

LEP Director Board

Date: Tuesday 29th July 2025

Time: 15:15pm - 16:45pm

Venue: Hybrid

Paper 1.0 Agenda Teams Meeting

Attendees: Neal Juster (UOL), Cllr Phillip Jackson Vice Chair (NELC), Nick Worboys (Longhurst Group), Allison Ballard (BAE Systems), Julian Free (UOL), Cllr Rob Waltham (NLC), Cllr Gale Waller (Rutland CC),

Guests: Robert Parker - Chair of Finance and Audit Committee

Time	Item	Lead	Status and Number
15:15	Welcome, Apologies, Declarations of Interest	Chair	
15:25	For Approval: Board Minutes 9 th December 2024 For Information: Review of Actions and Decision Log For Approval: Investment Board Minutes March 25	Chair	Paper 1.1 Paper 1.2 Paper 1.3 Paper 1.4
LEP Closure			
15:40	2024/25 Financial year end Transition Funding	Robert Parker (Chair of Finance And Audit committee)	Paper 2.0 with appendices 2.1, 2.2 and 2.3
16:05	LEP Closure	Linsay Hill Pritchard (LCC)	Paper 3.0
16:30	AOB and Close of meeting	Chair	

Apologies: Andrew Crookham (LCC), Mark Webb (E-Factor Group), Cllr Craig Leyland (ELDC), Nikki Cooke (LIVES)

Observers:

LCC; Justin Brown, Linsay Hill Pritchard, Abigail Wells (Minute Taker)
CCA Ruth Carver, Caroline Illingworth, James Baty, Clare Hughes

Directors Board Meeting

Date: Friday 9th December 2024

Time: 10:00 - 12:00

Venue: MS Teams

Present: Cllr Philip Jackson (Vice Chair, NELC), Debbie Barnes (CX LCC), Cllr Colin Davie (LCC), , Andrew Dawes (Associated British Ports), Julian Free (UoL), Air Commodore A J Lyle (RAF), Mark Webb (E-Factor), Nick Worboys (Longhurst Group),
Observers: Helen Perrins (Area Lead Business and Trade),
Guests: Edward Wright (LCC), Emma Foy (WLDC)

Apologies: Claire Foster (Boston College), Cllr Gale Waller (Rutland CC), Cllr Rob Waltham (NLC), Neal Juster (Chair), Alison Ballard (BAE Systems), Sarah Louise Fairburn (Vice Chair, Imp and Maker), Darren Cunningham (Independent), Nikki Cooke (LIVES),
Apologies observers: Andrew Crookham (LCC), Sharon Wroot (NELC), Lesley Potts (NLS)

Unable to attend: Cllr Craig Leyland (ELDC), Shaun Povey (Siemens Energy), Mandy Watson (Ambitions Personnel)

LEP Executives: Ruth Carver, Caroline Illingworth, Halina Davies, Maria Starnes (Minute Taker)

Apologies and Declarations of Interest - Apologies were noted.

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.

Welcome, Apologies, Declaration of Interest and Matters Arising

The Chair for the meeting welcomed all Board Directors to the meeting and made introductions to Andrew Dawes, Regional Director ABP and welcomed Maria Starnes. Andrew said he was new to ABP and had started his career working for P&O ports working all around the world in ports and port industry. Now working in the Humber region.

No declarations of interest were received.

ITEM 1 - For Approval - Board Minutes - 20/09/2024 and Action Log

Mark Webb proposed and Cllr Colin Davie seconded that the Minutes from the meeting held on 20th September be accepted as a true and accurate record.

APPROVAL: The minutes from the previous meeting on 20th September 2024 were accepted as an accurate record.

Matters Arising - RC gave an update on the GL Economic Statement, which is being published. There had been a presentation re skills boot camps and targeting different

interventions. It was expected the award from the Government would be received for the next round of Skills Boot Camp and the recommendations from board, would be implemented in the new round.

For Information - Review of Actions and Decision Log

APPROVAL: The Actions and Decision Log was reviewed and accepted by Board Directors.

ITEM 2 - For Information - Strategic Advisory Boards (Project Update) - Amy O'Sullivan, LEP

Amy gave an overview on the work of the Strategic Advisory Board , and specifically project funding from the LEP for activities.

Defence - Feedback had been taken from the Defence Cluster (which had 60 members). They ran a hackathon to bring a mixture of businesses together to discuss particular challenges. It was felt the hackathon had been good but did not get the expected traction so the remaining funding had been moved to DSEI, the national defence conference.

Reflecting on DESEI last year, 8 SME's attended at a reduced price to promote the cluster role and to promote defence and security. In 2025, the defence board would attend and continue to give a good platform to raise regional profile re defence and security, and get local SME's to the show who could not normally afford this type of event. A pre-session would be held to ensure delegates got the most of the opportunity.

It was hoped to hold a network dinner in the new year around reserves and agri tech crossover with the military. Julian Free discussed progress with a proposed defence facility.

Energy Council, a report had been produced about green energy skills and will be published. The Energy Council will be working with the Careers Hub to make a brochure to go out to schools and to go on the website.

Health and Care - Health and Care Board worked with Propel to develop a framework about health and care and technology. An innovation showcase had been run in June with 50 attendees to assist stakeholders to work more collaboratively. A LinkedIn community had been created as well as a healthathon to discuss particular challenges and work together more.

Manufacturing Board - a new microsite had been developed and within this were promotional tools such as a case study promoting wrap-around opportunities. They would be promoting the Spark Festival to be held next July. The platform would be used as a promotional recruitment to gain more members to the Board. It was hoped to use it as a hub for work in the manufacturing sector.

Visitor Economy Board - they had wanted to promote the sector to school leavers and returners aged 40 plus. They had worked with Community Films to make a video campaign focussing on careers around hospitality, events, arts, retail, tourism and sport. There had been a six-week legacy social media campaign and they had smashed targets in terms of clicks and the wrap-around activity with a lot of positive engagement which was 600% over the target expected.

Discussion

There were around 200 people volunteering on the Strategic Advisory Boards which showed what could be done with a relatively small amount of investment.

It was reported that the top five state schools in the East Midlands were in Lincolnshire. LCC's Investment Strategy had been released with £20m committed over four years for buildings in key sectors of defence, agri-food, food and manufacturing.

The Lincolnshire Energy Conference was to be held on 25th February 2025 at the University of Lincoln.

Directors asked questions about the legacy of work undertaken, and most of the assets will be shared with partners and on the LEP website.

When looking at upskilling in the green economy, it was important to include the supply chain of smaller businesses and diversification as it was needed and misunderstood. Mark Webb offered to help raise awareness and drive skill levels in the area in parallel to the work being done for young people. He also offered to assist with making people more aware of the healthathon in terms of how entrepreneurs and start-ups could be brought in.

In response to a question re the visitor economy and keeping the legacy going, it was reported that the assets had been shared with the careers hub team who were pushing it out to schools.

Re energy, officers were beginning to consider next steps through a Carbon Reduction Business Plan which it was hoped would go through to the Combined Authority - a big part of that was the opportunities for people and businesses.

Re health and care, there was a health care system that had big challenges but with an embryonic health economy with some of the solutions to be found in local entrepreneurship and technology. One example of this cross-over technology was Lone Star's first project working with the NHS to produce a model using data analytics to establish whether they were under or over referring people in relation to an aggressive cancer.

ACTION: LEP Team to ensure the Assets are shared with partners and the LEP Website.

ITEM 3 - For Discussion- Circular Economy Results - Caroline Illingworth, LEP

Caroline Illingworth had been leading on this work for the LEP and working with partners from across Greater Lincolnshire. Work had been carried out with a specialist consultant to develop a baseline of circular economy activity, funded by the Midlands Net Zero Hub and LEP reserves. A slide presentation was delivered.

An overview of circular economy was provided which highlighted the potential economic benefits of greater circular activity. The scope of the project was explained, to baseline current levels of circular activity within the private and research sectors, assess the potential for clustering and identify sectors with the greatest opportunities for delivering economic growth via the circular economy.

A summary of the findings was provided, highlighting the priority sectors of construction, agri-food, visitor economy, manufacturing and ports and logistics, and the specific barriers and opportunities associated with circularity within those sectors.

An outline draft framework for delivering greater levels of circularity across Greater Lincolnshire was proposed for discussion, with four key objectives of increasing the number of businesses in the circular economy, enabling collaboration and supporting innovation, increasing value of materials in the Greater Lincolnshire economy, and utilising local

authority as a lever for encouraging circularity. There was a proposed timeframe of a 10-year programme to develop a pipeline of investable activity starting with the quick wins.

It was commented that it was key to move the programme along without losing it in devolution. New Government guidance was coming out on waste collection and it was hoped there would be better collaboration across Lincolnshire. The ports sector were very keen to work and support including green power, packaging etc. It was seen as business critical with the need to accelerate and enable things to move forwards. Innovation should be encouraged with an example given from the West Midlands Combined Authority of a programme where waste from the construction industry is diverted to a re-use hub.

The presentation had been the first run-through to a wider audience and there was much socialisation with other partners to do which needed testing to ensure an effective coalition. Next steps would be to develop a joint action plan.

ACTION: Circular Economy Action Plan to be brought back at the March 25 meeting - Caroline Illingworth

ITEM 4 - For Information - Devolution Update - Debbie Barnes, LCC

It was reported that the Statutory Instruments had been laid with a first meeting in March 2025, and the mayoral election in May 25.

