

Lincolnshire's plan for post-EU funding



COMMON-SENSE ON STATE AID

We need greater flexibility in the way we support our businesses.



AN END TO THE 'ONE-SIZE FITS ALL' APPROACH

Our future prosperity relies on a willingness to recognise and make the most of our unique circumstances.

A BOLDER APPROACH TO FUNDING

There are times when projects deserve to be 100 percent funded, and there will be times when that funding will be needed upfront.



INVESTING DIRECTLY IN BUSINESSES

Millions of pounds of agricultural and LEP funding is invested directly in businesses. Does this give us a model for the future?



BETTER ACCESS TO UTILITIES

All too often major projects are stalled due to the extreme costs of providing the necessary utilities – that needs to change.



INVESTMENT IN OUR RURAL COMMUNITIES

We need Government backing for improvements to our rail, road, power and water infrastructure.

Several members of our voluntary sector, private businesses, environmental groups and local authorities are keen to work with the Cities and Local Growth Unit to co-design a programme that works to best effect in Greater Lincolnshire.

We invite you to visit us and discuss these points in fuller detail.

A New Fund, A New approach, A New Way to Shape our Place

A New Fund

Local discussions have started on how we want to help shape future funds in Greater Lincolnshire. We want to look afresh at the new opportunities post Brexit could have for our area.

The government intends to introduce a new UK Shared Prosperity Fund to replace monies we have received in the past from the EU. There are many unknowns – how much will be in the pot; what can we spend the money on; who will manage the moneybut locally there are many knowns and we want to raise these important points to UK government officials now while they are shaping the new fund.

A New Approach

Local knowledge keeps highlighting specific themes that need addressing in order to make some step changes in our area by reducing inequalities & allowing for rural economic growth:

The Physical Regeneration of Place

We are unique. We are a predominantly rural area – a City within a rural setting, with vast stretches of coastline, knitted together with a collection of market towns

- We know how important our market towns are, not just individually but collectively
- We know that communities, especially in remote rural areas can be very isolated
- We know that solutions that suit city conurbations will not work for our rural area with its more dispersed population
- We know we are a good place to live, work and invest in

- We need to work together to make these areas stronger by investing in infrastructure improvements – the network is simply not there in comparison to more urban areas
- We need improvements to rail/road/power/water (including flood mediation/mitigation), to enable major planned housing delivery
- We need to be able to invest in physical regeneration to reverse the decline in some of our struggling places
- We need capacity building funding in support of third sector work to offer solutions to pockets of rural isolation

Making Sense of State Aids

We need to re-visit state aids as it is currently seen as a constraint and major barrier from getting projects off the ground

- We know we have more micro, small and medium sized businesses in our area, but we also have large businesses we want to support
- We know we offer more affordable housing than many other areas, but our low land values can mean that the development of new housing is not viable
- We know we can encourage better collaborative working with our businesses and training providers
- We know that strong, accountable governance is important but we also need flexibilities to promote local growth

- We need to also invest in our larger businesses who can support our smaller supply chain businesses, provide in house training and offer apprenticeship schemes
- We need to allow developers to group together to bid in for funds to improve infrastructure and housing schemes which would allow for bigger bids that can be split more effectively between them, and encourage a wider range of delivery partners into the market
- We need to look at opportunities & flexibilities around providing increase support & investment to our businesses as well as supporting more local activities which will have a marginal effect on trade as not being state aid

100% Funding

We know that 100% funding could be transformative where it can genuinely be identified

- We know we can reduce inequalities in our local area when genuine need and impact on a local area is identified
- We know that entrepreneurs need funding to get their businesses off the ground – some risks are worth taking
- We know investment in making the place somewhere people want to live, work and invest will encourage economic growth
- We need 100% funding for areas that tackle inequalities/rural isolation particularly where increased capacity building actions are needed
- We need to stop the delay and brokering issues we have faced during application processes to make quicker investments in support of our businesses, especially where there are no other sources of finance available
- We need to make our 'place' more attractive and joined up. Better signage, public realm, improvements to our heritage offer will attract visitors, investors and invoke a sense of pride in the area

