

## Greater Lincolnshire LEP Board Meeting

Thursday, 21<sup>st</sup> July 2016

10.00am to 12.30 pm

The William the Conqueror Room, Prison Building, Lincoln Castle, Lincoln

### Paper 0- Agenda

<b>Time</b>	<b>Item and brief description</b>	<b>Lead</b>	<b>Access/Circulation</b>
<b>10.00 10 mins</b>	<b>1 – Welcome, Apologies, Declarations of Interest</b> <ul style="list-style-type: none"> <li>• Actions from the last meeting</li> <li>• Directors business</li> </ul>	Chair	All Members - Paper 1 All Members –Paper 1.1
<b>10.10 20 mins</b>	<b>2 - Impact of EU Referendum on the Greater Lincolnshire Economy</b>	All	Paper 2
<b>10.30 5 mins</b>	<b>3 -LEP Director's Report</b>	Ruth Carver	All Members -Paper 3
<b>10.35 30 mins</b>	<b>4 – Single Local Growth Fund Submission – Confidential</b>	Halina Davies	Paper 4 - Confidential – Board Members Only
<b>11.05 20 mins</b>	<b>5 – Devolution</b>	Richard Wills/ George Spiteri	Verbal Update
<b>11.25 10 mins</b>	<b>6 – Annual Accounts and Audit 2015/2016</b>	Andy Orrey	All Members – Paper 5
<b>11.35 15 mins</b>	<b>7 – Greater Lincolnshire Area Reviews</b>	Clare Hughes	All Members – Paper 6
<b>11.50 5 mins</b>	<b>8 – MIPIM 2017</b>	Ruth Carver	All Members - Paper 7
<b>11.55 5 mins</b>	<b>9 – Water Management Board, Lincolnshire Coastal Vision</b>	Mark Tinsley	All Members Paper 8
<b>12.00 30 mins</b>	<b>10 – Greater Lincolnshire's Tourism Review</b>	Melanie Sensicle	All Members Paper 9
<b>12.30</b>	<b>Any Other Business</b>		

The meeting will be followed by a buffet lunch and the Investment Board at 1pm

**Attendees - LEP Board Directors:** Ursula Lidbetter (Chair), David Dexter (Deputy Chair), Andy Orrey, Chris Baron, Cllr Ray Oxby, Cllr Bob Adams, Cllr Lady Redfern, Cllr Colin Davie, Pat Doody, Herman Kok, Richard Wills; Prof Mary Stuart, Mark Tinsley

**Observers:** Sarah Hendry (DEFRA), Pete Holmes (Cities & Local Growth Unit)

**Officers:** Ruth Carver, Halina Davies

**Apologies Received:** Steve Middlebrough

**Date of Next Meeting :** 30<sup>th</sup> September 2016 – venue to be confirmed

**Additional Papers Pack**

- AP1 - Growth Hub Minutes from 15 March 2016
- AP2 - ESIF Minutes (draft) from 14 June 2016
- AP3 -Greater Lincolnshire Tourism Review
- AP4 - Media Report last quarter
- AP5 - MC – Picking up the pace report

**27<sup>th</sup> May 2016**

**Room E1, Enterprise Building  
University of Lincoln**

**Board Members Present:**

Ursula Lidbetter – Chair (UL); David Dexter – Deputy Chair (DD); Chris Baron (CB); Andy Orrey (AO); Pat Doody (PD); Steve Middlebrough (SM); Prof Mary Stuart (MS); Mark Tinsley (MT); Cllr Bob Adams (BA); Cllr Lady Liz Redfern (LR); Cllr Peter Wheatley (PW); Richard Wills

**Apologies from Board Members:**

Herman Kok; Cllr Colin Davie; Dr Tony Hill

**Observers:**

Angela Blake (AB); Pete Holmes (PH – Cities & Local Growth Unit); Vicky Wheelwright (VW - BIS Local)

**LEP**

Ruth Carver (RC); Sue Groves (Note Taker)

**Apologies**

**Item 1**

**Welcome and Introductions**

UL welcomed Cllr Peter Wheatley from North East Lincolnshire Council his first Board meeting.

Minutes of 24<sup>th</sup> March 2016 agreed as a true record and can be published.

**Declarations of Interest:**

Lincoln Science Park – UL and MS

Boole Park –UK

Area Reviews – MS, PD and AO

**Matters Arising from previous minutes**

**Action:**

- **RC has confirmed dates and format of briefing sessions to Board Members**
- **Devolution has been added to the future LEP Board agendas.**
- **Business Plan for 2016/17 approved by the Board.**

**Item 2**

**Finance Report from the Accountable Body**

It was noted that there was a slight overspend of 1% from revenue funds, but no concerns have been raised.

An annual report will be produced once the audit has been carried out during May and June. The results from the audit will be taken to the July Board, then the annual report will be produced for the Business Live event, when LEP activities will be reviewed.

The cash balance shows that there is approximately £9.4m, but RC stated that this has now

	<p>been updated to be approximately £1.6m. LR queried the underspend on Sectors, RC explained that due to difficulties with Agresso, cost codes from the beginning of the financial year need re-allocating.</p> <p>MT asked whether the "Accountable Body" is the Board: RW explained that this is a government expression and that LCC is the "Accountable Body" and that the "Accountable Body" ensures that any decisions made by the LEP Board are correct.</p> <p><b>Action:</b></p> <ul style="list-style-type: none"> <li>➤ <b>Results of annual audit to be taken to the July Board</b></li> </ul>
<p><b>Item 3</b></p>	<p><b><u>Management Report</u></b></p> <p>The LEP Board previously approved the launch of the Greater Lincolnshire Feasibility Challenge Fund, which received 29 completed bids from both the public sector and private sector in the LEP area. A prioritised list is included in the paper. Draft grant agreements have been issued and the grant payment process will follow once signed agreements are in place.</p> <p>RC informed the Board that the following funds have been launched:</p> <ul style="list-style-type: none"> <li>• Coastal Communities Fund (£90m over 4 years)</li> <li>• Challenge Fund – Discover England (£40m)</li> </ul> <p><b><u>ESIF</u></b></p> <p>PD informed the Board that he has raised concerns with DCLG regarding the length of time to process applications and to see if this could be made quicker. An example given was that it took a year from application to project starting.</p> <p>It was agreed that once Devolution is in place that funds are used in high demand areas.</p> <p>Where demand has been required, higher bids have been funded.</p> <p><b><u>Big Debate – Midlands Engine</u></b></p> <p>This was held on 18<sup>th</sup> May. The Panel consisted of UL, SM, David Sharif (Interim Midlands Engine Delivery Director) and Tom Robinson (Simons). SM reported that this was well attended by businesses from the whole county. SM stated that it appears to be well focused on the West Midlands and that Lincolnshire/East Midlands should ensure that their voices are heard. One of the questions raised at the event by businesses is how to they access/target new funds.</p> <p><b><u>Growth Hub</u></b></p> <p>Information from the Growth Hub Board – MS to send to SM.</p> <p><b><u>Transport</u></b></p> <p>MT asked when funds would be available for transport projects. RW stated that he attends the Midlands Strategy Board and believes that the East Midlands will fare well from the Devolution Deal. Transport projects will be subject to which authority puts in a bid, ie, District Council, Combined Authority, Midlands Engine. LR stated that there are number of priority transport projects in the Greater Lincolnshire area.</p>

**Boston Quadrant**

DD informed the Board that he attended the "Breaking Ground" ceremony at Boston and stated that the Chairman of Chestnut Homes had recognised and thanked the LEP for their support.

**Business Plan**

DD asked that looking at creating new businesses should be included in the Business Plan, stating that each year 15% of new businesses are lost, but there is a need to increase this by thousands, ie, making it an entrepreneurial county. UL stated that it must be new businesses and that it can be measured.