The governance, strategy etc were being developed to ensure safety, legality and compliance. The draft Constitution had been completed. They had met with the FE sector to develop the skills plan. The infrastructure plan, growth strategy and transport plan were being worked on.

The Parties were selecting candidates and it was expected there would be a clear view by Christmas. A lot of work would go into briefing them into their roles and the time it would take to deliver for the combined authority.

ACTION: Debbie Barnes to give an update at the March meeting or before on the next steps.

ITEM 4.1 - For Discussion - Nuclear Sector Opportunities and Trent Valley Fusion Vision - Ruth Carver, LEP and Edward Wright, LCC

Ruth introduced this item and Ed gave a presentation on opportunities in the sector in terms of jobs, skills and supply chain. There was a wide ranging discussion on the opportunities for Lincolnshire in SMR, AMR, fission and fusion. For the supply chain there were big opportunities within the nuclear and fusion sectors. Midlands Nuclear had been launched aimed at bringing together the nuclear industry to make a case for the increased and sustained investment into the industry and those adjacent to it. The University of Lincoln were engaging and commissioning work like the siting study.

There were opportunities at all levels to improve skills with pathways across the board with huge growth and there were programmes to provide funding opportunities for training. There was a lot of work to be done but Skills Boot Camps could be utilised.

Re research and innovation, the Government had pledged extra funding which would cut across many areas such as transport, AI, civil engineering and environmental monitoring. It was necessary to ensure it carried across and developed the eco system approach.

It was necessary for people to gain an understanding of the opportunities despite the resistance. Nuclear waste had to go somewhere which created a good opportunity to secure jobs over a long timeframe. The ability it would give to invest back was huge.

It was agreed that the next steps were to focus down on what the opportunities and outcomes might be (within remit) and come back with ideas as to how this might be taken forward. Some of the thinking work was being done to create a briefing for the mayoral authority.

ACTION: Suggestions re opportunities and outcomes within the nuclear sector to be brought to March Board meeting - Working group to be co-ordinated .

ITEM 5 - For Decision and Information - Q2 Performance Report1 - Caroline Illingworth, LEP & Emma Foy, WLDC

There had been a positive Finance & Audit Committee meeting on 14th November when the mid-year position had been reviewed and discussed. Thirty-nine percent of the annual budget had been delivered at the end of Q2 with 51 per cent already allocated and the remaining 10 per cent uncommitted and earmarked for Skills Boot Camps and skills capital fund delivery.

The Careers Hub had been discussed and the academic year end position was that £508,000 had been spent which included a drawdown of £42,000 from LEP reserves. The LEP reserves position showed a full balance of reserves of £6.6m which included a further £500,000 of recovered growth money which was being held in the LCC Freedom & Flexibilities account. Just under £4.9m of total reserves were committed to planned activities and £1.7m uncommitted.

It was reported that the introduction of the combined authority had been taken into account and it had been asked that the year end audit was used to confirm readiness for the transition with particular focus on ring fenced funds which may include additional costs.

Directors' attention was drawn to the activity target process where 15/20 were green and five were amber but all underway.

The Economic Strategy was about to be published. The UK Food Valley Programme delivery was on track but part of the target included the development of a governance model which would be done as the combined authority stood up, and the delivery of a sector skills plan which was paused whilst prioritising delivery of the Skills Capital Programme which was being run with devolution funding. The Skills Analysis project for the energy sector had been completed with the Development Plan being worked on. Most targets would be achieved within timescale but the energy sector development target might run over slightly.

Decision : The LEP Board agreed the recommendations from the Finance and Audit Committee regarding external audit scope.

Decision : The LEP Board agreed the proposed changes to risks SR-3, SR-5, SR-6 and DR-2, as recommended by the Finance & Audit Committee.

ITEM 6 - For Decision and Information - Decision on AGM & Written Procedures, CX and Chairs Report, Economic Briefing - Ruth Carver, LEP

AGM & Written Procedures

It was reported that there would normally be a public AGM in January looking at the previous year's accounts. Due to the timetable of the LEP functions transferring, at some stage there would need to be an EGM to close the company. Advice had been taken and instead of having two AGM's in a year, it was confirmed that the accounts could be signed off by Written Resolution to Company Members (there was provision within the Articles of Association for this). Directors' approval to take this approach was required.

DECISION: It was agreed that the accounts for the previous year be signed-off by Members via Written Resolution without holding an AGM.

CX and Chairs Report - The report which highlighted what had been happening in the last quarter was taken as read.

Economic Briefing - This was produced quarterly to aid understanding of what the economy looked like. Details were on the website if needed.

ITEM 8 - For Information - Forward Plan and AOB - Ruth Carver, LEP

A meeting was scheduled in for March 2025 with some agenda items planned to include next steps in the circular economy. Directors were asked to flag items for inclusion in the agenda for March.

Julian possibly to give an update on Decision Lab depending on progress made.

Forward Plan

The next meeting was to be held on 07 March 2025 from 10 am to midday.

Members were wished a happy Christmas and best wishes for the New Year.

Close of Meeting

The meeting closed at 11:50 am.

GREATER LINCOLNSHIRE LEP BOARD - OUTSTANDING ACTION LOG - July 25

Date	Board	Action	Action by	Status
18/07/2023	LEP Directors Board	Nuclear Sector Opportunities group to form to examine opportunities for GL	Ruth Carver/Caroline Illingworth	Complete
04/12/2023	LEP Directors Board	Economic Strategy	James Baty	Complete
20/09/2024	LEP Directors Board	Review and publish the Greater Lincolnshire Economic Statement	Ruth Carver	Pending
20/09/2024	LEP Directors Board	RC to discuss rearranging the LEP Conference agenda with Kate Storey	Ruth Carver	Complete
20/09/2024	LEP Directors Board	RC and Chair to ask Board Directors for suggestions to the conference agenda and businesses to participate in the panel	Ruth Carver/ Neal Juster	Complete

Paper 1.2 - LEP Board and Investment Board Decision Log (one year rolling)

Date	Decision Making Body	Decision Made
01/11/2023	Finance and Audit Committee	The committee agreed to Forrester Boyd to complete the audit for the next 2 financial years. The Committee agreed to the proposed changes to the cash balance structure and recommend approval to the GLLEP Board. The Committee agreed to the updated Financial Interest Policy and recommend its approval to the GLLEP Board at its December meeting. The Committee agreed to downgrade the risks of DR3 and DR4 to green.
04/12/2023	LEP Directors Board	The LEP Board agreed to provide £30,000 from the Invest Reserve towards an Innovation Commission and to seek project proposals from the LEP Board and the SABs for activity against the Economic Statement and the Devolution Prospectus for Greater Lincolnshire. The LEP Board agreed to merge all cash balances into one and agreed the updates to the Interest Policy that reflect these changes. The Board agreed to put forward Forrester Boyd for appointment as the external auditors for FY23/24 and FY24/25 - for decision by Company Members at the AGM The Board agreed to move meetings from April 2024 to 4 quarterly Board meetings via MS Teams with 2 additional in person strategy meetings.
23/01/2024	LEP Directors Board	The LEP Board approved draft Delivery Plan for April 2024 to May 2025 at Annex A, with the amendments above added and agreed the contents and outline operating budget. The Board approved the following Director appointments, as recommended by the Appointments Committee: - Appointment of Darren Cunningham - Independent for a second term, - Move from co-opted to full Director for Air Cdre Andrew Dickens - RAF Cranwell, Julian Free - Deputy Vice Chancellor, University of Lincoln and Mark Webb - Managing Director, E-Factor
07/02/2024	Finance and Audit Committee	The committee agreed to all first 3 points, adjustments need to be made to the errors noted. The Committee agreed to the updated Financial Interest Policy and recommend its approval to the GLLEP Board at its December meeting. All Committee member agreed to maintain SR3 as a red rating until primary payments are being received. The Committee agreed to downgrade the risks of DR3 and DR4 to green.
08/03/2024	LEP Directors Board	The Board agreed to maintain the rating of SR-3 at red. The Board agreed that Emma Foy to appoint a Vice Chair of F & A Committee. The GL LEP Board agreed to undertake the UK FV Skills Investment Fund £2,600,000 capital and approves £119,620 of LEP resources to deliver the programme. The Board approved this proposal.
14/06/2024	LEP Directors Board	The Board agreed to the findings of the Assurance Review (Annex A) and approved the signing of the Management Representation Letter (Annex B), as recommended by the Finance & Audit Committee. The Board approved the FY23/24 Financial Summary (Annex C) for publication, as recommended by the Finance &

		<p>Audit Committee.</p> <p>The Board agreed to approve the new Risk Register for FY24/25, as recommended by the Finance & Audit Committee.</p> <p>The LEP Board is approved both recommendations A and B using money from the operational reserve and unused skills manager reserve.</p>
20/09/2024	LEP Directors Board	<p>The Board agreed to more specific targeting to encourage all areas to benefit from the Skills Bootcamp programme, and agreed to retain the funding in Greater Lincolnshire Rutland unless there was a surplus or specific reason not to. This view will be incorporated with views from the Employment and Skills Advisory Panel and Lincolnshire Learning Board that are part of Skills Bootcamps governance.</p>
20/09/2024	LEP Directors Board	<p>Agreed changes to the risk register</p>
09/12/2024	LEP Directors Board	<p>The Board agree the recommendations for the Finance And Audit Committee regarding external audit scope and that the accounts for the previous year would be signed off by members via written resolution.</p> <p>The LEP board agreed the proposed changes to risks SR-3, SR-5, SR-6 and DR-2 as recommended by the F and A committee.</p>

Investment Board

Date: 5th March 2025

Time: 10:00

Venue: MS Teams

Present: Nick Worboys (Longhurst Group) (Chair); Cllr Colin Davie (LCC); Cllr Phillip Jackson (NE Lincs); Darren Cunningham (Phillips 66)

Observers: Josephine Dexter (BEIS)

Apologies: Cllr Rob Waltham (NLC); Neal Juster (UoL); Andrew Crookham (Section 151 Officer);

Officers: Ruth Carver; Halina Davies; Effie Warwick-John; Maria Starnes (Minute taker)

Apologies and Declarations of Interest - Apologies were noted.

