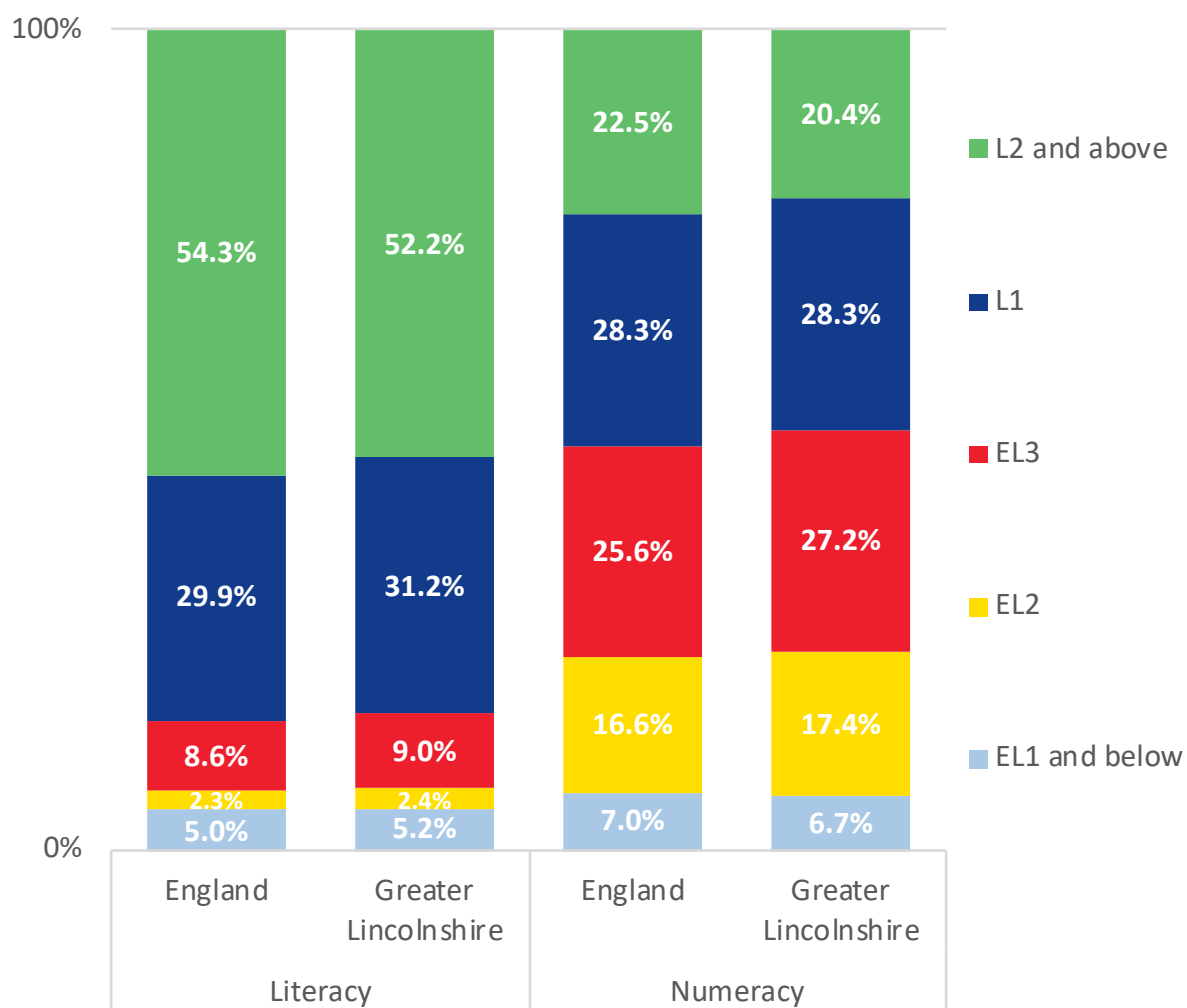
Other courses removed:

14.1 – Foundations for Learning and Life

14.2 – Preparation for Work

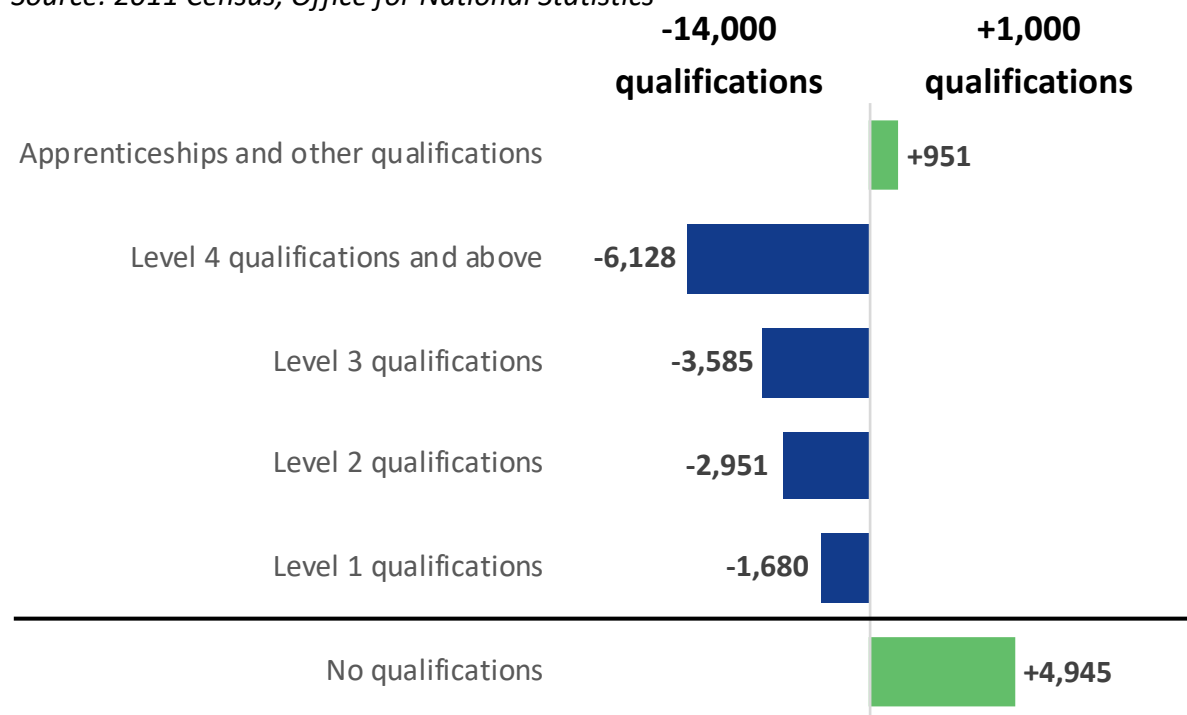
# Chart 44: Literacy and numeracy skills levels