RC stated that research is being carried out regarding businesses opening/closing and that once this has been completed, targets will be set that can be achieved.

PW stated that there is a Business Hub in Grimsby where there were a number of new businesses, but were not nurtured and they were unable to expand, with some re-starting their businesses, making it very difficult to measure.

DD stated that HMRC have this information, but are unwilling to share this.

MS stated that the Growth Hub supports micro-businesses.

MS stated that a "Going Digital and Innovation" Council was held recently with 65 businesses attending. The key theme was One to One discussions on how technology can help. New members included Jason Andrews (who mentors new businesses), Alex Knapton-Wright (Works for Facebook), David Marlow (Economist), Director of Research from Bishop Grosseteste University.

**Actions**

- **Business Plan to be updated following discussion.**

**Item 4**

**Single Local Growth Fund - RC**

RC gave a presentation on Single Local Growth Fund.

Greater Lincolnshire LEP has attracted £146m out of the £7.2 billion to date. In the Spring 2016 budget, up to £1.8 billion was allocated through a further competitive round of Growth Deals, with negotiations for the remainder ongoing.

CLOG will be looking for the following areas, in particular:

- Interlinkages between Growth Deals and Devolution, Northern Powerhouse, Midlands Engine and the housing agenda, also with the Humber LEP.
- Evidence that underpins what will be achieved by that activity, in the form of outputs and other metric, evidence of progress that the LEP has made in the last couple of years and evidence of what our economy needs and why this may have changed since the previous SEP.
- An agreed list of projects or programmes, led by political and business leaders.
- There will be a conversation about which activity to prioritise regarding the Growth Deal, and as a potential devolved area, we can submit programmes as well as projects.
- A challenge session will take place at the end of June/early July with the government before any submission and it must show a level of ambition.
- Agreement is needed by the LEP Board and support from the Combined Authority.

- Final submission is 28<sup>th</sup> July with announcements on the award of Local Growth Fund being made as part of the Autumn Statement.
- Four programmes are already being considered and detailed business cases have been requested.
- Private and public sector have been asked for schemes with full business cases to be requested.
- Projects up to £60m should be prioritised.
- PH stated that being in a devolution area put GLLEP in a good place, but there would be challenges and to maximise the flexibility of the programme approach.
- DD asked whether previous schemes that have been assisted with funds could return for further funding. RC said that businesses should be encouraged to return if they are expanding their project and also depending on a strong business case.
- MT informed the Board that John Hayes, MP would support any transport/road projects in the south of the county.

**Actions:**

- **Presentation to be circulated to all.**
- **The Board agreed the way that the LEP team has approached this.**
- **Board members to engage with MPs when the opportunity arises.**

Item 5

**Dft Transport Majors - RC**

RW and LR declared an interest.

The Department for Transport has recently announced a £475m fund for large local transport schemes and that the funding will be available on a competitive basis for 5 or 6 schemes nationally.

The fund provides two opportunities for LEPs to apply for central government financial support to help develop such large transport schemes in their area, with a deadline for submissions being 21<sup>st</sup> July 2016. Consideration has been given to the potential for GLLEP to submit development fund applications for 2016/17 for two schemes, ie, Lincoln Southern Bypass and A15/A46 Corridor. The Board supported the proposal.

It was stated that the Devolution Deal may assist with other transport schemes and highways agencies should be lobbied.

MT said that there is a real threat in the south of the county if schemes are not carried out, ie, connectivity to major roads. LR said that they have the same issues relating to Ports.

UL said that the LEP and the Combined Authority would work together to ensure that businesses are heard.

**Actions:**

- **Fund applications for Lincoln Southern Bypass to be submitted by 21<sup>st</sup> July 2016.**
- **Work required to bring the A15 corridor proposal up to the required status and recommended to be funded by the SLGF transport programme – endorsed for later submission by the Board.**

**Item 6****Devolution – George Spiteri (GS) & RW**

GS explained that the Government agenda is growth, ie, economy, roads, housing, jobs etc and that there had been 38 bids for Devolution. The Deal for Lincolnshire was announced in the Spring Budget on 16<sup>th</sup> March 2016. There are 6 Work Streams and Themes and "Accelerated Growth and Business Support" is the foundation of everything.

UL said that GLLEP had been successful with bids as they had always been evidence based and would like to see the same group of people going forward with the Combined Authority.

GS stated that there will be 12 members of the Combined Authority: 10 District Councils, a Mayor and the Chair of the LEP.

Discussion took place on the role of the mayor.

- DD asked whether political parties would govern. UL said that when she had attended devolution meetings, party politics had been put aside and that all had worked together to reach a positive outcome.
- PW said that the mayor may not be political, but could have a political mandate.
- The role of the mayor will be to work with the Combined Authority and the GLLEP, PW said that the Chair of the LEP will need to be strong and ensure that LEP priorities are listened to.
- The mayor should be someone who knows Greater Lincolnshire and will promote the area.
- LR said that there is a nervousness about the mayor and that they should know Greater Lincolnshire, be pragmatic and be able to influence decisions.
- MT said that a mayor is a positive move, but is worried that they would try to override the LEP, weakening the LEP.
- DD said that it is up to the LEP to influence the mayor.
- RW said that business voices are expected to be heard by the Combined Authority/Government.
- GS said that the Home Office has been contacted regarding boundaries because the mayor would cover the whole of the Greater Lincolnshire area, but the same area would have 1½ Police & Crime Commissioners (Lincolnshire & Humberside).
- RW and UL said that all LEPs should be talking to neighbouring LEPs.
- CB and DD raised concerns that the mayor may have a precept regarding business rates. RW said that the LEP has a veto and would not approve this.
- PH said that Greater Lincolnshire is now in an exceptionally positive place with the Government, but there would be some big challenges, ie, communicating to the public positive messages.

**Actions:**

**Item 7**

**Area Reviews - CH**

The LEP Board is asked to note the updated guidance on area reviews and endorse the approach outlined.

The Post 16 area reviews are taking place nationally, predominantly to ensure that FE Colleges/Sixth Form College Institutions are financially stable.

Reviews are to be undertaken by representatives from local and national organisations, working together through a series of 5 meetings that will take place over a few months to agree a series of recommendations about the local structure, quantity and quality of provision.

At the last LEP Board meeting, a position statement was agreed and the ESB was asked to form a small working group. This working group will meet at least 3 times before the start of the area review in the autumn. Its purpose is to assist the LEP in developing and articulating the LEP's input to the area review. Members of this group will include Andy Orrey (LEP), Cllr Bob Adams (LEP), Herman Kok (LEP/ESB), Heather Lee (ESB), James Pinchbeck (ESB), Maggie Freeman (LCC, 14-19 Education) and Clare Hughes (LCC) and their role will be to ensure that a private sector view of the economic evidence is provided.

Over the next 10 years, there will be up to 200 thousand vacancies and we must ensure we know what skills employers will require.

BA asked about the role and input of the Combined Authority and CH stated that she is working with Beverly Agass (SKDC), who is championing the skills theme on behalf of the CA.

MS stated that the devolution of skills funding does not include funding for apprenticeship training.

Once the area review has been completed, each institution could either accept or reject the recommendations. If they reject the recommendations, it would be difficult for the LEP to provide capital funding.

MT said that any linkage between schools, FE and Employers should also include parents.

**Actions:**

**Meeting Closed at 12:30**

.....  
Chairperson

.....  
Date





**Welcome and Attendance**

*Ursula Lidbetter is appointed chairperson of the meeting and chaired the meeting throughout. The chairperson should report that due notice of the meeting has been given and that a quorum is present. Accordingly, the chairperson declares the meeting open.*

Record attendees/ apologies/ declarations of interest.

**Minutes of previous Directors Meeting**

Review, agree and Chair's signature required on Director's minutes.