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.

Welcome, Apologies, Declaration of Interest and Matters Arising

Jo Dexter introduced herself and explained she was stepping in on behalf of the Department for Business and Trade for the short term until a new person is able to formally replace Helen Perrins as Greater Lincolnshire area lead.

The Chair welcomed everyone, and introductions were made.

No declarations of interest were received.

That was to be the last Greater Lincolnshire LEP Investment Board meeting.

ITEM 1 - For Information & Decision - Skills Capital & Lincoln College - Effie Warwick John, UK FV Programme Manager LCC

EWJ reminded everyone of the papers circulated and presented a summary for the Board to consider.

The decision required related to £2.4m of capital devolution money which had been received by Greater Lincolnshire to spend on a UK Food Valley related programme. The proposal discussed was a grant scheme for colleges and universities within Greater Lincolnshire to apply for equipment, building refurbishment or building space to improve, increase or offer new Agri food education options. The programme is Agri food focused and relates to UK Food Valley priorities.

Ten projects had applied and assessed based on strategic fit, deliverability, economic case and impact. A portfolio approach was taken to the analysis and shortlisting.

The five projects presented were:

- Boston College,
- DN College in Scunthorpe,
- Riseholme College
- LIAT
- NCFM in Holbeach.

To remain within the £2.4m allocation it has been necessary to reduce what was requested from all schemes by 5.73%.

- Boston College scheme will produce an MPD kitchen, a digital suite and a hydroponics teaching unit. They are offering new courses at L2 and higher including hydroponics, which do not exist currently in the area and qualifications linked to allergy awareness, nutrition and health, and digital. They are also going to use these facilities for business engagement out of term times which would have a good impact.
- DNC will create a new food science degree. The money will be used to fit out a new laboratory that they have already built, and they will install specific equipment for food science. This project had a slightly slower delivery time as it was a degree, but are hoping to have six students enrolled by September 26th.
- Riseholme College have two strands they were wanting to develop - some horticulture teaching spaces and a wet and dry laboratory. Both would be at their showground site and at their facilities at Riseholme Park. They are also going to purchase some industry standard teaching equipment for their agriculture students such as a crop sprayer/ tractor because this type of equipment as they need to keep up with the technology of what the industry was using. This would support existing and new course activity.
- LIAT in the university campus at Riseholme are going to create a soil, plant and food science laboratory in an existing building. The money will be used to purchase the equipment and a small amount of refurbishment. This will be a food grade space where they can upskill people and support new entrants in subjects such as soil science, understanding water and low carbon initiatives within agriculture. It will include agronomy training.
- NCFM at Holbeach will be delivering a STEM digital hub looking at things such as robotics, automation, data analytics, cybersecurity, digital literacy; all things that are really key for the food sector. The equipment being purchased will include VR headsets, 3D printers, robotics kits, and computers for new and existing courses.

One other project that was deemed above high priority threshold post analysis was from Lincoln College to create an agri link training hub in Nocton. This scheme involves creation of a classroom and practical site within one area linking in directly with the food sector. This will be funded from LEP Capital Reserves.

The board was pleased to see a spread of projects and supported the proportional approach.

There was a query regarding the deliverability against tight deadlines. Some elements of the projects such as buying equipment could proceed quickly, but some were physical such as

refurbishment and these would somewhat take longer. New builds were discounted due to the timelines involved. It was confirmed that the money was already with LCC for devolution and clear milestones were being met to enable contracting by end of March 25. The risk for potential delay was noted however grant recipients are aware of the importance of meeting deadlines. The recommendations from the due diligence report will be included in the contracts.

All commented on the quality of the briefing report and the positive impact the work of the LEP has had to date on the agri tech sector in Greater Lincolnshire.

APPROVAL DECISION: All six projects were endorsed to proceed to contracting by the Board subject to sign off of a Decision Notice by LCC as accountable body.

Scheme	Applicant	Allocation
Soils, plant & food analysis skills and training laboratory (LAIT)	University of Lincoln (LIAT)	£347,951
STEM Digital Hub (NCFM)	University of Lincoln (NCFM)	£227,803
Resource investment in Future Agri Skills	Riseholme College (part of Burton College)	£566,115
Food science & Engineering Laboratories	DNC Colleges Group	£599,388
Agri-food hub	Boston College	£658,721
AgriLincTraining hub	Lincoln College	£241,400

Cllr Phillip Jackson left the meeting at this point

ITEM 2 - Update - SBS & Chestnut Homes - Halina Davies

Sleaford Building Services Ltd

HD provided a brief verbal update that did not require a decision, but was important for the Board to note.

The Sleaford Building Services (SBS) scheme was part of the Greater Lincolnshire Business Growth Fund. The project was contracted to receive £126,242.00 of grant funding and to enable the consolidation of three business areas into one new site in Sleaford and then develop a new manufacturing unit.

In terms of outcomes SBS did achieve four jobs and they purchased a new building, but the other elements contractually agreed were not achieved, with the site development not undertaken as per the grant funding agreement. The company did however achieve some demonstrable growth.

The project was legally reviewed, and it was deemed a sizeable proportion of the scheme had not been achieved. It was therefore agreed with SBS should repay £94,681.00. Repayments were agreed as six monthly instalments which started in October 24 and will complete in March 25. All past payments had been received with only one payment to be made at the end of this month.

Chestnut Homes Land Ltd

HD provided a brief verbal update to the Board on progress with repayment of the Boston Quadrant scheme loan element under the auspices of the Invest & Grow Loan Fund. No decision was required at this meeting.

The Board has been involved in previous discussions on this particular Invest and Grow Programme loan investment. The focus of this update was on the £3.5m loan that had been given to Chestnut Homes Land Ltd (CHLL) in September 2015 and was originally due for full repayment by April 2021 and then via agreed variation in June 2023 postponed to phased repayments completing by June 2025. CHLL has also been a recipient of £5.75m of grant support in earlier years of the LEPs operation towards an Unlocking Rural Housing Programme and an Infrastructure scheme relating directly to the Boston Quadrant site as a whole.

The loan was focused on supporting the Boston Quadrant site as a whole, including some of the infrastructure, and the housing and commercial development sites.

LCC legal team is now working directly with CHLL to achieve a resolution.

HD was thanked for her updates.

ITEM 3 - Any Other Business - All

RC thanked everyone on behalf of the Staff and the Board for the detailed work done over the years. It was technically the last investment board meeting as the LEP company starts to close down, which will take a couple of months. There will be a final GLLEP Board meeting and MVL in the summer time. Everyone was thanked for their support for the investment of over £230m by the LEP over the last six years.

Close of Meeting

The meeting closed at 10:33

Paper 2 -Year End / Transition Funding

Publication	Public Paper (published)					
Meeting date:	Tuesday 29 th July 2025					
Agenda Item:	3					
Item Subject:	Financial Year End and Transition Funding					
Author:	Linsay Hill Pritchard (on behalf of Finance and Audit Committee)					
For:	Discussion	X	Decision	X	Information	X

1 Introduction

This report is presented by the Chair of the Finance and Audit Committee with full support of the Accountable Body. It provides a summary of the LEP's financial position for the year ending 31 March 2025, including audit outcomes and reserve allocations. While the Committee has reviewed and raised questions regarding the LEP's closure process, full details of the closure arrangements will be presented in a separate paper.

2 Background

The Finance and Audit Committee of the Greater Lincolnshire LEP met on 16 June 2025 to review the financial performance and governance arrangements for the 2024/25 financial year.

The Committee received and scrutinised the Annual Financial Report, which included a detailed audit undertaken by Forrester Boyd. The audit confirmed that the financial summary was accurate and compliant with LEP policies, with no further actions required.

In addition, the Committee reviewed the financial report summary, which highlighted key areas of expenditure, income, and strategic programme delivery, including the transition of LEP functions to Lincolnshire County Council and the Combined County Authority.

The Committee also considered the final stages of the LEP's closure process and the proposed allocation of the remaining £5.9 million in funds.

A summary of the information contained within the appendices is detailed below and recommendations from the Committee are presented for Board approval.

3 Financial Performance Summary

The Greater Lincolnshire LEP recorded a total income of £1,973,747 and total expenditure of £3,184,130 for the financial year ending 31 March 2025. This resulted in a net spend of £1,210,383. Interest income of £375,243 was earned, and the closing cash balance stood at £5,646,577 (excluding post-year-end loan repayment). The core budget of £1.35 million was primarily allocated to staffing, governance, and operational delivery, with underspends arising from staff transitions to LCC and the Combined County Authority (CCA).