Increasing Costs of Utilities

We know that development and investment opportunities are being lost due to poor provision of utilities

- We know utilities and power infrastructure is not sufficient for the area
- We know the cost of providing greenfield sites with utilities is so expensive it becomes prohibitive
- We know that investments in large scale capital investment projects, in support of our priority and emerging sectors are being stalled by prohibitive utilities costs
- We need support to access to utilities –water, gas and electricity
- We need to unlock our current commitments and future investment projects by providing the basic infrastructure requirements
- We need our housing and infrastructure needs to be linked in with education to create pathways within Lincolnshire. Utilities constraints are stopping these opportunities

Upfront Funding as a Catalyst for Change

We know that upfront funding if used wisely can help drive business growth in the local area

- We know if we enable businesses to invest in their capital assets and wider business model, it will attract more people to work and live here

- We know that for some projects we need an injection of finance to support long-term and sustainable projects
- We know that investment in heritage delivers on a much wider platform - as a catalyst to other development and to reinforce that sense of place and local pride. In a large county with a sparse population, the visitor market can make the crucial difference to business survival.
- We know that we have invested in good schemes which we want to sustain into the future
- We need upfront funding to support our businesses to make initial investments that are costly but will then see the return on these investments
- We need support for initiatives including start-up businesses/hubs, arts/festivals/heritage which drive business growth and investment in the place but require funding to get them off the ground
- We need to make sure that successful projects we are currently delivering can continue, especially if there is a period of 'gap funding' ahead

Recognising the Diversity of Our Place

We know that we need to embrace our local distinctiveness and emphasise the importance of place

- We know that our area is diverse with several strong sectors which can be very localised geographically
- We know that we need to encourage collaborative working to make our 'place' stronger but still showcasing local distinct features
- We know that survival of our rural areas and ability to live & work in a rural area is of great importance
- We need to recognise the seasonality of some industries and support businesses to diversify and encourage businesses to be less dependent on their seasonal incomes
- We need to help unlock our 'hidden gems' & better showcase our destination.
- We need to build on our place marketing & demonstrate meaningful impacts and outcomes relevant to growth in the locality

A New Way to Shape our Place

We leave the EU on 29th March 2019 so we need to prepare for a 'transition' period and ensure that locally what we are delivering well, we continue to deliver well.

We also need to prepare for an uncertain post-Brexit world. This is where we need to draw on our local knowledge and expertise to tell central government what support we need to transform our local rural economy.

We have the innovative **ideas** – we want help to further support automation, robotics, AI
 We want to invest more in **people** –to up-skill our workforce/ attract more people to the area
 We want to up-grade our **infrastructure** –to provide the foundations for economic growth
 We want to further grow our **business environment**-to support & invest in our businesses
 We want to have a **place** we are proud to live, work and invest in

Case Study Examples

Investing in Regenerating Our Places

Gainsborough is the primary settlement and market town for West Lindsey in rural Lincolnshire. It contains one of the most deprived wards in the country and has suffered from poor market perception, discouraging potential residents, businesses and investors. To combat this and to move Gainsborough forward as a self-sustainable community, West Lindsey District Council has embarked on an ambitious growth programme of physical regeneration and direct intervention to deliver housing.

A marketing campaign called 'Invest Gainsborough' was launched to highlight the connectivity, lifestyle offering and opportunities Gainsborough presents - targeting the property sector. From this, a national developer 'Muse' was procured as a development partner to deliver a cinema and restaurant complex to increase the town's leisure and entertainment offer. Work is currently being done on a Stage 2 Heritage Lottery Fund bid to restore the town's historic fabric to its former glory. A strong focus has also been placed on capitalising on the town's natural environment to create a green corridor connecting the town's green spaces and the River Trent. The aim is to increase its attractiveness to visitors and residents.