**Company Finances 2015-16**

**Audit**

The audit for the financial years 2015-2016 took place on 30<sup>th</sup> June -1<sup>st</sup> July 2016. Andy Orrey, the Chair of the Finance and Audit Committee of the LEP will update the Board on the final year end report for 2015-16, and discuss the finding and recommendations from the Audit report.

**Membership**

All Local Authority organisation members of the company have been asked to confirmed their nominations, pending local elections. A membership application form from North Lincolnshire Council is yet to be received.

**Declarations of Interest**

The annual declaration of interest forms were recirculated in June for return by 30<sup>th</sup> June. Some remain outstanding and Directors are encouraged to respond with updates as soon as possible.

**AOB**

The AGM will take place ahead of the Business Live Event on Friday 21<sup>st</sup> October.

**Recommendations**

1 The Directors of there are invited to note the contents of this report



**Purpose**

To provide the LEP Board with an update on the implications of Brexit for the local economy and on European funded activity.

**Recommendation**

The Board is invited to note the contents of this report and discuss.

**Introduction and Background**

The report is written as a snapshot in time within a fast paced environment and should be treated as such. On 23<sup>rd</sup> June 2016, the UK voted to leave the European Union following a nationwide Referendum. Whilst the overall result was close (48% remain/52% leave), it is clear that the decision of the British people will be honoured.

Whilst it is currently unclear as to the timetable for exit, the formal trigger point is the execution of "Article 50" of the Lisbon Treaty which gives a member state a 2 year period to politically and financially extricate itself from the Union. Only the UK Government can trigger Article 50 and the two year period can only be extended with the unanimous agreement of all 27 remaining member states.

There is pressure from the EU for this process to start immediately; however, the Government has confirmed that it will be a matter for the new Prime Minister to determine when to commence formal exit negotiations.

In addition, there is an expectation that legally the decision to exit must be via primary legislation, ie, through an Act pass by both Houses of Parliament, rather than by the Prime Minister exercising the Royal Prerogative. This is because the referendum was advisory, not legally binding.

The impact on the UK economy has been much debated by both sides during the referendum campaign and since the outcome was announced, there has been considerable interest in the repercussions of this decision in terms of European funding, both in terms of the impact on existing programmes and future investment.

**Impact on the UK Economy**

The vast majority of independent economists predicted a British leave vote would have negative consequences for the UK economy. Bodies such as the International Monetary Fund, the Bank of England and the Institute of Fiscal Studies all predicted anything from a downturn to a full-blown recession. The immediate aftermath of the vote saw a sharp drop in share prices globally and a 10% plus reduction in the value of sterling. Ratings agencies also downgraded the UK's credit status. Whilst the share markets have rebounded, the reduction in the value of sterling looks to be a more long term reflection of the world view of the UK's economic prospects, at least in the short term.

The impact of a weaker pound will assist businesses seeking to export, but make imported goods more expensive. This is likely to lead to an increase in the cost of items such as petrol, which is priced in dollars.

Bank of England Governor, Mark Carney, said on 5<sup>th</sup> July that some of the warnings issued before the vote were beginning to crystallise and the outlook was now "challenging". However, the bank is making £250bn available to support the economy and Mr Carney has reiterated that the bank system is in better shape than 2008. Commercial property appears the first sector under pressure, with trading in a number of property funds suspended after large sums of money were removed from the funds. Property prices are predicted to stagnate or fall, and there is an expectation that financing for commercial property will become more difficult to obtain.

### **Local Impact**

Inevitably, the national economic pressures will be reflected at a local level, and the LEP and Local Authority teams are closely monitoring the impact of the vote on local businesses. We are doing this in order to better inform our own strategies and interventions and also to inform central Government to assist its policy making.

In the short term, the direct economic impact of Brexit on Greater Lincolnshire will largely be felt through the increased uncertainty around what the post-referendum landscape will look like and the many unanswered questions generated by the vote. This could see business activity across the region, in terms of hiring, investment and financing, cool off in the short term. This will particularly impact upon, but will not be restricted to, industries and businesses that are especially connected to the EU, whether through trade, ownership or regulation. But even those with a relatively non-EU outlook will begin to feel the shockwaves of the referendum result; the large and continued depreciation of the pound will impact on those businesses whose supply chains are reliant on imported goods. On the other hand, exporters in the region may welcome the change, but only if the demand for their goods shifts upwards both abroad and at home. Further, the region's tourism industry may well benefit if overseas holidays increase in cost, with more people choosing to holiday in the UK. We will start to see some initial evidence of business activity through the Chamber of Commerce quarterly business survey.

The importance of the Common Agricultural Policy to agricultural incomes and land use, of science funding and international partnerships to higher education/innovation, and of placements for overseas workers within our technological businesses should all be recognised. Many procurement rules also flow from EU legislation. In each case, current EU activity and policy has a direct and significant impact on elements of our economy.

It is, of course, too early to draw any firm conclusions. Longer term, the uncertainty may subside but it will be highly dictated by what will likely be substantial, complex and drawn-out trade negotiations with the EU and the rest of the world.

With some of the above factors likely to have a direct impact on the LEP's ambitions (not least through jobs, productivity and housing), the LEP executive will maintain and scrutinize a set of key Indicators and datasets related to the welfare of the economy, and continue to report observations and trends to the board.

These Indicators will cover short term movements across:

- the labour market (jobs, unemployment, employment, wages, labour supply);
- the housing market (start/completion of new dwellings, sales volumes, house prices);
- trade and exports (trade value, participation and location), and;
- business sentiment/confidence and outlook (Chambers QES)

Alongside this the LEP will continue to take a proactive role further assessing and scrutinizing the potential economic impact of the vote on the region, applying some of the latest, forward-looking research and analysis from professional organisations and commentators.

## **European funding streams**

Aside from the impact on the economy as a whole, the UK's decision to leave the EU will have a direct impact on funding received by the UK from the EU.

In terms of scale, funding for science and research and agriculture are the largest and changes to this funding will have a significant impact on our local economy, in particular our farming businesses, our universities and research institutes. The Government has yet to confirm what happens next with this funding either in the period leading to Brexit and in the period afterwards. There is a working assumption that whilst we remain a member of the EU we can access this funding, and the overall level of funding will be protected once we leave – but the process of how this will happen is not yet developed.

Further some institutions are reporting that the UK is being excluded from some collaborative research projects going forward and therefore access to funding as the UK will not be a member of the EU in the future.

## **European Structural and Investment Funds**

The most significant to the LEP itself are the European Structural and Investment Funds (ESIF). Nationally, the UK is set to receive around £6.2bn of Structural and Investment Funds for the period 2014-2020. This is on top of other EU funding programmes (such as Horizon 2020, the EU's innovation and research programme and farming subsidies).

The Greater Lincolnshire area has been notionally allocated approximately £123 m of ESIF funding for the period 2014-2020. This allocation is made up of three funding programmes: ERDF; ESF and EAFRD.

### **European Regional Development Fund (ERDF)**

ERDF funding focuses on activities that support the competitiveness of small and medium sized enterprises, innovation and research and development and the low carbon economy. The notional allocation of ERDF funding is £68.3m for the period 2014-20. To date, 2 ERDF projects have been fully contracted (ERDF value: c. £1m) with a further 16 expecting to contract imminently (ERDF value: c. £26.144m). In addition to this, there are 5 projects formally in the project pipeline (i.e. first stage Outline Application has been accepted into the programme by the Managing Authority – ERDF value: c. £4.762m).