4. Audit Findings

The external audit conducted by Forrester Boyd confirmed that the financial summary for 2024/25 fairly represents the LEP's activities. No significant issues were identified. Transactions complied with LCC policies and grant agreements. A provision for VAT and accrual adjustments will be made in 2025/26. A bad debt provision was made for the Chestnut Homes loan, while £115,693 in interest income was accrued.

Paper 2 -Year End / Transition Funding

5. Transition and Closure progress

The LEP has progressed through its closure phase with the following key actions:

- The Strategic Advisory boards not transferring to the CCA have held final meetings
- The Manufacturing Board is now under LCC; the Food and Defence Boards are transitioning under the CCA.
- The external audit was completed in June 2025, with the final Finance and Audit Committee held on 16 June.
- Contracts have been identified and are being novated or closed.
- Financial commitments and reserves have been reviewed and documented.
- A SharePoint archive is being created to retain all closure documentation

6. Reserves Allocation and legacy funding

As of 16 June 2025, the available balance is £5,906,115. Proposed allocations include:

- £1.015 million for committed project and operational costs.
- £1.510 million for company closure and continuation of LEP Board commitments.
- £0.473 million as a redundancy provision.
- A total of £3.136 million has been allocated to support economic development priorities, with governance arrangements to be agreed between Lincolnshire County Council (LCC) as the Accountable Body and the Greater Lincolnshire Combined County Authority (GLCCA). Suggested uses include inward investment, flood risk mitigation, defence sector growth, careers advice, and visitor economy development.

7. Recommendations

The Board asked to:

- Note the financial performance and audit outcomes for 2024/25
- Approve the proposed allocations of LEP reserves.
- Support the allocation of £3.136 Million to an investment pot for economic development priorities, with governance to be agreed between Lincolnshire County Council and the greater Lincolnshire Combined County Authority.
- Agree to publish the financial summary and audit report as part of the closure documentation.

Appendices:

- Paper 2.1 - Annual Finance Report 2024/25
- Paper 2.2: 2024/25 Management Report Audit
- Paper 2.3 Transition of Funds Final



GREATER LINCOLNSHIRE LOCAL ENTERPRISE PARTNERSHIP LIMITED

(A COMPANY LIMITED BY GUARANTEE)

Registered number: 09223395

ANNUAL FINANCIAL SUMMARY

FOR THE YEAR ENDED 31 MARCH 2025

COMPANY INFORMATION

DIRECTORS (at year end)

Prof. Neal Juster (Chair)
Cllr Colin Davie
Cllr Rob Waltham
Cllr Craig Leyland
Debbie Barnes
Sarah Louise Fairburn
Nick Worboys
Alison Ballard
Cllr Phillip Jackson
Darren Cunningham
Julian Free
Mandy Watson
Simon Bird
Nikki Cooke
Claire Foster
Shaun Povey
Cllr Gale Waller
Mark Webb
Anthony Lyle

COMPANY SECRETARY

Wilkin Chapman LLP
(Trading as Wilkin Chapman Rollits)
The Maltings,
11-15 Brayford Wharf E,
Lincoln
LN5 7AY

ACCOUNTABLE BODY

Lincolnshire County Council
County Offices,
Newland, Lincoln,
LN1 1YL

REGISTERED NUMBER

09223395

REGISTERED OFFICE

Greater Lincolnshire LEP Limited
C/O 26 South St. Mary's Gate
Grimsby, North East Lincolnshire
DN31 1LW

Auditors

Forrester Boyd Robson Limited
Kingfisher Court
Plaxton Bridge Road
Woodmansey, Beverley
HU17 0RT

CONTENTS

	Page
Introduction and recommendations	1-2
Income and expenditure account	3
Balance Sheet	3
Notes to the Annual Financial Report	4-8

Introduction

This financial report provides an overview from the Accountable Body of the audited Greater Lincolnshire transactions for the 2024/25 financial year.

Core Budget

The core operational budget for the Greater Lincolnshire LEP from April 2024 to March 2025 was set at £1.35 million. This funding supported the essential functions of the LEP during its transition toward integration into a Mayoral Combined County Authority (MCCA). The budget, sourced from LEP operational reserves, Lincolnshire County Council (LCC), and government funding via local authorities, covered staffing, travel, company costs, and programme management. It ensured continuity of service and strategic delivery, including provisions for VAT liabilities, maintaining operational stability throughout the 14-month transition period.

Of the budgeted £1.35 million, £1.153 million was expended, with £869,512 (75%) allocated to core functions such as staffing, governance, and sundries like travel. The underspend on the overall budget occurred mainly due to the transition of a proportion of LEP staff into either Lincolnshire County Council or new Combined County Authority in February 2025.

Game Changer and Other Targeted Development Activity

Game Changer Development within the GLLEP framework focused on nurturing high-potential sectors that can drive transformational economic growth across Greater Lincolnshire. These included developing sector-specific skills plans, fostering innovation, and creating investment pipelines. The Game Changer approach ensured that emerging opportunities in agri-food, defence, and energy were strategically supported to maximise their impact on the regional economy. Much of this spend has occurred on programme level spend and not within core.

Additionally, the LEP worked on other targeted development activities, enabling the GLLEP to respond flexibly to emerging opportunities and challenges. This funding supported bespoke projects that fell outside core programmes but were critical to advancing the LEP's strategic objectives. These included research commissions, stakeholder engagement initiatives, or pilot schemes that tested new approaches to economic development. By maintaining this adaptable funding stream, the LEP ensured it could remain responsive, innovative, and aligned with both local needs and national policy shifts.

In the 2024/25 financial year, £196,475 (17% of total expenditure) was utilised to deliver the KPIs associated with the development of these sectors and specific targeted support.

Supplier Support

Supplier support, with a budget of £105,767, ensured the GLLEP could maintain high-quality service delivery through external expertise and operational partnerships. This funding covered contracted services, consultancy, IT systems, and other third-party support essential to the LEP's day-to-day operations. By investing in supplier relationships, the LEP enhanced its capacity to deliver complex programmes, manage risk, and uphold governance standards during a period of significant organisational transition.

In the 2024/25 financial year, £87,329 (8% of total expenditure) was expended on supplier support, chiefly supporting our communications and events programme.

Summary

The 2024/25 plan was developed to support the integration of functions and roles of the LEP Board and team into the plans for devolution locally.

With the support of the LEP's Accountable Body, this process will continue into 25/26 with the formalisation of the recommendations for closure presented at the LEP board in July.

The aim is to transition as smoothly as possible and retain the key strengths developed that support the partnerships and economic clusters in the area.

LEPs brought business, education, and local government together to promote and coordinate activity on the economy, be it employment and skills, innovation, investment, or sectors. With the support of strong partnerships in Greater Lincolnshire, and the active role of all the partners we have collectively promoted and delivered economic opportunities and investments in the area.

Full details of the important work that the LEP has achieved can be found on the LEP website.

INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2025

FINANCIAL SUMMARY 2024/25

<i>INCOME</i>	<i>Note</i>		<i>24/25</i>		<i>23/24</i>
Core Funding	1,2	£	239,845	£	300,000
Other Core contributions	1,2	£	172,401	£	139,300
Invest and Grow	3	£	98,806	£	300,226
Business Investment Fund	4	£	-	£	-
Programmes	5	£	770,827	£	1,653,714
Growth Hub	6	£	316,625	£	316,625
Interest Received	7	£	375,243	£	342,525
<i>Total Income</i>		£	1,973,747	£	3,052,390

<i>EXPENDITURE</i>	<i>Note</i>		<i>24/25</i>		<i>23/24</i>
Core Funding	1,2	£	550,157	£	480,663
Other Core contributions	1,2	£	282,510	£	225,035
Invest and Grow	3	£	-	£	-
Business Investment Fund	4	£	-	£	147,437
Programmes	5	£	2,034,838	£	1,017,488
Growth Hub	6	£	316,625	£	316,625
<i>Total Expenditure</i>		£	3,184,130	£	2,187,248

BALANCE SHEET FOR THE YEAR ENDED 31 MARCH 2025

The closing year cash balances (Note 8) as per the agreed policy are:

	<i>Note</i>		<i>24/25</i>		<i>23/24</i>
Core Reserve	1,2	£	1,023,757	£	1,488,944
Other cash balances	1,2	£	293,803	£	295,399
Invest to Grow Fund	3,4	£	1,922,631	£	1,787,963
Business Investment Fund	4	£	-	£	5,000
Programmes	5	£	1,326,007	£	2,386,912
Company Provision	-	£	705,136	£	550,217
Interest Received	7	£	375,243	£	342,525
<i>Total</i>		£	5,646,577	£	6,856,960

Long term loan investments		£ 3,400,000	£	3,400,000
----------------------------	--	-------------	---	-----------

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

- Net spend on the account is £1,210,383

Core Cost net spend	£310,312
Other Core contributions	£110,109
Invest To Grow	-£98,806
Programmes	£1,264,011
Gross Interest	-£375,243
Net spend	£1,210,383

Provisional VAT and Accrual Adjustments

At the year-end, certain VAT and accrual balances are based on estimates due to outstanding supplier invoices and other relevant information not yet received. A provision will be made in the 2025/26 balance sheet to reflect these adjustments once the final details are confirmed. These updates will be made in accordance with standard accounting practice and HMRC guidance.

The following notes provide more detail on the values shown on page 1.