Source: 2011 Skills for Life Survey, BIS



**Chart 45: Difference in qualification levels of resident population in employment and workplace-based population on the day of 2011 Census**

*Source: 2011 Census, Office for National Statistics*



## **Sector Subject Areas with no apprenticeship in the academic year 2017/18**

01.1 - Medicine and Dentistry

02.2 - Mathematics and Statistics

06 - Information and Communication Technology

09.1 - Performing Arts

10 - History, Philosophy and Theology

10.1 - History

10.2 - Archaeology and Archaeological Sciences

10.4 - Theology and Religious Studies

11 - Social Sciences

11.1 - Geography

11.2 - Sociology and Social Policy

11.3 - Politics

11.4 - Economics

12.1 - Languages, Literature and Culture of the British Isles

12.2 - Other Languages, Literature and Culture

13 - Education and Training

14.1 - Foundations for Learning and Life

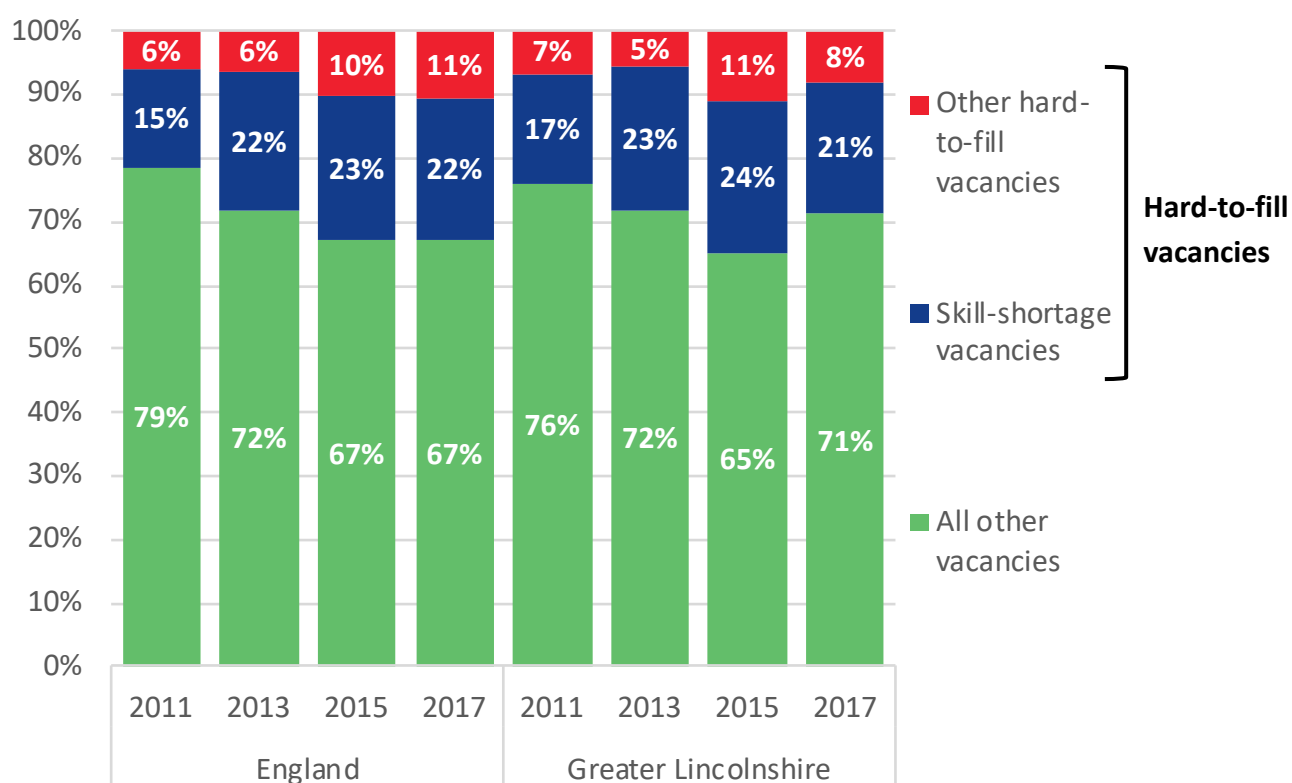
14.2 - Preparation for Work

## Appendix D

### Supply Meets Demand – Additional Data Analysis

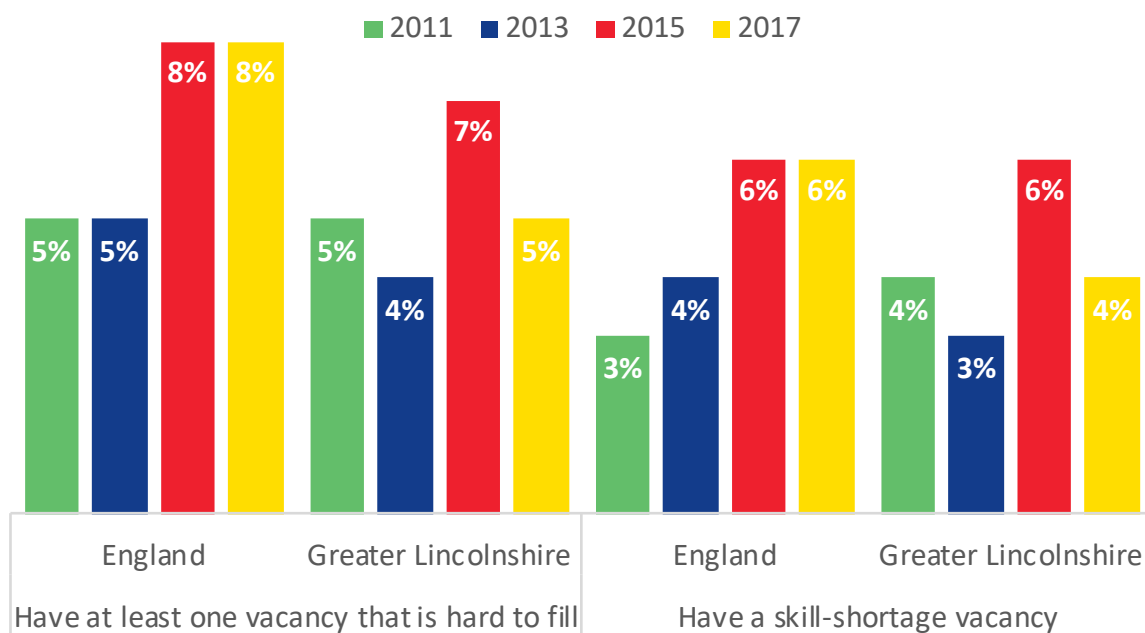
**Chart 46: Skill-shortage vacancies and other hard-to-fill vacancies over time**

Source: Employer Skills Survey 2011, 2013, 2015, and 2017, UK Commission for Employment and Skills



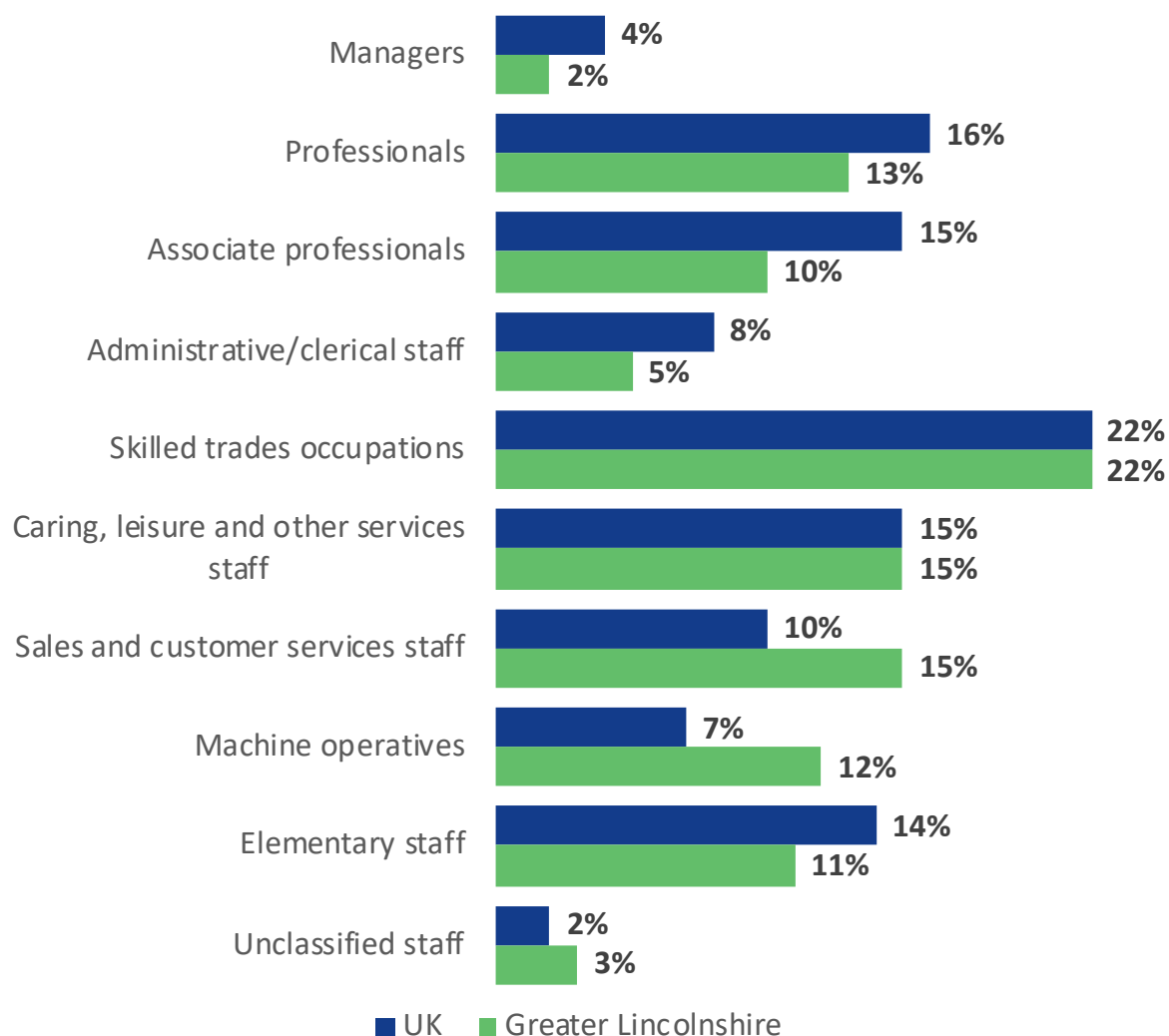
### Chart 47: Proportion of employers reporting Hard-to-fill and skill-shortage vacancies over time