This means that approximately £36.394m remains in the ERDF notional allocation for new activity over the remainder of the programme period

### **European Social Fund (ESF)**

ESF funding focuses on activities that support people in and out of work and businesses with skills provision and support for improving social inclusion and labour mobility. The notional allocation of ESF funding to the Greater Lincolnshire area is £45.5 for the period 2014-20. Approximately ESF value c. £17.244m is allocated to Opt- ins through the SFA and Big Lottery and are at the tendering stage. This means that approximately £28.32m remains in the ESF notional allocation for new activity over the remainder of the programme period.

### **European Agricultural Fund for Rural Development (EAFRD)**

EAFRD is part of the Rural Development Programme for England (RDPE). The amount of RDPE notionally allocated to LEP areas nationally only constitutes around 7% of the total RDPE budget. A similar amount is invested in LEADER activity (there are four LEADER groups across Greater Lincolnshire). The remainder of the RDPE programme is focused on support for programmes such as Countryside Productivity and Environmental Stewardship. EAFRD funding is predominately

provided directly to businesses to support investment in business diversification and food processing facilities, but also for activities that enhance tourism, business collaboration, skills and rural broadband.

The notional allocation of EAFRD funding to the Greater Lincolnshire Area is £9m for the period 2014-20. To date 3 EAFRD projects have been fully contracted (EAFRD value £0.669m) However 4 projects are formally in the project pipeline (i.e. first stage Outline Application has been accepted into the programme by the Managing Authority – EAFRD value: c. £0.381m).

This means that approximately £7.563m remains in the EAFRD notional allocation for new activity over the remainder of the programme period.

### **Current position with ESIF programmes implementation**

The LEP and the Accountable Body are working closely with the three ESIF Managing Authorities – DCLG, DWP and DEFRA – to understand the implications of Brexit on the short, medium and long term prospects of the programmes. Currently the three departments are promoting a consistent approach and operating on a partial 'business as usual' basis summarised as follows:

- Projects that are already contracted should continue to deliver, claims will continue to be paid and contract monitoring and assurance activity will continue. Projects must continue to remain compliant;
- Calls for projects which are currently live on gov.uk will continue to remain live and applicants are being encouraged to continue to develop and submit projects;
- New Calls will continue to be prepared but their publication may be delayed;
- Projects submitted and in the pipeline will continue to be appraised and progressed through the system;
- The local ESIF Sub-Committees will continue to meet and be consulted on projects submitted;
- However, at this moment in time, no new financial commitments will be entered into until such time as Ministerial approval is given. This means that Funding Agreements will not be finalised though they will continue to be prepared in readiness.

All LEPs are pushing government to make urgent and clear decisions to ensure that confidence in the EU funding programmes continues and to settle any fears around funding withdrawal or suspension.

They are also acutely aware of the urgent nature of many Funding Agreements, including the Greater Lincolnshire Growth and Innovation Programme, and are seeking to resolve this situation as soon as possible.

### **Possible Scenarios for the remainder of the Programme period**

Whilst it is impossible to second guess the impact of the Brexit vote on the current funding programmes, and much will depend on the timescale adopted for triggering Article 50, there are a number of scenarios which could be followed:

1. Programmes continue until the scheduled end of the period, i.e. funding can be contracted to new projects until 2020 with delivery and spend until 2023.
2. Programmes continue but on a reduced timetable, say for two more years and are suspended early.
3. Programmes are immediately and permanently closed to new activity with only contracted projects continuing to deliver.
4. Programmes are immediately and permanently closed to new activity with currently contracted activity asked to wind up prematurely.

## **Direct Impact on the LEP**

Clearly the current position of uncertainty will impact on the LEPs delivery of some key priorities, particularly in the event of the programmes being terminated or reduces. Some of the key impacts are summarised below:

### **Impact on ESIF funding contribution to SEP targets**

Across the three ESIF programmes, investment is targeted at achieving outcomes which closely support the ambition of the SEP. For instance, the programmes are targeting the provision of business support for around 6,552 businesses, support for 2310 start-up businesses, and skills support for around 33,010 participants.

### **Impact on the ERDF funding for the Business Growth Programme (including Growth Hub)**

Given that the project includes the delivery of the Growth Hub, a key government policy and local priority, this would leave a substantial void in business support across Greater Lincolnshire

### **Impact on Technical Assistance Funding**

The Accountable Body and the LEP is a funding and delivery partner in 3 'Technical Assistance' projects/applications. The LA financial contribution to these projects is made up of some staff time and some cash match. The three programmes are at different stages in the approval process. As the expenditure under these projects are primarily based on salaries, the financial risk of having to close these projects early is considered to be quite low, though there might be redeployment to address.

## **Future Outlook for EU funding**

Whilst the UK starts to negotiate its exit from the EU, there will be debate around how the funding currently routed through Europe is replaced or enhanced by the UK Government in the future. It is possible that the UK will still be able to access some EU funding programmes though this is dependent on the final agreement with the EU.

For instance, Norway is not a formal member of the EU though has negotiated access to the single market and some funding programmes through paying a subscription to the EU and allowing the free movement of EU citizens into and out of their country.

However whether funding is routed through the EU or comes directly from the UK Government, it is critical for economic growth that the areas which receive EU funding continue to be funded.

Given the economic uncertainty caused by the Brexit vote, it is all the more important that this funding, much of which is targeted at improving skills levels, improving the competitiveness of businesses and supporting research, is still available.

These measures are all the more important as tools to help businesses trade through uncertain times and equip themselves for growth.

Therefore as a LEP we have started to work with partners including the LEP Network, the Local Government Association as well as partners in Higher Education and research institutes to lobby Government to ensure funding in these areas is protected.

We will therefore be seeking urgent assurances from Government about its intentions to ensure that existing EU funding streams are available on a short term basis and that the areas targeted by EU funds will continue to receive at least the same amount going forward.

## **The Government's Wider Response – Designing a Future following Brexit**

A new cabinet is forming as this report is being written. EU policy and programmes have influenced the economy as we currently recognise it. But in the words of former Chancellor George Osborne:

"The UK is leaving the EU, but it is not leaving the world". The various policies that were associated with the EU (trade, regeneration, environment, and skills for example) will be translated into a version that is appropriate for the UK.

Some of the items that government is likely to address and that GLLEP will want to understand are set out below. It will be possible to influence these items "at the fringes", but by keeping close to them as they develop and are formed, the GLLEP will be able to take best advantage of them.

**Agricultural policy** will need to be redesigned significantly because of our exit from the Common Agricultural Policy. This will include a substantial debate about the balance between environmental/sustainability principles and intensive agriculture. CAP grants form a significant part of agricultural incomes, so this policy is critical to one of our most important sectors. It is recommended that we use the Forum for Agriculture and Horticulture to form the basis of a dialogue with DEFRA.

**Free movement of workers** is where a lot of the political debate will occur on our exit from the EU. Some of our most important sectors rely on international labour – simple volume of labour for agri-food or health/care, but specialist skills and placements in engineering and international lecturers/students in Higher Education. Whilst it is improbable that migration will end completely, the nuances of how it affects these sectors needs to be understood and communicated to government. It is likely that trade bodies will take a lead on liaising with government, but GLLEP may wish to promote those views and to galvanise a local employer voice.

**Exporting** should be promoted, particularly to areas outside the EU whilst new trade agreements are negotiated between the EU and the UK. It is no coincidence that one of the first appointments to the new cabinet was a Minister for International Trade. Our devolution deal includes specific reference to a joint export plan with UKTI, and it is recommended that work starts on this immediately.

**Procurement** has often been seen as restricting growth opportunities for local businesses, Brexit does provide the opportunity for procurement processes to be redesigned. However, Eversheds have produced a report warning that EU procurement regulations will need to be followed if we remain in the single market or different procurement regulations as we agree different trading agreements across the world. There is still an unknown area, but one which it is useful to observe.