Note 1: Core Funding

Within year £414,246 of Income and £832,667 Expenditure as detailed below:-

AREA - DESCRIPTION	INCOME (£)	ACTUAL SPEND (£)
Core	£239,845	£550,157
Skills Advisory Panel	£0	£0
EM Ambassador Network Grant	£50,000	£29,345
CGAF/LMAF Management Fee	£0	£14,582
Career Hub - Additional	£115,601	£162,163
Defence	£6,800	£12,563
EM Manufacturing	£0	£19,036
Skills Post	£0	£44,821
TOTAL	£412,246	£832,667

Note 2: Match funding

There is a requirement for the LEP to match fund £250,000 of the core budget with a further £125,000 of match funding. Analysis has shown that a minimum match funding of £422,941 has been achieved from Lincolnshire County Council (LCC) supporting the delivery of the LEP core function.

These costs are made up of:-

• LCC officer support (Non Accountable Body)	£ 371,243
• Research and skills	£ 25,000
• Employment and Skills	£ 21,608
• Growth Hub Additional	£ 5,090

Further programme specific match funding of £125,903 was achieved through the Skills Bootcamp Programme which the LEP delivered through a partnership arrangement with Lincolnshire County Council.

Note 3: Invest and Grow

The final balance on account is £1,922,632 uncommitted for future investment. This is split by £885,563 Capital and £1,037,069 Revenue/Capital (of which £115,692.79 is accrued outstanding interest payments for 24/25 and £227,960.94 outstanding interest with a provision set against it).

Long term investment Loans as at 31st March 2025 amounted to:

- £3,400,000 - Chestnut Homes Land Ltd - Boston Quadrant*

*Chestnut Homes Land Ltd subsequently made a payment of £487,500 on the 1st April 2025.

Note 4: Business Investment Fund

The Business Investment Fund is closed.

A payment of £94,681 has been received from SBS Ltd following default for non-completion of contract. The matter is now concluded. This income has been included in the Investment reserve along with a previous repaid amount of £5,000 from 23/24.

Note 5: Programmes

Getting Building Fund is financially complete but there remains some match funding to evidence on one of the projects and the programme has now moved into outcome monitoring.

Single Local Growth Fund received a final instalment of £333k of Income relating to the Grantham Technology and Innovation Centre. £658,697 has been spent on the newly contracted Glasshouses project operated by the University of Lincoln. Final payments will be made to the project in 25/26.

The **Career Hub programme** continues to progress well. Beyond its financial delivery, the Careers Hub has played a strategic role in strengthening careers education across Greater Lincolnshire. The programme has supported schools and colleges in embedding careers plans, increasing employer engagement, and improving learner readiness for the world of work. Its continued success reflects the importance of sustained investment in skills development and alignment with local labour market needs.

Expenditure in year amounted to £456,132 with Income of £437,097. Income was received as follows:

- CEC Income - £277,953
- Lincolnshire County Council - £98,830
- Other Partner Income -£60,314

The remaining balance of £19,036 was covered by LEP reserve.

On the **UK Food Valley Programme**, £730 of income and £215,384 of expenditure were allocated to advance UK Food Valley activities. This included supporting a flagship agri-food innovation programme across Greater Lincolnshire, Norfolk, Suffolk, and Cambridgeshire, resulting in £7.5 million in funding for 49 businesses, with £1.6 million directed to Greater Lincolnshire.

A UK Food Valley skills capital programme was agreed, awarding nearly £2.5 million of Capital Devolution money to six projects at local colleges and universities to address agri-food sector skill gaps. Additionally, we strengthened stakeholder links by promoting the UK Food Valley internationally, including a trade mission with Dutch agri-tech businesses. We also advanced the Agricultural Zone concept in central Lincolnshire, partnering with key stakeholders to boost investment and establish a centre of excellence in agri-tech and agricultural productivity.

The **SAB Fund** supported initiatives across five advisory boards: Defence and Security, Energy, Health and Care, Manufacturing, and Visitor Economy. Each board received funding for projects aimed at fostering innovation, skills development, and sector growth. Final payments of £116,504 were released on the work of the **Strategic Advisory Boards, including the Innovation Commission.**

Key Projects Delivered:

- **Defence and Security Advisory Board** - Delivered a Hackathon event in partnership with the Greater Lincolnshire Regional Defence & Security Cluster. Remaining funds were repurposed for the DSEI 2025 'Defence in Lincolnshire' stand and design.
- **Energy Council** - Conducted an Energy Sector Skills Analysis for Greater Lincolnshire.
- **Health and Care Enterprise Board** - Developed an innovation ecosystem for the health and care sector through engagement events, stakeholder interviews, and final report production.
- **Manufacturing Board** - Executed a Manufacturing Marketing Campaign, including a systemised marketing campaign, website development, and social media promotion.
- **Visitor Economy Board** - Launched a Tourism career awareness campaign, including a social media campaign, content creation, and online campaign management.
- **Destination Lincolnshire Contribution** - Established the Greater Lincolnshire Destination Management Plan.

The **Clean Growth Accelerator** Programme expended £87,039 on the remaining Grimsby Fish Vans Project. An extension was given to the project to December 2025.

The **Labour Market Programme** supports 5 projects. In year spend was £501,082. All projects have completed apart from Grantham Engineering who requested an extension to June 2025. Final reconciliations are being completed through the accruals process and any underspends identified will be placed on the investment Reserves.

Note 6: Growth Hub

The Greater Lincolnshire LEP secured £316,625 of revenue funding from BEIS to continue the operation of the Growth Hub (GH) service during 2024-2025. The focus for the Business Lincolnshire Growth Hub in 24/25 has been the continued support of a wide range of businesses within greater Lincolnshire.

The Business Lincolnshire Growth Hub has provided:

- East Midlands Cluster lead provision
- a service that meets the identified needs of businesses
- align business support offers
- Developing greater intelligence to deliver an added value offer
- Develop and implement a segmented service offer

A detailed report on Growth Hub activity will be submitted to government in June 2025 as part of agreed reporting timeframes and more information on individual programme activity can be found on www.businesslincolnshire.com

Note 7: Interest

All interest has been applied as per the cash balance and interest policy. Interest was calculated on an individual cash balance basis until the 31st March 2025 where the reserves were merged following Board decision.

Any deposits held within the Council's cash balance, that it holds on a daily basis, on behalf of another body or party is allocated interest at a daily average yield rate, compounded quarterly over the year.

Total interest in year is **£375,243**.

Note 8: Cash Balances

As recommended by the Finance and Audit Committee and agreed by LEP board the Accountable Body merged the cash balances on account at year end. The closing cash balance for the year 24/25 (this includes the interest from above) is **£5,646,577**.

END

Assurance Review


**Greater
Lincolnshire**
Local Enterprise Partnership



Contents

- 1. Introduction 3
- 2. Scope of Work 3
- 3. Summary of conclusions reached 4
- 4. Conclusion 6
- 5. Disclaimer 7
- Appendix 1..... 8

This document has been prepared for the sole use of Greater Lincolnshire Local Enterprise Partnership and must not be disclosed to any third party, or quoted or referred to, without our written consent. No responsibility is assumed to any other person in respect of this report and any persons reading it should make their own judgements and investigations.

1. Introduction

We have been engaged to perform the assurance review of the annual financial reports of the Greater Lincolnshire Local Enterprise Partnership (GLLEP) for the year ended 31 March 2025.

GLLEP is a dormant company and the figures within the annual financial reports are extracted from the Accountable Body's, Lincolnshire County Council, accounting records.

We would like to take this opportunity of expressing our thanks to your staff for their assistance during the course of our audit who provided all information requested and responded to queries in a timely manner.

2. Scope of Work

The aim of the assurance review was to:

- Undertake a review of the annual financial report for the year ended 31 March 2025 to agree that the document is a fair presentation of the activity for the year.
- Agree that the processes in place in relation to GLLEP transactions are consistent with Lincolnshire County Council (LCC) policies.

We note that separate assignments have been undertaken covering the grant funding received in relation to the Growth Hub and East Midlands Apprenticeship Ambassador with separate documents issued.

Our work completed had not sought to determine the completeness or accuracy of specific transactions or balances. As a result, we have not reviewed for any after-date transactions not accrued, for any expenditure in advance not prepaid or the accuracy of any actual prepayments and accrued income or accruals and deferred income.

We also acknowledge the following:

Provisional VAT and Accrual Adjustments

At the year-end, certain VAT and accrual balances are based on estimates due to outstanding supplier invoices and other relevant information not yet received. A provision will be made in the 2025/26 balance sheet to reflect these adjustments once the final details are confirmed. These updates will be made in accordance with standard accounting practice and HMRC guidance.

3. Summary of Work Performed

Following our recent testing, we have set out below the work performed and our findings and observations:

Work Performed	Findings
A copy of the finance report has been obtained. The comparative figures have been vouched to the final report for the year ended 31 March 2024.	The comparative figures included in the report are agreed to be materially consistent with the final 2024 report.
The current year financial summary figures have been agreed to supporting documents and reports extracted from the finance system.	The extract / accuracy of the reports from the finance system was vouched. Initial supporting workings were reviewed which identified late changes processed which have been adequately reviewed and amendments processed as required. Therefore, the quoted figures are in line with the supporting financial reports.
Other disclosures included in the finance report have been agreed as accurate by reference to relevant documentation / sources.	Other disclosures in the report have been agreed accurate by reference to available documentation and sources.
Interest income included in the financial summary has been agreed accurately stated.	<p>It was agreed that the calculation of interest was made independently of finance personnel involved in the preparation of the financial summary with figures provided to them electronically.</p> <p>No specific review has been performed as part of our work to agree the full accuracy of the interest amount. However, it was clear from the workings provided that the calculation was based on the net income and expenditure / movement in reserves as included in the financial summary.</p>
A sample of income transactions have been reviewed and agreed accurate.	The sample selected was adequately agreed to supporting documentation provided with no issues arising. No issues were noted suggesting that standard LCC policies had not been followed.