Like many northern market towns, Gainsborough suffers from market failure, leading to sluggish housing delivery. The physical regeneration of Gainsborough will create a brand new housing market, attracting new residents, businesses and developers from outside the area. Gainsborough was designated as a Housing Zone and is now ready to deliver the ambitious growth envisaged by the Local Plan.

Recognising the strength, ambition and long term sustainability of the Gainsborough Growth Programme, this has enabled the programme to successfully attract a mix of funding to turn the strategy into a deliverable programme. Investment from the Growth Programme (awarded by Greater Lincolnshire Local Enterprise Partnership), Gainsborough Southern Urban Extension (awarded by the Ministry of Housing, Communities and Local Government in the Housing Infrastructure Fund) will help kick start the vision and Gainsborough's largest housing site.

Investing in the Basics to Create a Land of Opportunity

Land and property values in South Lincolnshire are relatively low compared with the rest of the UK and this can inhibit development, especially when exceptional or abnormal development costs are incurred. The cost of providing utility infrastructure and the highway improvements required to serve our Food Enterprise Zone site will have an adverse impact on the viability of developing the land. This makes the scheme unattractive to developers for the foreseeable future. Public sector investment is needed to "pump prime" the scheme by providing 'enabling' infrastructure which will allow the land to come forward for immediate development.

Bringing forward prompt delivery of the Holbeach Food Enterprise Zone is an important component of improving both economic and job growth in the south east of Lincolnshire. The funding will enable the early development of land for an important employment sector with links to a nationally recognised academic institution which will have wider benefits to the food manufacturing sector.

The A17 is a key economic corridor and a critical route for manufacturing and tourism businesses in Lincolnshire, however there is evidence of a lack of commercial business

space provision in Holbeach and the surrounding area. The development of land would allow new start up business units and grow on space to be provided in order to meet demand, especially in the agri-food sector, a priority sector for our area.

The current demand for new space cannot be realised as the high 'up front' costs and long lead in times involved in bringing forward the infrastructure is a deterrent and creates uncertainty for private sector developers.

Future funding, invested in providing utility infrastructure to key strategic sites across the area, would help us unlock land that would bring long term, sustainable growth opportunities & have knock on regeneration opportunities for the place & business environment.

Businesses Preparing for a Brave New World

Responsive Business Support Provision

Previously we have been limited by the restrictions to provide 12 hours of support to businesses, which has predominately been focused at one business improvement area. Businesses have a range of growth requirements and any new business support programmes need to be flexible so that the business support offers can be responsive to business needs and provide a comprehensive package of support for example: strategic business planning; access to new markets; product development; innovation opportunities; supply chain mapping; recruitment and selection; managing your media profile; staff development & training etc. This will need to be connected with business property options for example serviced Industrial sites, management workspaces, freehold opportunities to ensure that there are no barriers to growth.

Digitisation for All

Retailers have suffered because retail businesses have been exempt from accessing some strands of structural funds support. The local high street businesses need extensive support to digitalise their offers. Independent retailers need to be given the support that large multinationals have eg online presence, social media campaigns, accounts software, stock control, POS and Industry 4.0 principles to ensure they can be responsive, survive and thrive. Linked to this large scale digital Industry Hubs need to be created on high streets which can house technology businesses, and can also offer digital support provision for non-digital businesses, support peer to peer collaborations and inspire innovation. This could be linked to engaging with young people in terms of using the premises for coding workshops, hackathons, Lego build projects at the weekends.

Agri Business Support

Previous support schemes have focused on grants for feasibility studies, diversification and capital grants. However we need to support our agricultural businesses to become more business focused with universal strategic business plan and business support to help them address their challenges eg reducing labour market, support automation pilots, supply chain development, field trials, aligned diversification, succession planning, research and development and digitisation.

Inward Investment

Our area is keen to attract new businesses, particularly aligned to our priority sector supply chains. We need to offer a robust package of soft landing opportunities through funded managed workspaces which will come with a package of support to include reduced rental periods, supply chain introductions, after care support, facilitated introductions to

membership bodies like the FSB, Chamber, IoD, innovation grants, R&D support, University connections etc.