**Regeneration funding** currently comes through a competitive route – UK funding – and a formula route – EU funding. Whilst Greater Lincolnshire projects have recently fared well through the competitive route (ie, we have attracted "more than our fair share" recently, but this wasn't the case under Regional Development Agencies), it could be argued that this is because our projects have generally been able to use the EU grant which is ring-fenced to Greater Lincolnshire as their bedrock. As a transition area, we have been allocated more EU funding per capita than most other areas of the country. It is recommended that officers explore whether a formula based approach to the distribution of regeneration funding by UK government would still favour Greater Lincolnshire and if so, then GLLEP, along with partners, should start to lobby for government adopting this approach.

#### **Recommendation**

The Board is invited to note the contents of this report and discuss, in particular considering which actions it might be best placed to lead on and which actions GLLEP would be better placed to play a supporting role.



## Summary of Items

### Item 1 – For Decision

**Remainder of items for information** - This report provides an update of key LEP activity since the March Board meeting. All items are for information and some are confidential.

### 1 - Appointments

Following a recruitment process, the Appointments Committee has considered and is recommending a number of positions to the LEP Board.

#### The Employment and Skills Board

- Further education Sector - representative role - **Amanda Mosek**, Principal & CEO, Boston College
- Independent training provider sector – representative role - **Ian Dickinson**, MD/Business Manager, First College, Louth
- There is still a vacancy for a private sector board member, and a business in North Lincolnshire is being approached.

#### ESIF Committee

- Private sector member role- **Martyn Boyer**, Chief Executive of Grimsby Fish Dock Enterprises Ltd

#### Greater Lincolnshire Leadership Board (Joint Committee)

- **Ursula Lidbetter**, chair of the LEP becomes a non-voting member of the above Board, and that **Professor Mary Stuart** is the nominated substitute.

### Recommendation

Greater Lincolnshire LEP Board Directors are asked to approve the recommendations of the Appointments Committee and appoint the above mentioned people to the committees and boards indicated.

## 2 Operational activity

### Headlines

#### **Strategic Activity:-**

- Priority focus on producing the Growth Deal 3 Challenge Sessions for the first deadline of 23<sup>rd</sup> June.
- Devolution Big Debates and consultation progressed

#### **Events:-**

- Increased planning and marketing / publications:-
- Big Debate Series

- Devolution North 6<sup>th</sup> July/ Brigg
- Big Food Debate 8<sup>th</sup> July/ Spalding
- Devolution South 19<sup>th</sup> July / Grantham
- Big Food Debate Oct/ North
- Water Plan launch 6<sup>th</sup> September/ House of Commons
- Business Live 16 21<sup>st</sup> Oct / Showground
- AGM 21<sup>st</sup> Oct/ Showground

## **Strategic Activity**

### **Big Debates Series**

The next three Big Debates take place over July. The first of the Devolution Debates takes place in Brigg on 6<sup>th</sup> July with key speakers; Cllr Lady Redfern; Ursula Lidbetter; Cllr Wheatley and a panel made up of local business leaders including Mark Webb of e-factor. The second devolution debate takes place in Grantham on 19<sup>th</sup> July.

The Big Food Debate on 8<sup>th</sup> July features John Hayes MP and panellists including; Mark Tinsley, Martin Collison, Ursula Lidbetter, Duncan Worth (QV Foods) and Anna Savage of Bakkovar. A verbal update on these events will be given at the meeting

### **Water Management Plan**

The launch of the LEP's Water Management Plan will be held in the House of Commons from 5-7pm on Tuesday 6<sup>th</sup> September, the SoS is scheduled to attend. This strategic plan carries wide ranging opportunities and we are working to get the message out as widely as possible.

### **Communications -**

Full details of the Comms activity for the LEP in the last two months are contained within the additional papers pack.

## **FUNDING ITEMS**

### **ESIF – European Programme**

There will be a verbal discussion on the implications for Greater Lincolnshire, the economy, businesses and the European programme at the meeting. Guidance from DCLG is

Further calls for activity will be announced under the European Regional Development Fund (ERDF) in July 2016 focusing on:-

- Priority Axis 2 ICT capital infrastructure
- Priority Axis 4 Supporting the shift towards a low carbon economy
- Priority Axis 5 Climate adaptation/risk prevention & management and
- Priority Axis 6 Preserving/protecting the environment & promoting resource efficiency

At a national level it has been difficult getting the right projects to come forward to take up Priority Axis 4 and 6 and further guidance is due to be issued to help understand the sorts of projects ERDF will support. A workshop is due to be held on 20<sup>th</sup> July 2016 to promote these specific calls with the support from the national team.

Further calls for activity for European Agricultural Fund for Rural Development (EAFRD) are due to be opened around September 2016 subject to agreement by DEFRA. The focus is likely to be around

support for business development, food processing and tourism activity

Our 5 rural Greater Lincolnshire **LEADER** programmes continue to be open to applicants which supports micro and small enterprises (fewer than 50 employees) where the focus of activity is on: support for increasing farm & forestry productivity, micro/small enterprises & farm diversification; rural tourism, rural services and cultural/heritage activity.

### **LEP Funds**

- Invest & Grow – Investment Board approved a £600k loan to RW Stokes & Sons Ltd for refurbishment of The Lawn, Lincoln. Financial vetting has been undertaken by LCC as accountable body, identifying no concerns, and the loan agreement is being prepared on GLLEP's behalf by Legal Services Lincolnshire.
- Feasibility fund – GLLEP is in the process of agreeing grant funding documents with each of the successful projects.

### **Coastal Communities Fund**

The Coastal Communities Fund (CCF) aims to encourage the economic development of UK coastal communities by awarding funding to create sustainable economic growth and jobs. Since the start of the CCF in 2012 DCLG have awarded grants to 218 organisations across the UK to the value of £119 million. This funding is forecast to deliver over 12,000 jobs and help attract over £200 million of additional funds to coastal areas.

In Greater Lincolnshire, CCF has funded a business support programme, rebuilding of the Gibraltar Point in Skegness, and Chapel Observatory art gallery.

- £36m CCF launched on MONDAY 23<sup>RD</sup> MAY 2016 (final budgets to be announced 2017/18 up to £90m). Minimum £50k – potential Maximum £4m but they want a geographic spread around the Country
  - Round ONE Deadline for STAGE 1 applications is 30 June 2016
  - Round ONE Deadline STAGE 2 applications Nov 2016
  - AWARDS announced March 2017
  - Round TWO will be announced in July for spend from 2017/18

Emphasis on all the schemes job creation and economic growth .There are currently 6 firm bids going in and a few smaller less worked up bids being submitted.

### **LEP Supported funding bids**

The LEP are supporting three projects this month through letters of support (non-financial) as follows:-

1. HLF Townscape Heritage Scheme. This bid aims to improve the quality of the built environment in the centre of Boston and increase awareness and participation in its heritage.
2. Developing New Vocational Pathways. Supporting Bishop Grosseteste University in seeking funding to grow capacity to deliver higher and degree level Apprenticeships.
3. Degree Level Apprenticeships for the Food Manufacturing sector. The University of Lincoln is leading this collaborative bid, building on the success of the Higher Apprenticeship in Food Manufacturing and working with industry through the National Centre for Food Manufacturing and responding to employers by accelerating the development of degree level apprenticeships in the food manufacturing sector.
- 4.

## PROJECT ITEMS

### Single Local Growth Fund

Much of the LEP teams time over the last two months has been spent preparing for the submission of a proposal for Single Local Growth Fund at the end of July.

### Business Lincolnshire Growth Hub

Due to the delays in the ESIF application approval, the provision from the current Growth Adviser contract with EMB Ltd was extended through until the end of July 2016. A procurement exercise for the new business support package, partly funded through ERDF, concluded at the end of June, with a new 3 year contract for delivery commencing on 5<sup>th</sup> July 2016. The winning supplier is EMB Ltd who provided an excellent response to the tender. This is also good news from the perspective of continuity of service.