<p>A sample of expenditure transactions have been reviewed and agreed accurate.</p>	<p>The sample selected was adequately agreed to supporting documentation. All invoices selected were agreed as having a purchase order. Other non-invoice expenditure was agreed to payment requests or to completed accrual posting templates with attached supporting documentation. No issues were noted suggesting that standard LCC policies had not been followed.</p> <p>Our review confirmed that transaction postings for invoices dated in March 2025 did not have any VAT correction posting to recognise the gross expense consistent with the transfer of staff and services prior to that month.</p> <p>Our review included invoices dated in February 2025 where the transaction also did not have any VAT correction where it was confirmed that the transaction date in the accounting records was in March 2025.</p> <p>An implication noted was that at least one year-end invoice accrual was made gross including VAT of £3,855. We are not expecting the financial records to be updated such that the finance report requires adjusting.</p> <p>We note that LCC have requested a provision to be made in regards to VAT / accrual adjustment in 25/26.</p>
<p>The accuracy of payroll related charges has been reviewed and agreed.</p>	<p>It was agreed that LCC has appropriate systems and controls in place and is subject to both external and internal audit in this area such that the allocation of payroll costs to specific departments has not been subject to review.</p> <p>Our review confirmed that 50% of the CEO salary and on-costs was accurately charged to LEP cost centres, albeit only up to December 2024. Charges for finance based on the assessed level of time spent have been made across the whole financial period.</p>

	Our review also confirmed that all recharges of salary related costs were charged gross to the LEP in line with HMRC agreement.
Available meeting minutes were reviewed to identify any issues omitted from reference in the finance report.	<p>The review noted the increased risk level associated with the Chestnut Homes (Land) Limited loan. Our review noted that 3 invoices were raised in the year against which a bad debt provision has been made due to uncertainty over recoverability.</p> <p>However, a balance for accrued interest of £115,693 has been made at the year-end with no provision and therefore recognised as income in the figures in the finance report.</p>
The accuracy of closing balances has been vouched by reference to activity in the year.	<p>The movement on the company provision account has been agreed consistent with the decision approved by the directors during the year.</p> <p>The interest closing balance is agreed to be in line with the balance received for 2024/25 and consistent with previous years.</p>

Overall, there are no significant matters that we consider give rise to any further adjustments or corrections or any improvements to the systems in place.

There were no findings from the 2024 review on which to provide any comment.

4. Conclusion

Adequate documentation and explanations have been gained concerning the amounts included in the financial summary within the annual report, as included at Appendix 1, for the GLLEP as at 31 March 2025.

We confirm, based on our sample testing, that transactions in the year have complied with LCC policies, grant agreements and financial regulation.

5. Disclaimer

The procedures that we have undertaken do not constitute an examination made in accordance with generally accepted auditing standards, the objective of which would be the expression of assurance on the contents of the return. Accordingly, we do not express such assurance. Had we performed additional procedures, or had we performed an audit or review of the financial statements in accordance with generally accepted auditing or review standards, other matters might have come to our attention that would have been reported to you. This report relates only to the financial reports and does not extend to any other reports of the GLLEP.

Our report is prepared solely for the confidential use of the GLLEP. This report is released to the GLLEP on the basis it shall not be copied referred to or disclosed, in whole or in part (save as otherwise permitted by agreed written terms), without our prior written consent. Without assuming or accepting any responsibility or liability in respect of this report to any party other than the GLLEP, we acknowledge that the GLLEP may be required to disclose this report to other parties demonstrating a statutory right to see it, to enable such other parties to exercise statutory rights of access to this report.

Appendix 1

INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2025

FINANCIAL SUMMARY 2024/25

INCOME	Note	24/25	23/24
Core Funding	1,2	£ 239,845	£ 300,000
Other Core contributions	1,2	£ 172,401	£ 139,300
Invest and Grow	3	£ 98,806	£ 300,226
Business Investment Fund	4	£ -	£ -
Programmes	5	£ 770,827	£ 1,653,714
Growth Hub	6	£ 316,625	£ 316,625
Interest Received	7	£ 375,243	£ 342,525
Total Income		£ 1,973,747	£ 3,052,390

EXPENDITURE	Note	24/25	23/24
Core Funding	1,2	£ 550,157	£ 480,663
Other Core contributions	1,2	£ 282,510	£ 225,035
Invest and Grow	3	£ -	£ -
Business Investment Fund	4	£ -	£ 147,437
Programmes	5	£ 2,034,838	£ 1,017,488
Growth Hub	6	£ 316,625	£ 316,625
Total Expenditure		£ 3,184,130	£ 2,187,248

BALANCE SHEET FOR THE YEAR ENDED 31 MARCH 2025

The closing year cash balances (Note 8) as per the agreed policy are:

	Note	24/25	23/24
Core Reserve	1,2	£ 1,023,757	£ 1,488,944
Other cash balances	1,2	£ 293,803	£ 295,399
Invest to Grow Fund	3,4	£ 1,922,631	£ 1,787,963
Business Investment Fund	4	£ -	£ 5,000
Programmes	5	£ 1,326,007	£ 2,386,912
Company Provision	-	£ 705,136	£ 550,217
Interest Received	7	£ 375,243	£ 342,525
Total		£ 5,646,577	£ 6,856,960

Forrester Boyd Chartered Accountants
26 South Saint Mary's Gate
Grimsby
DN31 1LW

Prepared by: *C Jensen*
Carrie Jensen ACA of Forrester Boyd Chartered
Accountants

Date: 10 June 2025

Paper 4 – Transition of Greater Lincolnshire LEP

Publication	Public Paper (published)					
Meeting date:	16th June 2025					
Agenda Item:	Paper 4					
Item Subject:	Transition of Greater Lincolnshire LEP					
Author:	Linsay Hill Pritchard / Justin Brown , LCC					
For:	Discussion	X	Decision	X	Information	X

Recommendations: The F and A committee is asked to:

- Note the final stages of the process for closure
- Agree the £5,906,115 available balance as at the 16th June 2025.
- Assess and review the forward strategy of utilisation of the remaining LEP reserves, broken down as follows:
 - Committed circa £1.0 million for LEP board commitments that LCC has agreed to continue. e.g SLGF, LMSF, CGA
 - Agree a fund of circa £1.5million to fund the company closure, and the commitments made by the LEP board that LCC has agreed to continue including the transfer of Career Hub, UK Food Valley
 - Create a **provision** of £0.473m to LCC to cover potential redundancy costs
 - Support Economic Development: Use remaining funds (£3.136m) for economic development initiatives in Greater Lincolnshire by establishing a GLCCA funding pot for ongoing priorities
- Progress against the allocations and decisions should be reviewed by statutory financial officers (section 151 and section 73) of LCC and GLCCA on and annual basis.

1 Introduction

1.1 With the formation of the combined authority team, Lincolnshire County Council (LCC) took over the transition and closure of the LEP. The work has split into three areas:

- Formal closure of the LEP company
- Transitioning of staff into new arrangements
- Closing down LEP budgets

1.2 The scale of the work has been significant and has been absorbed by our Economic Development team on top of existing workload which has been a substantial undertaking, but we are now in a position following the 24/25 audit to report on progress as we move into the final stages of the process.

2 Formal closure of the LEP company

- 2.1 The LEP is a company limited by guarantee, which means that formal decisions need to be taken by the LEP board and the LEP company over the governance, information, and finances relating to the closure. We have used legal advice from the LEP's solicitors (Wilkin and Chapman) as well as from our own legal services team. This means that the process has been informed both by the legal requirements of the company and by the council's requirements.
- 2.2 The final stages of the process are detailed in an appendix to this report, but in summary we have completed the LEP audit for 24/25, reporting to you as Finance and Audit Committee, and then a final board meeting in July which will formally recommend closure to an Extraordinary General Meeting of the LEP Company in August.

Paper 4 – Transition of Greater Lincolnshire LEP

3 Transitioning of staff into new arrangements

- 3.1 Roughly one third of the LEP team transferred to the combined authority, with the rest of the team being transferred into LCC Growth Services either into funded posts which were vacant, or to continue their projects according to the grant support that is already in place or according to the commitments made by the LEP board.
- 3.2 The council's core LEP budget has transferred to Growth Services and the council's contribution to the CCA staffing (£0.100m per annum) is now being covered from this budget as are some sundry costs.
- 3.3 The main staffing transfers related to UK Food Valley which has a commitment to March 2027 and to the Careers Hub which currently has grant support until September 2027.
- 3.4 The LEP Board had committed to fund UK Food Valley activity for two years, and this commitment has been honoured through using LEP reserve funding (see below) to support most of the staffing costs. The remaining staff costs are funded by an Innovate UK grant for the same period.
- 3.5 Similarly the LEP board had committed to support The Careers Hub, and a 50% grant award from the Careers and Enterprise Company has been made until the end of academic year 2026/27. Whilst in previous years LCC, with a very small contribution from NLC, NELC and Rutland have provided match funding for the Careers Hub, we can use some of the residual LEP reserve funding to cover the match funding commitment until September 2027.
- 3.6 The integration of the LEP teams into the Growth Services teams has been successful, for example The Careers Hub has been able to extend the number of businesses supporting school career activity by using the business connections that were already in place in Growth Services. Please see 4.5 for breakdown.