Source: Employer Skills Survey 2013, 2015, and 2017, UK Commission for Employment and Skills



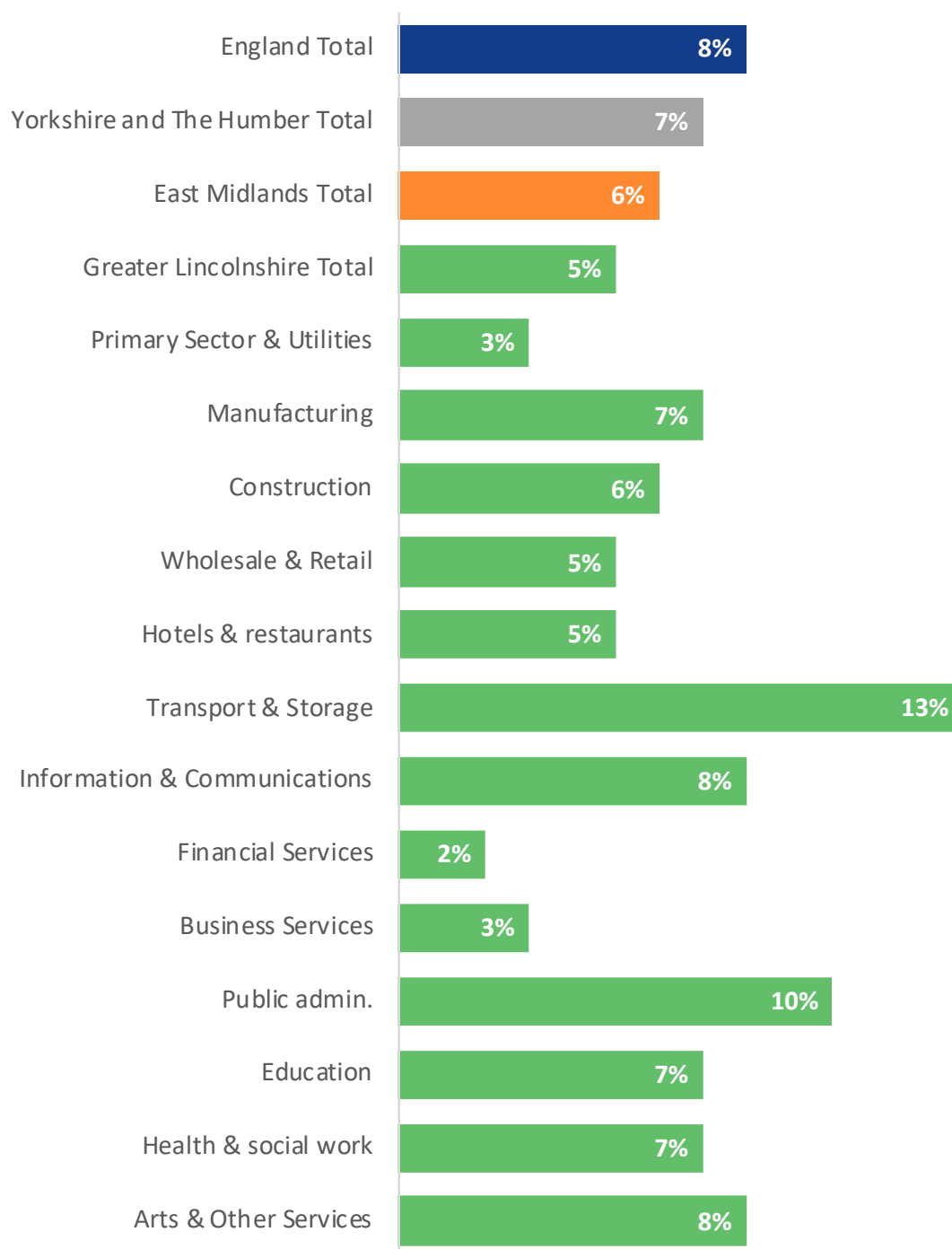
## Chart 48: Hard-to-fill vacancies by occupation (Employer Base)