Through this new single contract, EMB Ltd, will incorporate all of the business support activity that has previously been delivered under discrete brand names. In addition to the Growth Advice Service (diagnostic, action planning and brokerage), this includes specialist support around:

- Supply Chain Development
- Resource Efficiency support
- Investment Readiness / Investor Matching Service (previously Lincolnshire Investment Network)
- Digital Business Support

### DATES/ EVENTS

- Big Food Debate (South) – Roythornes/ Spalding - 8<sup>th</sup> July – Breakfast – John Hayes MP
- Big Devolution Debate – (North) – Forest Pines - 6<sup>th</sup> July – Breakfast
- Big Devolution Debate – (South) - 19<sup>th</sup> July – 5-7pm Grantham
- Big Food Debate (North) – Oct 2016
- Launch of Water Management Plan - House of Commons – 6<sup>th</sup> September 5-7pm
- LEP Business Live 16 – 21<sup>st</sup> October 2016 – Epic Centre
- LEP AGM 21<sup>st</sup> October

### Recommendation

The board is invited to note the contents of this report.

## 1. Finance and Audit

This paper is intended to provide an overview of the 2015-16 financial year end audit and an update of on quarter 1 finances for the 2016/17 period.

### BACKGROUND

The primary purpose of the Finance and Audit Committee is to assist the LEP Board in ensuring that the company maintains satisfactory financial and operational systems of control, and that any published financial reports comply with statutory requirements.

The F&A Committee consists of five members; two LEP Directors (one acting as Chair), and further members recruited through LEP Company Membership consisting of representatives from; Bishop Grosseteste University, West Lindsey District Council and Boston College.

The committee meet a minimum of three times per year in June, September and January. The most recent meeting covered scrutiny of the financial year 2015/16, scheduled audit and a review of the cash balances and interest policy.

The LEP board received a report summarising the financial income and expenditure of the Greater Lincolnshire LEP for the 2015/2016 financial year on 27<sup>th</sup> May 2016. The report detailed the income and expenditure for the following financial areas:-

- Operational Core Funding
- Additional Operational Funding
- Match Funding
- Growing Places Fund (Invest to Grow)
- Transport Excellence
- Single Local Growth Fund
- Cash Balances

The finance and audit committee received more detailed reports on 10<sup>th</sup> June 2016 and agreed the figures to be put forward to audit scrutiny. The audit was held on the 23<sup>rd</sup> and 24<sup>th</sup> June 2016.

The auditor was requested to focus on but was not limited to:-

- A review of activity for the 12 month period 15/16
- Determine if revenues are reasonable and are properly controlled and appropriately recorded
- Assess that financial reports are prepared in accordance with the

requirements of the funding and represent fairly the results of the operations and cash flows for the financial year and the financial position of the GLLEP as at 31st March 2016.

- Review project accounts expenditure and determine if they are compliant with LCC policies, grant agreements and financial regulations
- To ensure that the organisation properly and effectively discharges its responsibilities with regards to financial management.
- Review of the relevant assurance documentation and ensure that it is fit for purpose.
- Complete a walkthrough test on the Bishop Burton single local growth fund project (as requested by the F and A committee) to assess that agreed system procedures have been appropriately followed.

A formal report from Streets Audit LLP is expected wk. commencing 11<sup>th</sup> July 2016 and will be forwarded to board members for information. Verbal feedback to the LEP team has indicated that the auditors found the accounts to be in order and they were able to agree the figures released by the F and A committee.

Aligned to this has been the production of a draft annual financial statement for publishing on the LEP website as part of advised reporting structures. Members will note that there is not a requirement for the LEP to produce financial statements however it was agreed that it would be useful to provide an Income and expenditure statement with accompanying notes to provide increased transparency.

### **Cash Balances**

As recommended by the Finance and Audit committee and agreed by LEP board the Accountable Body will hold three distinct cash balances on account:-

The opening year cash balances as per the agreed policy are:

<b>Cash Balance 1</b>	Core Funding, Reserves and other cash balances	£435,870
<b>Cash Balance 2</b>	Growing Places Fund (Invest and grow)	£9,073,438
<b>Cash Balance 3</b>	Single Local growth fund	£119,025

Reviewing the balances above:-

- We can confirm that £68,892 interest has been assigned to cash balance 2 as per the agreed policy.
- Interest generated on the other cash balances are £124,895 and have been assigned to cash balance 1 (£5,870) and cash balance 3 (£119,025).

As part of the cash interest and reserves policy it was agreed that following a successful audit of the financial year end that a recommendation to cover the costs of the accountable body was made.

The Accountable Body undertakes a variety of functions on behalf of the LEP. These include but are not limited to:-

- Facilitating audit
- Implementing systems and processes
- Reporting to Board
- Contract management
- Account maintenance
- Reporting and controls
- Managing cash balances and interest
- Back up / check / authorise claims
- Monitoring contracted projects
- Retention of records

The Accountable Body LEP operation costs for 15/16 are £73,912.78 which was slightly lower than previous estimated costs of £81,000. The figure however does not include the work undertaken by the Accountable Body on the Water Management Strategy, Joint Strategy Unit and Growth Hub to name a few key areas of delivering the LEP strategy.

The Finance and Audit Committee agreed the application of the policy and recommend that monies are released to the Accountable Body. This results in a balance of interest of £50,982 after offsetting the costs of the Accountable Body function. It is further recommended that these monies be utilised for further economic development projects and be moved to cash balance 2.

### **2016/17 Quarter 1 update**

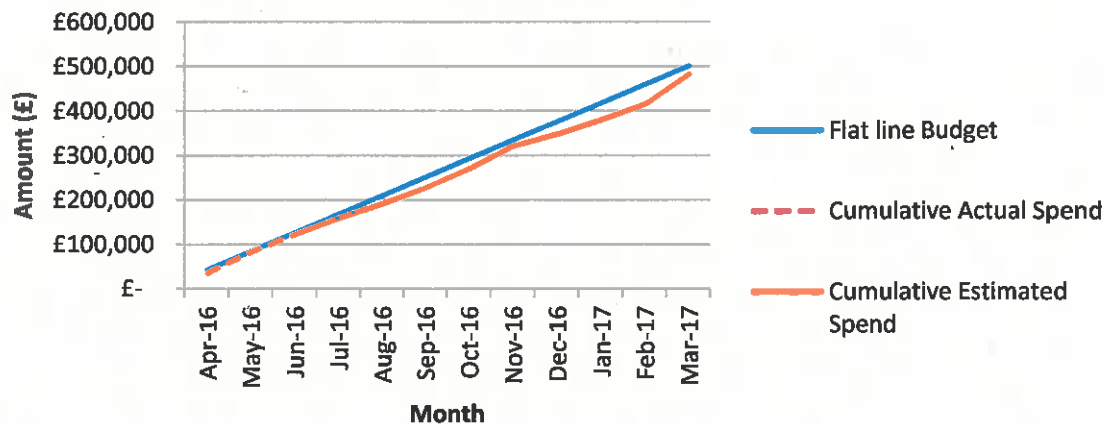
#### **Core Funding and SEP funding 2016/17**

These funds are used for operational costs. We have received our allocation of £500,000 cash and will match with £250,000 in the financial year 2016/17. The business plan agreed by the LEP board sets out our proposed budget and areas of spend.