4 Closing down LEP budgets

- 4.1 The LEP budgets are complex, involving reserves, grants received in advance, loan repayments, and some VAT commitments. Loan repayments (primarily) plus in-year underspends (NB. LCC was the primary match funder of the LEP's annual running costs) have created a surplus which sits in the council's books on a LEP Reserve.
- 4.2 We are now clear about the final position following the recent Audit. For the purpose of this report, we have amalgamated all of the LEP budgets into a single reserve. *(NB. The following figures do not include the anticipated repayment of a £2,912,500 loan to the LEP by Chestnut Homes but they do include the interest payments which have been made and received.)
- 4.3 It is recommended that progress against funding allocations and decisions be subject to annual review by statutory officers (Section 151/section 73) of LCC and GLCCA. This review will ensure transparency, accountability, and effective governance in the management of allocated funds. By maintaining a structured oversight mechanism, both organisations can assess the impact of funding decisions, address any challenges, and make informed adjustments in the future. An annual review process will foster collaboration between stakeholders, reinforcing a shared commitment to the financial management of remaining LEP funds.

Paper 4 – Transition of Greater Lincolnshire LEP

- 4.4 The balance at year end was £5,646,577. With the recent loan repayment of £487,500 from Chestnut Homes Land Ltd the revised balance is £6,134,076. To note: £227,960.94 is included as provision of expected Loan interest payback that has not yet been received on account therefore at the time of writing there is £5,906,115 available to commit.
- 4.5 There is a requirement to pay £1,015,191 of committed funds- in particular, funding commitments to projects contracted with the LEP including the continuation of the Labour Market Support Fund, Clean Growth Accelerator fund, the Glasshouses Project under SLGF repayment and various company and grant funded commitments. The table below shows the breakdown of payments:

Activity	Amount (£)
Various ongoing commitments including data licences, website domain charges, external audit fees, directors run off insurance.	65,250
VAT / Accrual contingency	50,000
Commitment Contribution from ESAP to Apprenticeship programme	17,587
Investment Board approval for Lincoln College Project	241,400
Labour Market Support Fund and Clean Growth Accelerator fund contractual commitments.	290,685
SLGF repayment - Glass Houses project	174,303
Career Hub - Sustainability	28,728
Career Hub - Hub Delivery Fund	48,983
Career Hub - Education (Teacher Encounters)	14,831
GL Defence and Security Network fee income	7,017
EM Ambassador Network	76,406
Total	£ 1,015,191

- 4.6 In order to fund the company closure, and continue the commitments made by the LEP board that LCC has agreed to continue the following allocations are recommended to the sum of £1,510,124

Activity	Amount (£)
LEP Board decision on Legal Fees set aside for loan/fund challenges.	71,013
LEP Board decision on funding Skills Capital post (Covers 19 of 24months)	74,800
LEP Board decision of earmarked reserve for continuation of Career Hub activity. NB this would take the Career Hub activity to August 2027. Currently we have contractual commitment to August 26.	333,734
LEP Board decision of earmarked reserve for continuation of UK Food Valley activity	130,577
Provision for Staff transferred to LCC (Strategic Programme Team, Special projects, Skills Bootcamp) that were part funded by LCC/LEP. (N.B gap for 2-year period)	182,000

Paper 4 – Transition of Greater Lincolnshire LEP

Provision for continuation of UK food valley staff to March 2027. (This is after the application of Launchpad grant and Skills Post Monies)	48,000
Provision for Sector Advisory Boards building on success of previous LEP contributions	150,000
Provision for cost of company closure and requirements for ongoing monitoring of all novated contractual agreements. *this is an estimate to be reviewed after 12months.	250,000
Provision for Uk Food Valley additional costs over and above salaries. This would include marketing, Legal costs, equipment, materials Events and feasibility etc.	150,000
Provision for Career Hub additional costs over and above salaries. This would include marketing, Legal costs, equipment, materials, events and feasibility etc.	120,000
Total	£ 1,510,124

4.7 This leaves a total of £3,608,761 of funding which is uncommitted. £0.952m of which is capital only.

4.8 There are likely to be further interest payments from the Chestnut Homes loan, along with the possibility that the entire loan will be repaid, and therefore the residual budget may rise over the coming two years. There may also be more underspends within the existing capital contracts. This will fall under the Annual review process where there will be a financial performance review and reallocation of any unused or unspent provisions to optimise resource utilisation.

5 Potential use of the residual LEP funding

5.1 The redundancy costs for the LEP team, which has transferred to the GLCCA and LCC but remains LCC employees, are estimated to be £0.473M. To ensure financial stability in managing these costs, we recommend that £0.473 of the residual LEP funding is retained by LCC as a provision specifically for redundancy expenses. This would allow LCC to proactively manage future redundancies without requiring additional corporate budget allocations.

5.2 Taking the provision for redundancy payments into account (£3.136m) remain as residual funds.

5.3 When the predecessor to the LEP, Lincolnshire Enterprise, was closed, there was an expectation from government that any residual funding would be used for similar purposes to those transferring from Lincolnshire Enterprise to the LEP, i.e. for economic development in Greater Lincolnshire. A ringfenced budget was created with the LEP team and the county council team jointly commissioning the activity that the budget supported.

5.4 A similar approach, in which the residual budget is shaped by the GLCCA and LCC teams and signed off by the combined authority is proposed. As key stakeholders for LCC, we seek your endorsement for the establishment of a funding pot to support ongoing priorities on a jointly commissioned basis. This approach ensures a lasting legacy for the initiatives shaped by the board members. Given that the funding primarily comes from government grant schemes, it is essential that we use these resources appropriately.

5.5 The CCA team has already recommended that its UK Shared Prosperity Fund should be spent as follows: £1.250m on feasibility/business case work for advanced manufacturing, steel, STEP Fusion, agri-tech, and AI with a further £1.400m for a Centre for Oral Health at University of Lincoln. The investment plan for the mayoral budget will describe further CCA activity in the forthcoming months.

Paper 4 – Transition of Greater Lincolnshire LEP

5.6 We propose that the residual LEP funding be directed towards shared priorities in economic development on a Greater Lincolnshire Level such as:

- Attracting inward investment, both at a Strategic and Delivery level
- Building the case for flood risk mitigation
- Growing the defence sector
- Modernising careers advice and information
- Review and plan for regionally commissioned programmes such as Investment, Business Support and Visitor economy
- Development of enhance visitor economy assets for Greater Lincolnshire and resource to support the visitor economy at a strategic level

5.7 It is recommended that both LCC and GLCCA collaborate to develop a transparent and accountable process, with advice from monitoring officers, for funding awards and allocation. By establishing clear criteria, shared governance, and open communication, this approach will help ensure that funding decisions are made equitably and effectively, supporting strategic priorities and organisational objectives.

Paper 4 – Transition of Greater Lincolnshire LEP

Appendix: detailed actions related to closing down the LEP

- Support the closure of the LEP strategic advisory boards which will not transfer to the MCCA.
 - ✓ All SAB's that have not been carried over to the CCA/other have had their final meetings.
 - ✓ The Manufacturing Board has been taken on by LCC and the TOR's will be reviewed and adapted accordingly.
 - ✓ The Food Board has been transitioned into the UK Food Valley Programme Board under the remit of the GLCCA but delivered by LCC . New ToRs are now in place.
 - ✓ The Defence Board will also continue under the remit of the GLCCA and delivered by LCC, with new ToRs now in place.
 - ✓ Legacy information from the other boards will continue to be held on the GLLEP website until a full review is undertaken and decisions are made on the most appropriate holding space.
- Programme of close down actions (notably working through the LEP Finance and Audit committee to produce robust recommendations which can then be made to the board)
 - ✓ The LEP external Audit was finalised on 6th June 2025.
 - ✓ Audit reports and financial reporting presented at the final Finance and Audit committee focussed on financial year end agreement and legacy funding discussion and decision
- Organise and facilitate final meetings of the LEP board.
 - ✓ Following request for Director stand down a final LEP Board meeting is looking to be scheduled in July.
 - ✓ The focus of the meeting will be the F and A recommended Audit report for approval, Declaration of Insolvency, proposals for reserves
 - ✓ Once the final Board has taken place the directors will call an EGM (can be achieved through written resolution) Late July/early August to formally agree to close the company via a Member's Voluntary Liquidation and agree the appointment of a liquidator.
- Identify all LEP contracts, transferring them to LCC or closing them down accordingly.
 - ✓ Identifying contracts has been completed and we will move to novation following submission and reconciliation of March Claims. Focus will be on the live contracts with Finances and outputs, Output only contracts, legacy programmes with continued obligations
 - ✓ Legal have drafted the novation agreement and the team is in place to facilitate novation's. I have created some separation of duties for additional checks and to maintain governance.
- Ensure that all LEP financial commitments are identified and are actioned and provide information and recommendations on the remaining LEP reserves to the LEP F and A Committee (16th June

Paper 4 – Transition of Greater Lincolnshire LEP

2025) and LEP board (July 2025) on how they should be used, and action any budgetary transfers accordingly.