Primary Skills Development

We need to influence the primary school educators to focus on local industry opportunities / careers and get our indigenous businesses to help to shape their future workforce in terms of requirements, opportunities, placements, skills training and sponsorship. Local industry ambassadors need to be identified, via the Business Lincolnshire Growth Hub and assigned to their local schools. Enterprise skills need to be honed by school children at an early age. If we can capture their imagination and focus on innovation, technology and problem solving we will help our future workforce to be aware and access local employment or become self-employed.

Connected Rural Villages

We need to take the learning that has been made through the Smart City roll out and apply that to a rural setting. Lincolnshire is a rural area with a growing population. 95% of our businesses have under 5 employees and are predominately run from home. In order to retain our rural charm we need villages to thrive and become the hub of their community. We need to find new ways to manage complexity, increase efficiency, reduce expenses, and improve quality of life. We will need to get smarter and the use of digital solutions will enable this. Smart cities have revolutionised areas but we need to focus on Connected Rural Villages, whereby we will provide live status updates on traffic patterns, employment opportunities, health care services, pollution, parking spaces, water, power and light. Emerging technologies are poised to reshape our urban environments. Using ultra-low power sensors, wireless networks, and web and mobile-based applications, Smart Cities are becoming a reality and rural locations have an opportunity to capitalise on some of this activity.

We must ensure we can access the smart city solutions including, for example:

- Energy efficiency – such as smart metering, smart monitoring of energy created through wind / solar
- Care – such as tele-health, loneliness monitoring;
- Transport – such as information points about buses, car sharing, traffic up-dates
- Wi-Fi in villages –such as shared Wi-Fi in care homes or sheltered accommodation
- Interactive Village websites –such as the Cambridgeshire 'shapeyourplace' standard platform that can talk to other village websites, and places for people to up- load information (village journalists, activities and events, local takeaway menus, community funding for local causes, share your stuff). Sensors on bins, waterways, roads, lights, and anything else that can be measured to provide useful information on usage and improved efficiencies.

Forging local supply chains

We need to directly stimulate the local economy by developing and supporting our businesses to procure and trade locally and to strengthen their own supply chain not just locally but regionally and nationally too. This will improve business performance by helping them to develop their knowledge and skills in tendering, procurement and local supply chains, as well as creating the environment for business to business transactions.

Businesses need to be supported to develop cost effective procurement practices, as well as putting mechanisms in place so that they are ready to win contracts with large private sector businesses within the areas key sectors.

Support should include:-

- Workshops on responding to both private and public sector procurement needs including: policies, systems and processes that will need to be in place to 'pre-qualify'
- One to one support to improve SME procurement practices, policies and processes
- Development of a local purchasing portal, which will act as an opportunity board, as well as a place for suppliers to register their business.
- Development of procurement clusters
- Development of supply chain clusters, through supply chain mapping analysis
- Highlighting tendering opportunities within the areas key sectors

We recognise the issue of too little water and we want to be recognised for leading the way in wider water management

Investment in water resources for people, business and wildlife is essential if Greater Lincolnshire wants to grow and adapt to climate change. Future funding needs to take account of water resource infrastructure.

It's not just about too much or too little water, it's about the quality of the water – business requires certain qualities, drinking water is necessary (and costs to produce it), bathing waters are important for our tourist economy and wildlife/shellfish economy relies on water quality.

Natural capital is a way of recognising the multiple services that the natural environment provides and attempts to place an economic value on them. These services are vital to the economy of Greater Lincolnshire including pollinators, soil and water to the agri-food sector. Protection and enhancement of the natural environment in a strategic way can increase natural capital to support our economy and improve our place.

The government's 25 year environmental plan expects net environmental gain through development and growth. This could place additional burdens on businesses/challenges to viability where there are already issues. Innovative ways to provide infrastructure that deliver multiple benefits are needed where revenue funding for project development would help with this. Flood defence Grant in Aid can plan for and potentially deliver the flood risk infrastructure, with partnership contributions, to protect coastal communities however; the solutions are not always the preferred way forward for economic growth. Funding could help identify options to make our coast and businesses/communities more resilient to climate change/sea level rises and improve the sustainability of flood defences.