Source: Employer Skills Survey 2017, UK Commission for Employment and Skills



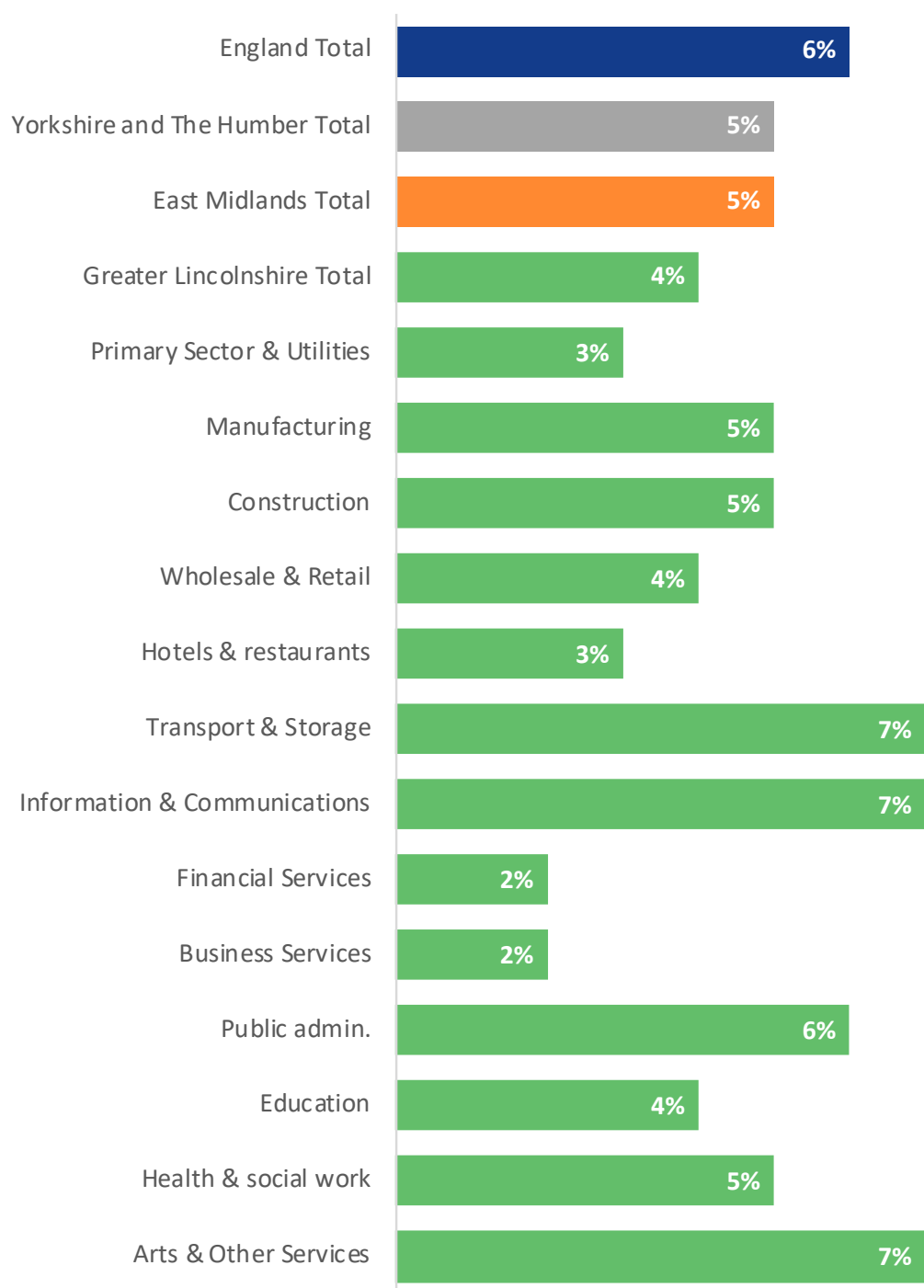
### Chart 49: Hard-to-fill vacancies by sector (Employer Base)

Source: Employer Skills Survey 2017, UK Commission for Employment and Skills



## Chart 50: Skill-shortage vacancies by sector (Employer Base)

Source: Employer Skills Survey 2017, UK Commission for Employment and Skills



## UK Home Office Shortage Occupation List

Standard Occupational Classification (SOC) code and description

(1123) Production managers and directors in mining and energy

(2113) Physical Scientists

(2121) Civil engineers

(2122) Mechanical engineers

(2123) Electrical engineers

(2124) Electronics Engineers

(2126) Design and development engineers

(2127) Production and process engineers

(2129) Engineering professionals not elsewhere classified

(2133) IT specialist managers

(2135) IT business analysts, architects and systems designers

(2136) Programmers and software development professionals

(2139) Information technology and communications professionals not elsewhere classified

(2142) Environmental Professionals

(2211) Medical practitioners

(2217) Medical Radiographers

(2219) Health professionals not elsewhere classified

(2231) Nurses

(2314) Secondary education teaching professionals

(2425) Actuaries, economists and statisticians

(2442) Social workers

(2461) Quality control and planning engineers

(3113) Engineering technicians

(3213) Paramedics

(3411) Artist

(3414) Dancers and choreographers

(3415) Musicians

(3416) Arts officers, producers and directors

(3421) Graphic designers

(3541) Buyers and purchasing officers

(5215) Welding trades

(5235) Aircraft maintenance and related trades

(5249) Line repairers and cable jointers

(5434) Chefs

For further details on the criteria applied to each of these occupations please refer to <https://www.gov.uk/guidance/immigration-rules/immigration-rules-appendix-k-shortage-occupation-list>

## Identified Skills Shortages in Greater Lincolnshire

**Source: 'Supporting skills in Greater Lincolnshire: A profile of business engagement, skills needs and skills shortages', March 2019, SkillsReach and Bishop Grosseteste University**

Registered Manager and Residential, Day and Domiciliary Care Managers and Proprietors (SOC Code: 1242)

Design and Development Engineers (SOC Code: 2126)

Production & Process Engineers (SOC Code: 2127)

Engineering Professionals (SOC Code: 2129)

Nurses (SOC Code: 2231)

Engineering Technicians (SOC Code: 3113)

Metal Working Production & Maintenance Fitters (SOC Code: 5223)

Fishmongers & Poultry Dressers (SOC Code: 5433)

Chefs (SOC Code: 5434)

Care Workers (SOC Code: 6145)

Housekeepers & Related Occupations (SOC Code: 6231)

Food, Drink & Tobacco Process Operative (SOC Code: 8111)

Large Goods Vehicle Drivers (SOC Code: 8211)

Van Drivers (SOC Code: 8212)

Elementary Storage Occupations (SOC Code: 9260)