- Produce a forward plan which captures outcomes achieved by LEP payments and implement a system so that they can be captured into the future.
 - ✓ Ongoing. We already have systems in place, but a member of the team has been asked to review and streamline for simplified reporting. This is being actioned as part of the novation process.
 - ✓ We continue to have formal government reporting requests for SLGF and GBF. The latest returns being submitted in May 2025.
- Map out all of the strategic relationships in which the LEP has a role - recommend whether those relationships should be transferred to the MCCA, to LCC, to another body, or should be ceased.
 - ✓ A small working group of officers (from CCA and LCC) will be set up to complete the full mapping of all stakeholders to ensure continued engagement and clear lines of communication.
- Create an archive of information so that all decision on the above (and on LEP staffing transfers) can be accessed in a single place in the years ahead.
 - ✓ LEP closure archive is ongoing as we progress through closure. All key documents and decisions will be held centrally in a SharePoint site with agreed access.
 - ✓ Furthermore, will be the review of both LEP and Accountable Body SharePoint sites

Paper 3 Formal Decision on LEP Closure

Publication	Public Paper (published)					
Meeting date:	Tuesday 29 th July 2025					
Agenda Item:	4					
Item Subject:	Formal Decision on LEP Closure					
Author:	Linsay Hill Pritchard					
For:	Discussion	X	Decision	X	Information	

1 Introduction

This paper seeks Board approval to formally close the Greater Lincolnshire LEP (GLLEP) via Members' Voluntary Liquidation (MVL). It outlines a proposed two-stage approach to managing the closure process and recommends the use of a written resolution to confirm the decision of Company Members.

The Board is asked to consider the following recommendations:

- Acknowledge that Director resignations have been completed in accordance with the Articles.
- Approve the move to formally close the company.
- Approve the procurement of 6-year run-off Directors' indemnity insurance.
- Approve the engagement of a solicitor or insolvency practitioner to undertake Stage 1 of the closure process and to prepare for the statutory procedural meeting.
- Delegate authority to the Chair and Accountable Body Lead to work closely with the appointed solicitor or insolvency practitioner to address any questions or actions on behalf of the Board and support the drawing up of the written resolution to Company Members following the statutory procedural meeting.

2 Background

Following the transfer of LEP functions to Lincolnshire County Council and the conclusion of all operational activities, the GLLEP is now ready to proceed with formal closure. Legal advice from Wilkin Chapman LLP confirms that a Members' Voluntary Liquidation (MVL) is the most appropriate route, given the LEP's solvent status and the absence of employees, assets, or liabilities beyond those managed by the Accountable Body.

3 Legal and Procedural Requirements

Two-Stage Closure Approach

Following the agreement by the LEP Directors to proceed with formal closure, a two-stage approach is proposed to ensure a structured and risk-managed process:

- Stage 1 will involve working with the appointed solicitor/insolvency practitioner to undertake a comprehensive review and prepare the LEP for closure. This includes ensuring all legal, financial, and governance checks and balances are completed, and that the LEP is in the strongest possible position from a risk perspective to enter formal liquidation. This preparatory stage will also include the review of company membership, financial position, and any outstanding contractual matters.

Paper 3 Formal Decision on LEP Closure

- Stage 2 will be initiated once Stage 1 is complete and will involve seeking formal agreement from the Company Members to enter into a Members' Voluntary Liquidation (MVL), a solvent winding up procedure. This will include passing a written resolution to place the LEP into liquidation and appoint a licensed insolvency practitioner to carry out the statutory process.

Although the 29th July 2025 Board meeting is intended as the final decision meeting to approve the closure of the LEP, a statutory procedural meeting will follow. This subsequent meeting will be led by the appointed solicitor or insolvency practitioner, who will present the outcomes of the Stage 1 process.

The purpose of this procedural meeting is to provide the remaining Directors with the necessary assurance to sign the statutory declaration of solvency. Following this, the required resolutions will be passed to the Members to formally place the LEP into Members' Voluntary Liquidation (MVL).

It is recommended that delegated authority be granted to the LEP Board Chair and the Accountable Body Lead to work closely with the appointed solicitor or insolvency practitioner to address any questions or concerns on behalf of the Board. This collaboration will take place prior to the statutory procedural meeting and will support the process of issuing the written resolution to Company Members to commence Stage 2.

Company Membership

As part of the Stage 1 preparation for closure, it is recommended that a review of the current company membership be undertaken. The company currently has 31 members, and under updated guidance, each member will be subject to company closure checks similar to those required for directors. This process is expected to be both time-consuming and costly.

To streamline this process and reduce the administrative burden, it is proposed that delegated authority be granted to the Chair and the Accountable Body Lead, working in consultation with the appointed solicitor to:

- Review the current list of members;
- Assess the necessity and appropriateness of each membership;
- Streamline the membership where appropriate, in line with legal and governance requirements.

This will support a more efficient closure process and ensure that only essential members are retained for the formal resolution.

Directors' resignation prior to MVL

To simplify the MVL process and reduce associated costs, a number of Directors have now formally resigned from the Board. This reduces the number of individuals required to complete Anti-Money Laundering (AML) and ID checks and sign the statutory declaration of solvency.

Resignations were secured voluntarily in accordance with Article 22.1.4 of the Articles of Association, which allows Directors to resign by written notice. This action ensures that only the minimum number of Directors required for the MVL process remain in post, streamlining the legal and administrative steps ahead.

Paper 3 Formal Decision on LEP Closure

The following Directors have been retained to support the MVL process:

- Public Sector: Cllr Rob Waltham, Cllr Philip Jackson, Cllr Craig Leyland, Cllr Gale Waller
- Private Sector: Neal Juster, Alison Ballard, Julian Free, Nick Worboys, Mark Webb, Nikki Cooke

Declaration of Solvency

A majority of Directors must swear a statutory declaration of solvency confirming that the LEP can pay all debts (plus statutory interest) within 12 months. The declaration must be based on up-to-date internal management accounts, particularly a final balance sheet. Whilst the insolvency practitioner will be aware of the reserves held by Lincolnshire County Council, the solvent liquidation process will focus exclusively on the assets and liabilities of the LEP, as recorded in its latest management accounts, and previously in the LEP's accounts filed at Companies House.

There is no legal requirement for externally audited accounts, though the board and Members may wish to see assurance of solvency. The declaration will be prepared by the proposed liquidator based on the latest financial information provided by the LEP's accountant.

The statutory declaration of solvency must be sworn, by a majority of directors, **in person** before a solicitor or notary. This cannot be done virtually (e.g. via Teams). Directors who are signing the declaration will need to attend a scheduled in-person appointment which will form part of the closure timetable. This must be done **independently** of the company appointed to undertake the company closure. Directors can arrange this individually, with expenses claimed through the normal channels or the Accountable Body can arrange a single organization to cover all Directors. Timings will be advised as part of the closure process.

Directors run off insurance

Directors' indemnity insurance for a 6-year run-off period has been quoted and it is recommended it should be procured to mitigate any residual risk.

Appointment of Liquidator

Following the swearing of the declaration of solvency, the members will pass resolutions (via written resolutions or at a general meeting) to place the LEP into solvent liquidation, and appoint a licensed insolvency practitioner to act as Liquidator of the LEP. The Liquidator will be responsible for the winding up of the LEP's affairs. From the date of Liquidation the Director's powers cease, unless sanctioned by the members or the Liquidator.

Written Resolution of Company Matters

In accordance with Article 15 of the Articles of Association, the required special resolution (75% of eligible Members, including one Private and one Non-Private Sector Member) can be passed via a meeting or by written resolution. This will be considered as part of the Stage 1 review process but it is recommended that this be sought via written resolution wherever possible.

The resolutions will, among other things:

- Place the LEP into MVL
- Appoint a Liquidator

Paper 3 Formal Decision on LEP Closure

4 Transfer of Assets

Although the Greater Lincolnshire LEP has filed dormant accounts and does not hold formal assets in the traditional sense, the closure process via Members' Voluntary Liquidation (MVL) still requires confirmation of the LEP's financial position.

Any residual funds held by the Accountable Body on behalf of the LEP, along with contractual rights, intellectual property, or data assets, may be considered as assets for the purpose of liquidation.

In accordance with Article 6 of the Articles of Association, any surplus assets remaining after the satisfaction of all debts and liabilities must be transferred to one or more organisations with similar objectives, as determined by resolution of the Members or, failing that, by the Directors prior to dissolution.

5 Closure Timeline

Milestone	Target Date
Board meeting (virtual) <ul style="list-style-type: none">Decision on formal closureAgreed appointment of solicitor/insolvency practitioner to initiate Stage 1 of closure	July 2025
Stage 1 closure	
Review of finances, review of membership, draft insolvency agreement, overview of contract novations etc.	August/September 2025
Procedural meeting - Led by appointed solicitor/insolvency practitioner to present Stage 1 outcomes and provide assurance to Directors	September 2025
Majority of Directors swear solvency declaration (in person)	September/October 2025
Stage 2 Closure	
Written resolutions issued to Members	September/October 2025
Liquidator appointed; Directors' powers cease	October 2025
Liquidator issues statutory notifications, realises and transfers any assets, settles any creditor claims	October 2025
Liquidator Final account filed; LEP dissolved (3 months after filing)	February / March 2026