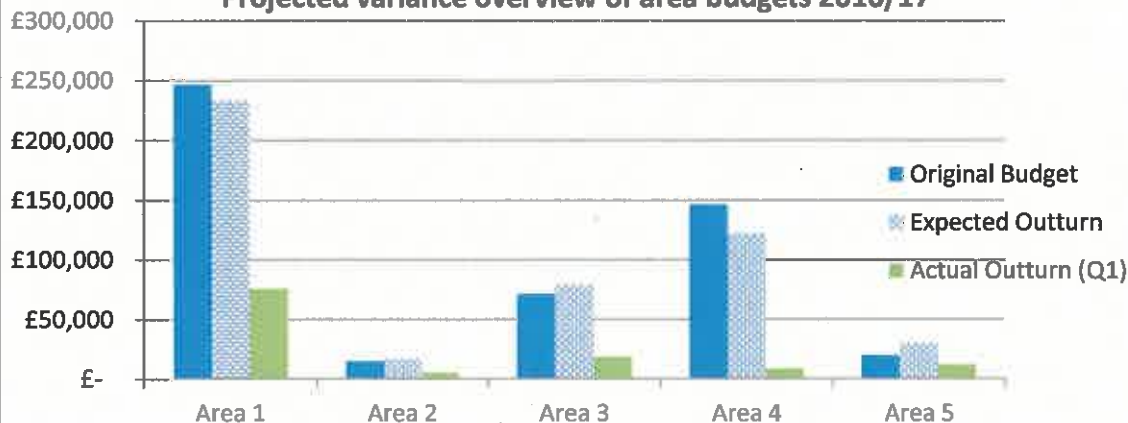
The budget, activity progress, actual expenditure, variance and projected spend for the period April – June are shown below:

AREA – DESCRIPTION	ORIGINAL BUDGET	EXPECTED OUTTURN	Q1 Actual
Area 1 – Executive Team	£247,100	£233,655	£75,972
Area 2 – Company Requirements	£15,000	£17,100	£5,600
Area 3 – Communications and Events	£71,450	£78,795	£18,880
Area 4 – Sector & Priorities Support & Expenditure	£146,450	£122,279	£8,767
Area 5 – Growth Deal / Project Delivery	£20,000	£30,291	£12,291
<b>TOTALS</b>	<b>£500,000</b>	<b>£482,120</b>	<b>£121,510</b>

## Greater Lincolnshire Spend Review 2016/17



## Projected variance overview of area budgets 2016/17



Following the review of quarter 1, core spending remains broadly on target with a projected year end expenditure of £482K (96% of 2016/17 budget allocation). The Board will note small variations against the area budgets:

- **Area 1** is likely to underspend due to:-
  - LEP Investment Manager role currently not replaced
  - LEP Housing Manager small overspend due to salary increment omitted from contract
- **Area 2** is currently on track to spend as budgeted
  - A small increase in room bookings for increased Director meetings and activity has been identified
- **Area 3** will overspend slightly due to:-
  - An increase in design, print and marketing activity around:-
    - LEP brochures/ strategies and plans being published
    - Increased marketing push on events such as the Big Debate Series



to increase numbers

- LEP internal marketing materials audit identifying additional banners/ branded materials required
- New LEP branding
- Increasing LEP professional company appeal and identity

The design element for the LEP is under review with a view to procuring a rolling framework service going forward

- **Area 4** will underspend due to:-
  - Commissioned support remaining un-procured and roles unfilled. This is due to the rapidly changing picture and needs and is being reviewed.
    - Manufacturing support provision remains un-procured and likely to be further delayed
    - Research commissions are yet to be identified and commissioned
    - The Place Marketing support has been commissioned and will begin in Q2.
    - Skills support requires review and role identification following a shifting agenda
- **Area 5** will overspend due to:
  - Contracted Due Diligence services with Thomas Lister will increase due to the high increase in project scrutiny and additional new projects requiring scrutiny due to Growth Deal 3. A report/ rationale is being produced to detail this and to ensure compliance with Procurement regulations.

The Finance and Audit committee will receive an undated report in October to fully review half yearly spend and will feedback to the board accordingly.

#### **Single Local Growth Fund :-**

We have received the second tranche of the growth deal monies to the sum of £39.864million. Go Skegness has now been contracted with Grantham College pending.

The accountable body team will be meeting with applicants to advise on how the monies can be drawn down through the claim process. Claims for the period April – June 2016 are expected in mid-July for processing however we have made payments of £196,919 within the first quarter to Bishop Burton.

#### **Invest & Grow and Feasibility Funds:-**

- **Invest & Grow** – Investment Board approved a £600k loan to RW Stokes & Sons Ltd for refurbishment of The Lawn, Lincoln. Financial vetting has been undertaken by LCC as Accountable Body, identifying no concerns, and the loan agreement is being prepared on GLLEP's behalf by Legal Services Lincolnshire.
- **Feasibility Fund** – GLLEP is in the process of agreeing grant funding documents with each of the successful projects.

### Estimated costs and interest

Looking forward to financial year 2016/17 the Finance and Audit Committee requested that the Accountable Body provide estimates of their costs and of interest on the reserves currently held.

To note Lincolnshire County Council have taken receipt of two payments through section 31 including:-

- £500,000 - Core funding
- £39.8million – Second tranche of Growth Deal Funding

As you will be aware interest is calculated on a daily basis and is compounded quarterly. The SLGF projects are yet to be full contracted and therefore the figures provided are based on a proportioned estimate with the rationale that most funding will be released in the last two quarters of 16/17. It is estimated that interest gained on all reserves and cash balances for the period 2016/17 will be approximately £281,635.

The costs of the accountable body for 2016/17 have been estimated to be in the region of £74,929. This will however depend on the complexities of many of the schemes coming forward through the Single Local Growth Fund.

### The Board are asked to:

- Note the contents of the report.
- Review and comment on the Financial Year-end Audit Report (to follow)
- Note the recommendations made by the Finance & Audit Committee

### Background and Context

LEP Board members have spoken a number of times about the forthcoming Area Review of Post 16 Training Institutions. The Document "Area Review: A Summary" provides more detail (in your additional papers pack) from the 60-page formal Government guidance, and details the purpose and intended outcomes of the Area Review. Area Reviews aim to (amongst other things) deliver:

- **Institutions which are financially viable, sustainable, resilient and efficient, and deliver maximum value for public investment** - This is likely to result in rationalised curriculum; fewer, larger and more financially resilient organisations; and, where practicable, shared back office functions and curriculum delivery systems.
- **Sufficient access to high quality and relevant education and training for all**, including 16-19 year olds, adults and learners with Special Educational Needs and Disabilities (SEND).

Several organisations will be formally invited to participate in the review that is described by Government as a collaborative process and will start on 3<sup>rd</sup> October. A full list of contributing bodies can be found in the Summary document. The list includes Local Enterprise Partnerships, Local Authorities and Combined or lead authorities with devolution deals.

The institutions that are in the scope for the Area Review are:

- Boston College, Franklin College, Grantham College, Grimsby Institute for Further and Higher Education, John Leggott Sixth Form College, Lincoln College, New College Stamford, North Lindsey College

Information on all post 16 training/learning provision, including schools and academies, will be included in the initial analysis.

### 16-18 year olds

Local Authorities with statutory duties for education are preparing responses focusing on opportunities for 16-18 year olds.

Lincolnshire County Council's Young People and Children's Committee notes for Lincolnshire that:

- There has been little change in the total curriculum offer for 16–18 year olds over the last 5 years or any significant increase in programmes that reflect the priorities identified in the LEP's Strategic Economic Plan.
- There is over sufficiency of school sixth form A-level provision, with many small sixth forms and an increasing proportion of small classes giving cause for concern about the viability of some sixth form provision. The reducing size of the cohort means that there is increasing competition for students.
- Participation of 16–18 year olds overall in Lincolnshire is good, and is above the national average, however 18% of young people commencing A-level courses in school sixth forms do not continue into the

second year of the course and complete full A-levels

- In Lincolnshire, young people aged 18–24 make up a consistently higher proportion of total unemployed residents than nationally. One hypothesis could be that they are not undertaking the right courses (including in higher education) to prepare them adequately to meet the skills requirements locally, regionally or nationally. We also know that lack of inspiration about the available jobs is contributing to this.