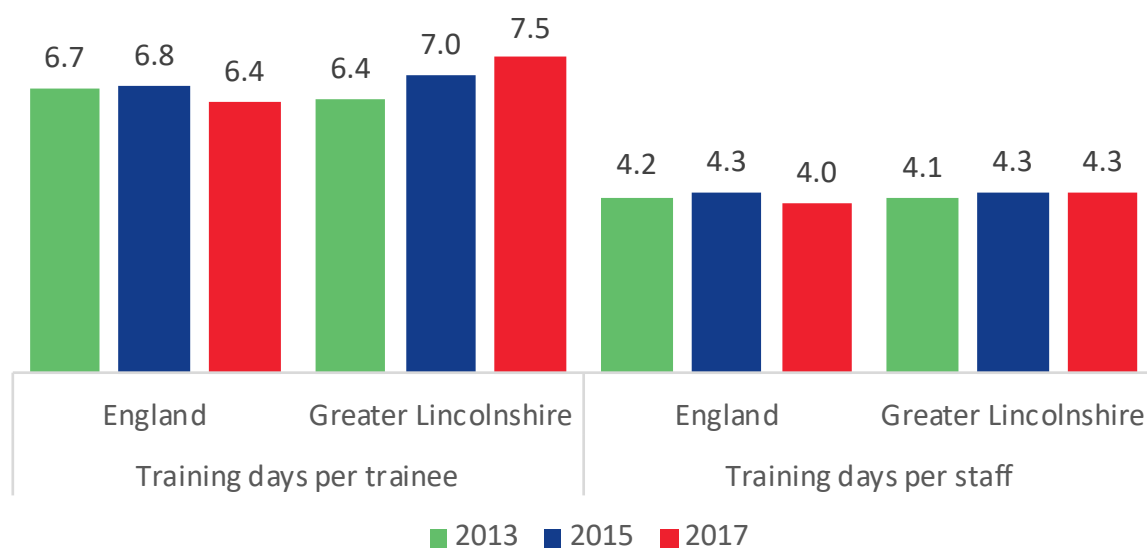
Kitchen & Catering Assistants (SOC Code: 9272)

Waiters and Waitresses (SOC Code: 9273)

Bar Staff (SOC Code: 9274)

### Chart 51: Training days delivered over time

Source: Employer Skills Survey 2013, 2015, and 2017, UK Commission for Employment and Skills



## Appendix E

### Priorities – Further information

Policy Theme	Priority	Activity
<b>Careers</b>	Work with schools to help inspire and inform our young people about the kinds of businesses and careers available on their doorstep so that fewer leave the LEP area	Continue to develop links between businesses and schools through the Enterprise Adviser Network (EAN) and our 'Give an Hour' campaign  Continue to support the website <a href="http://www.theworldofwork.co.uk">www.theworldofwork.co.uk</a> , a platform for local employers to talk about their occupations and skills needs.
<b>ESF</b> <b>Apprenticeship Levy</b> <b>T Levels</b>	Work with Government to maximise the effectiveness of skills and training schemes so that all employers and residents can benefit and not just those able to access programmes or training providers	<ul style="list-style-type: none"> <li>- Continue to work with ESFA teams to ensure that European Social Funding skills and training programmes are supporting adults across the whole LEP area not just urban or well-populated areas.</li> <li>- Maximise the effectiveness of the Apprenticeship Levy so that it is working for businesses across the whole LEP area</li> <li>- Support Government to successfully rollout T Levels in all areas</li> </ul>
<b>Supporting Business</b>	Work with business to prioritise workforce development, succession planning and recruitment strategies so that they can replace staff that will retire	Through the LEP's Growth Hub, Business Lincolnshire, developing channels to promote and support recruitment strategies (e.g. Recruitment Conference), and linking with support for T Levels and Apprenticeships;  Raise awareness of the Fuller Working Lives agenda and Disability Confident Scheme

<b>Policy Theme</b>	<b>Priority</b>	<b>Activity</b>
<b>Supporting Business</b>	Find ways to support small business owners and self-employed people to re-train or upskill because they make up a good proportion of the population	Through the LEPs Growth Hub and FSB and Chamber of Commerce.
<b>National Retraining Scheme</b>	Engage with the new National Retraining Scheme when it is rolled out across England in 2020 so that adults are inspired and informed about the kinds of businesses and careers available on their doorstep	Involvement in the Career Learning Pilot means that we are keen to see adults benefitting from this scheme, particularly in the parts of the LEP where adults have lower qualifications.
<b>Research</b>	Develop additional local analysis about how the labour market works at local level because the large LEP geography has a relatively high number of travel to work areas	Undertake a SAP Analysis at a more local level where possible and relevant
<b>Insight</b>	Understand and communicate employers real skills needs, it is not enough to say that we will upskill our young people and our residents	Use our existing networks and sector Boards to best effect

<b>Policy Theme</b>	<b>Priority</b>	<b>Activity</b>
<b>Infrastructure Investment: Local Growth Funds Institutes of Technology</b>	Continue to invest in modernising and advancing Further and Higher Education facilities and equipment, making them more relevant to the present working environment and more appealing to young people so that they remain in the area rather than seek better facilities elsewhere	<ul style="list-style-type: none"> <li>- The Local Growth Fund</li> <li>- The Greater Lincolnshire Institute of Technology</li> </ul>
<b>Digital Inclusion</b>	Ensure that adults and young people are not digitally excluded by working with Government to develop Digital Partnerships in our market towns	Work with Department for Culture, Media and Sports to develop local partnership.

## More Information

This paper was produced by Codename:Consulting on behalf of the Greater Lincolnshire Local Enterprise Partnership (GLLEP).

The GLLEP evidence base on the Lincolnshire Research Observatory is the key source of analysis and intelligence for the GLLEP.

[www.research-lincs.org.uk/lep-home.aspx](http://www.research-lincs.org.uk/lep-home.aspx)



## GREATER LINCOLNSHIRE EMPLOYMENT AND SKILLS BOARD PAPER

Distribution	Employment and Skills Board				
Meeting date:	11 <sup>th</sup> September 2019				
Agenda Item:	7				
Item Subject:	Apprenticeship Levy Transfer Scheme				
For:	Discussion	x	Decision	x	Information

### Purpose:

To consider and discuss a Greater Lincolnshire Apprenticeship Levy Transfer scheme. This scheme would support businesses that have not spent all of their Apprenticeship Levy to transfer it, as currently permitted by the Department for Education, to businesses that do not pay the levy. This would retain Apprenticeship training funding locally, and increase the number of Apprentices locally.

### Recommendations:

To ask the LEP Team to work with the Department for Education to establish how much funding this proposed scheme could release and based on that, develop a cost-effective scheme to support the transfer of the apprenticeship levy to non-levy payers.