Showcasing our Natural Coast and County for Cyclists

Our Natural Coast

As well as the lively resorts of Skegness and Cleethorpes, Lincolnshire has long stretches of a beautifully unspoilt natural coastline featuring clean wide sandy beaches and nature reserves. This is a perfect product for bird watching, walking, cycling as well as just being on the beach. It is as good as anything in North Norfolk, but is seriously 'under visited' and awareness of what it has to offer is poor.

The quality of what is there is good, but it rather suffers from an absence of facilities to support the natural offer. The investment in Gibraltar Point, North Sea Observatory and in the cycling and walking product has shown what could be achieved, but in many ways they have highlighted that more needs to be done so that the area could meet its potential.

We want to showcase a natural coastal offer that majors on its unspoilt beaches; good cycling and walking opportunities; excellent bird watching and wildlife access; with a hinterland of villages and small market towns offering heritage, retail and accommodation.

Further investment is needed in hub points, for example at Frampton and Huttoft, giving a trail of connecting focal points that other businesses could cluster around. The walking and cycling offer needs to be further developed to join up these hubs and to connect with the hinterland, and further facilities to allow access to the nature reserves. We need to raise the awareness of what we have to support those businesses who are investing in this part of the coast. RSPB describes Lincolnshire as "the most under-watched county in England" – not that we don't have great bird life; just nobody knows we do and the lack of facilities when they do come exacerbates this.

County for Cyclists

Our area is already popular with cyclists. Investments have been made into off-road paths like the Water Rail Way and Spa Trail, the intention being that they would provide the beginning of a connected county-wide system. The routes put in place were very well received, but it highlighted the need for connectivity and people reported back that they appreciated what had been done but 'they wanted more'.

Since then there has been considerable investment in hire bikes (Boris bike model) and other cycling facilities but distribution is patchy and not county wide. Private investment from Giant Bikes and Doddington Hall has increased the profile and the number of cyclists, but again highlighted that more connectivity is needed to achieve an excellent cycling product for Lincolnshire.

We need to take the next big steps to make this the County for Cyclists. A coherent strategy to draw all of the elements together, recognising the need for both commuter/school routes as well as leisure routes. It is a common mistake to see country lanes as safe for cyclists – they can be more dangerous than the rest of the road network. So there is a need for more off-road routes but also bridges, crossing rivers rather than roads, to achieve safe connected routes. There is also a need for more racks and cycling facilities as well as training and encouraging a network of businesses that are 'cycling friendly'.

Our area has the opportunity to build on existing investment creating the USP of becoming a county for cyclists.

Inroads to Inclusive Growth

Development funding is critical to providing the right solutions to inclusive growth, particularly in isolated rural areas. The MOVE project - 'Moving on, Volunteering and Employability' – is a 3 year project providing a range of support and interventions to help economically inactive and unemployed people to start on the road to employment.

The project brings together a network of 24 delivery partners to build on existing employability provision and help reach those furthest from the labour market. MOVE offers

financial help and the ongoing support of an advisor who works directly with participants to hear first-hand the challenges of moving into work and maintaining a sustainable job.

Stakeholder engagement activities to extend awareness and reach of delivery partners and referral networks strengthen partnership working. Understanding provision of existing services, minimising duplication and establishing cross-referral mechanisms ensure that participants receive the right support for their needs – it doesn't have to be the delivery partner they first approached.

The scheme also worked with smaller partner organisations to develop their capacity to deliver and worked collaboratively with other areas to share resources, develop a common approach to delivery to achieve value for money & increase efficiencies.

The development period enable MOVE to start recruiting participants as soon as the project went live so it could hit the ground running straight away. The funding was wholly invested in building the infrastructure on which the project is based - developing policies & procedures, designing marketing materials & training delivery staff. A crucial element and important project resource was a website that was built in for use by delivery staff as a 'resource bank.'