### 1, Background

Although a fairly crude way to measure success, the number of residents starting an apprenticeship has declined since the introduction of apprenticeship reforms in May 2017, both locally and nationally.

Numbers are starting to recover, however they are still below the level of 2010/11. See data provided at Annex 1.

The Greater Lincolnshire Employment and Skills Board has always supported Apprenticeships and vocational learning as an important route to developing careers in a more 'hands-on' way, and positively, per head of working age population, Greater Lincolnshire has a higher proportion of residents starting an apprenticeship than the England average.

### 2. The Apprenticeship Levy

Companies with a pay roll in excess of £3m/year must pay the apprenticeship levy at a rate of 0.5% of wage bill, which they can only use to fund apprenticeship training. Payments are taken on a monthly basis through the PAYE system.

After a slow start, nationally many larger employers are now using the levy, however there is some evidence to suggest that more is being channelled towards training existing staff rather than employing new apprentices, although that varies from business to business.

It is also evident that some businesses are not using their levy. If their levy is not spent after 24 months then it is retained by Government.

### **3. Businesses that do not pay the levy**

Businesses with a pay roll of less than £3m/year do not pay the apprenticeship levy.

Colleges/Training providers/Universities have to apply to the Government for funding to train apprentices working for non-levy payers. Many local training providers have these contracts (not all do) and those that do have seen a much smaller allocation than they have been given in the past. These contracts are running low, and in some cases have already been used, resulting in less choice for SMEs or even them being turned away. It also has implications for the local provider base.

### **4. Levy transfer**

One solution is that levy payers who are not using their levy can transfer up to 25% of it to non-levy payers. These 'receiving' businesses can then ask for training providers to train their apprentices without it impacting on the non-levy training allocation.

We do have at least 2 local examples of Levy payers transferring unused levy (Lincolnshire Cooperative and Lincolnshire County Council).

Whilst the process is reasonably simple, it requires awareness, effort and willingness from both the levy payer and the receiving business and without this it may not happen.

This means that an un-quantified amount of funding, unused Levy is lost from the area each month instead of being invested in apprenticeship training.

### **5. Proposal**

For levy transfer to work effectively and to have a significant impact on our SMEs it needs to be done at scale and with support for both the levy payers and the SMEs. However we do not know the size of the opportunity.

Levy payers in the LEP area with unspent levy need to be identified and encouraged to allocate some/all of their unspent levy, and the LEP would need to identify non-levy businesses who are looking to 'receive' the funds.

The West Midlands Combined Authority has already launched its own earlier model earlier this year, and others are looking at this too.

To make the proposal viable we would need to understand the approximate size of unspent apprenticeship levy that could be transferred.

If there is, for example, over £1m unspent levy in Greater Lincolnshire every year that could be transferred to local SMEs, the LEP might want to consider providing £60,000 allocation for focused resource to get the project up and running for a 12-month period.

**Financial implications:**

An allocation of up to £60,000 would be sought from the LEP Board for resource to develop and deliver the scheme if a case is made that over £1m Levy funding could be retained within the area per year.

**Legal implications:** None

**Risks, opportunities and impacts:**

None at this stage, further exploration required to establish the opportunity.

**Consultation:** no formal consultation required.

**Appendices:**

**Annex 1 – Data**

Clare Hughes. Skills Manager

## GREATER LINCOLNSHIRE EMPLOYMENT AND SKILLS BOARD PAPER

### Annex 1 – Data

#### Total number of residents starting an apprenticeship 2009 – 2018 (*Academic Years August to July*)

	Total number of residents starting an apprenticeship								
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Lincolnshire	3910	6070	6920	7330	5760	6480	6840	6920	5073
North East Lincolnshire	890	1330	1660	1590	1340	1570	1780	1380	1250
North Lincolnshire	930	1520	1700	1820	1520	1960	1940	2010	1530
Greater Lincolnshire	<b>5730</b>	<b>8920</b>	<b>10,280</b>	<b>10,740</b>	<b>8620</b>	<b>10,010</b>	<b>10,560</b>	<b>10,310</b>	<b>7853</b>
England	276,900	453,000	515,000	504,200	434,600	494,200	503,900	494,880	375,760

Source: FE Data Library

The increase locally in 2012-13 against a drop nationally was in part attributed at the time to the work of the Employment and Skills Board and Lincolnshire County Council with the Work Based Learning Academy to deliver a number of schemes that raised awareness of apprenticeships;

The drop in 2013-14 was due to changes/confusion about funding arrangements for those over the age of 24;

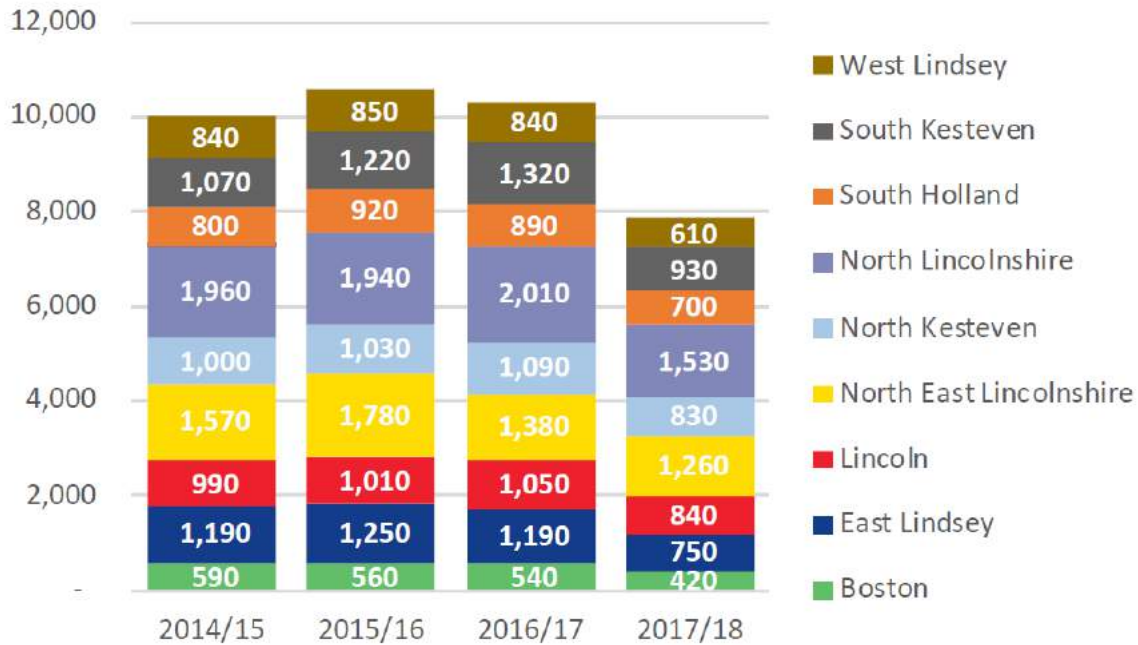
The decline in 2017-18 is due to the introduction of Apprenticeship Levy and other reforms that were introduced in May 2017

#### Total number of residents starting an apprenticeship by age and level in Greater Lincolnshire, 2017-18

017/18 Starts, Learner Home Geography, Greater Lincolnshire, by age band (at point of Start)						
Age	Intermediate Apprenticeship	Advanced Apprenticeship	Higher Apprenticeship	2017/18 TOTAL	2016/17 TOTAL	2015/16 TOTAL
Under 16	<5	<5	0	6		
16-18	1404	964	30	2398	2710	2750
19-24	947	1059	222	2228	2920	3210
25+	1114	1426	687	3227	4680	4600
Total	<b>3467</b>	<b>3453</b>	<b>939</b>	<b>7859</b>	<b>10,310</b>	<b>10,560</b>

**Number of residents starting an apprentice**

Source: Department for Education



# **STRATEGIC PARTNERSHIP AGREEMENT**

**Between**

**GREATER LINCOLNSHIRE LOCAL ENTERPRISE PARTNERSHIP (GLLEP)**

**And**

**CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY (CPCA)**

## 1 Background to the Agreement

- 1.1 The CPCA and GLLEP recognise the strong linkages between their two areas and the need to continue and enhance joint working, irrespective of the future configuration of the Local Enterprise Partnerships, and the Mayoral Combined Authority's requirement to ensure coterminosity of services.

## 2 Overall Commitment

- 2.1 Both parties share a commitment to develop the economy our respective economies and recognise that partnership is essential to delivery and the public sector, in particular needs, to work more closely to leverage all its resources.
- 2.2 Together, we are committed to coordinate our resources and build a consensus that gives our communities, businesses and central government the confidence that when they make decisions to live, grow and invest in our region they do so knowing there's not a better area in the country to do it.
- 2.3 In this regard, we are aligned to the objective of **working together to bring about inclusive growth across our region to support growth and create prosperous communities and places**. In particular, we will:
- 2.3.1 Collaborate on the proposals for **future strategic planning**
  - 2.3.2 **Explore joint opportunities** for investment to enable growth, particularly in infrastructure or skills development;
  - 2.3.3 **Provide joint investment** for initiatives that contribute to inclusive growth, including through new funding models;
  - 2.3.4 **Deliver joint projects** of mutual benefit that improve the lives of residents and workers in the region;
  - 2.3.5 **Build on the existing partnership working**, across the region, to increase housing supply and improve housing choice and quality;
  - 2.3.6 **Develop a coordinated approach** to ensuring a [smooth transition for service delivery to Rutland, from the Combined Authority to the Greater Lincolnshire LEP, including delivery of the Growth Hub and the Careers and Enterprise Company advisor network from March 2020](#).
  - 2.3.7 **Share information, data and evidence** that informs the future development of the region.

### **3 In practice, this will mean:**

- 3.1 **Proposals or decisions** agreed between the organisations will continue to be taken by the CPCA and GLLEP Boards, in line with their own decision-making processes.
- 3.2 **Meetings;** Representatives of the two organisations shall:
  - 3.2.1 Meet every six months to review joint working, identify opportunities for collective working, and agree future priorities.
- 3.3 **Funding:** Both organisations will work together to:
  - 3.3.1 Identify potential opportunities for HMG investment into the region, supporting the development of business cases and identification of funding streams; including approaches to HMG around the Housing Infrastructure Fund recognising that Rutland provides significant housing for high value employees involved in growing Peterborough's economy; and increasing the capacity and safety of the A1 between the Orton Interchange and the A606 exit, which provides a key flow of both goods and people into the north of the CPCA economy;
  - 3.3.2 Where appropriate to do so, and subject to respective decision-making processes, provide investment funds to support mutually beneficial proposals, such as the use of CPCA's current allocation of Local Growth Funds for the development of the St George's housing and incubator site or innovative business model concepts from other proposals from South Kesteven DC.
- 3.4 **Under our normal duty to cooperate** we will consult one another during the development of strategic documents, such as our Local Industrial Strategies
- 3.5 **Review;** Both parties commit to regularly reviewing the partnership relationship and its focus, including data driven analysis of what is being achieved achieving. This review process will be carried out through the six-monthly meetings, as well as through ongoing dialogue.

## **STRATEGIC PARTNERSHIP AGREEMENT**

**Between**

**GREATER LINCOLNSHIRE LOCAL ENTERPRISE PARTNERSHIP (GLLEP)**

**And**

**CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY (CPCA)**

Signed on behalf of Cambridgeshire & Peterborough Combined Authority:

Name

Date

Signed on behalf of Greater Lincolnshire Local Enterprise Partnership (GLLEP)

Name

Date