### **The Economic Challenge**

The challenge for local businesses is to ensure there are sufficiently skilled people to fill the 200,000 job vacancies that are predicted to be available over the next ten years. There are around 128,000 young people leaving school (at 18 years old) within that timeframe.

This means that a significant proportion of these vacancies will need to be filled by adults. Some will be filled by people who are unemployed and many will be filled by the existing workforce who will need to re-train and upskill, because the available jobs will require higher skills levels than they currently possess.

Large businesses are already planning for the future, some are developing the training themselves, some purchase the training outside of the county. Medium sized businesses also tell us they want to train their staff, but sometimes they struggle to find the right training at local institutions. Smaller businesses have greater barriers, particularly in terms of letting their staff attend training during normal working hours.

Consider that 90,000 employees (22% of total employment in Greater Lincolnshire) are employed by businesses with less than 10 members of staff. How important is it that these workers have access to training so they are equipped for future jobs?

### **The role of the LEP:**

Government has described the role that LEPs have within Area Reviews and the GL LEP has asked the ESB to take on that role for Greater Lincolnshire.

### **What is the LEP's expectation and vision for skills within the area?**

This vision should illustrate:

**A. what jobs there will be; where jobs be and what skills will be needed for the jobs (levels, sector/occupation specific and transferrable) and**

**B. what is needed from the FE sector (changes / more of the same / less of); when it is needed; and what level is needed.**

It should describe how the LEP committed capital investment in skills and expectations for future investment supports the LEPs Skills and education conclusion

### **A Skills Vision:**

In reaching its vision for the skills system, the LEP must use known, reputable sources of information so that there can be no dispute during the review. However, it is expected that the LEP will take into account aspirational sectors and one-off issue forecasts, in addition to national forecasting models.

There is already a lot of evidence to illustrate need, and following a series of meetings, the ESB are preparing a series of statements to reflect what businesses would like to see from the College sector.

Document written by Clare Hughes, LEP Skills Lead  
16-18 information from M Freeman, LCC  
July 2016

**Evaluation Report for the GLLEP Board**

**Introduction**

Attendance at MIPIM is part of the GLLEP's continuing strategy to engage with intermediaries and investors. We do this by building relationships, nurturing partnership and collaborative working and helping to facilitate meetings and visits to Greater Lincolnshire culminating in an increase of investment and economic growth in the area. It is a key element of the promotional work undertaken by the GLLEP to achieve the objectives of creating 13,000 new jobs, helping 22,000 businesses to grow and building 100,000 new homes by 2030 as set in the GLLEP's Strategic Economic Plan.

MIPIM is held annually at the Palais des Festivals, Cannes in France and in 2016 ran from 15<sup>th</sup> to 18<sup>th</sup> March. The leading real estate event for property professionals, MIPIM is seen as a must attend event for professionals for all sectors. Promoted as a year's worth of business in 4 days, the exhibition provided the opportunity to showcase large scale projects from our area, meet key international stakeholders, including investors, and gain insight into finance and investment, cities and infrastructure, key sectors and property hot spots.

**Key Messages**

Lincolnshire County Council was commissioned by the Greater Lincolnshire Local Enterprise Partnership (GLLEP) to organise and attend MIPIM. Key messages for 2016 were to:

- Continue the positive momentum Team Lincolnshire generated at MIPIM 2015.
- Promote key sites and investment opportunities.
- Promote Food Enterprise Zones.
- Showcase large scale projects from the area through the specially produced Lincolnshire Pitch Book.
- Engage with key national and international investors with particular emphasis on the hotel, retail, food and leisure sectors.
- Increase PR opportunities and coverage for Team Lincolnshire and the LEP

**Sponsorship**

Through further business networking and business relationship work activities during 2015, LCC on behalf of the GLLEP, was able to approach additional sponsors to support the LEP's attendance at MIPIM 2016. This work resulted in an increase in the number of sponsors from 9 in 2015 to 21 in 2016. The sponsorship monies are used to support the GLLEP's activities at MIPIM and in 2016, a total of £29,450 from the private sector was achieved. Sponsors were:

Willmott Dixon, Nottingham	Lindums, Lincoln
William Saunders, Newark	Gleeds, Nottingham
Jackson and Jackson, Lincoln	Building Design Services, Nottingham
Delta Simons, Lincoln	Simons Group, Lincoln
Globe Consultants, Lincoln	Stirlin Developments
Dynamic Lincoln	Curtins, Nottingham
Taylor Lindsey, Lincoln	CPMG, Nottingham
Bond Bryan Architects, Sheffield	LK2, Lincoln

Morgan Tucker, Newark	Couch Perry Wilkes, Nottingham
Core Architects, Lincoln	BSP Consulting, Nottingham
Pygott and Crone, Lincoln	

In addition, Lincoln University and Lincolnshire Media Group attended as partner organisations. Lincolnshire Media Group's attendance resulted in positive news stories for the GLLEP and private sector partners within the newly launched Business Supplement of the Lincolnshire Echo both pre and post MIPIM.

Justification for attendance in 2016 can be drawn from the following:

- As an example, Greater Lincolnshire now has 3 designated Food Enterprise Zones – this fits with the GLLEP's strategy to double the value of the food and farming industry by 2030.
- The £5.6 million development at Lincolnshire Lakes, Scunthorpe, has been allocated £2 million from the Growth deal fund and will be one of the largest residential developments in the UK.
- Evaluation from private sector partners (sponsors) through our feedback process showed that they wished us to support them in attending MIPIM in 2016 as well as a number of property businesses active in the area who had not previously attended.
- The property market presented an opportunity to attract investment into Greater Lincolnshire that will be required for some of these projects to come to fruition.

#### **Activities and Events at MIPIM 2016**

Greater Lincolnshire LEP contributed £10,000 towards Greater Lincolnshire's presence at MIPIM in 2016. The following activities and events took place to support the GLLEP and Team Lincolnshire's presence at MIPIM:

1. Stand space within the exhibition, to showcase the Greater Lincolnshire LEP area to "floor walking" delegates and also meet the conditions for hosting events in properties adjacent the Palais des Festivals.
2. Visited other exhibitors and attended networking events and seminars, gaining insight into the latest property trends and opportunities and intensive business networking.
3. Held a lunch-time event at the Grand Hotel in Cannes with keynote speeches and showcased, via video, Lincolnshire's investment potential to high quality targeted intermediaries. Numbers exceeded our expectations with over 120 guests attending. The GLLEP video from 2015 was updated and there was also a sponsor's video for those sponsors who took out the full sponsorship package.
4. Supported partners and sponsors with any meetings that they held on the GLLEP stand.
5. Held an informal dinner for a select number of guests, sponsors and new contacts.
6. Increased awareness of the area through a robust PR and social media plan – a PR report is available to view.
7. Produced a Lincolnshire Pitch Book and USB to promote investment space and investment opportunities in the Greater Lincolnshire area.

#### **Evaluation of 2016**

Events and Follow up Activities	Number of attendees in 2014	Number of attendees in 2015	Number of attendees in 2016
Lunch Networking Event	24	92	120
Informal Dinner	19	52	60
Follow up leads, visits and meetings taken or to take place	18	28	49

The 21 sponsors who support the GLLEP at MIPIM have already indicated that they wish or are very interested in sponsoring the GLLEP in 2017, with a further 5 companies already expressing interest.

A debrief meeting was held in May for the private sector companies that attended MIPIM to provide feedback and they have indicated that they have already gained business and collaboration between Team Lincolnshire members continues to increase.

### **Conclusion**

All of the companies that supported the GLLEP at MIPIM in 2016 agreed that the LEP added value to the work they undertook at MIPIM and they would like to continue support the GLLEP at MIPIM in 2017.

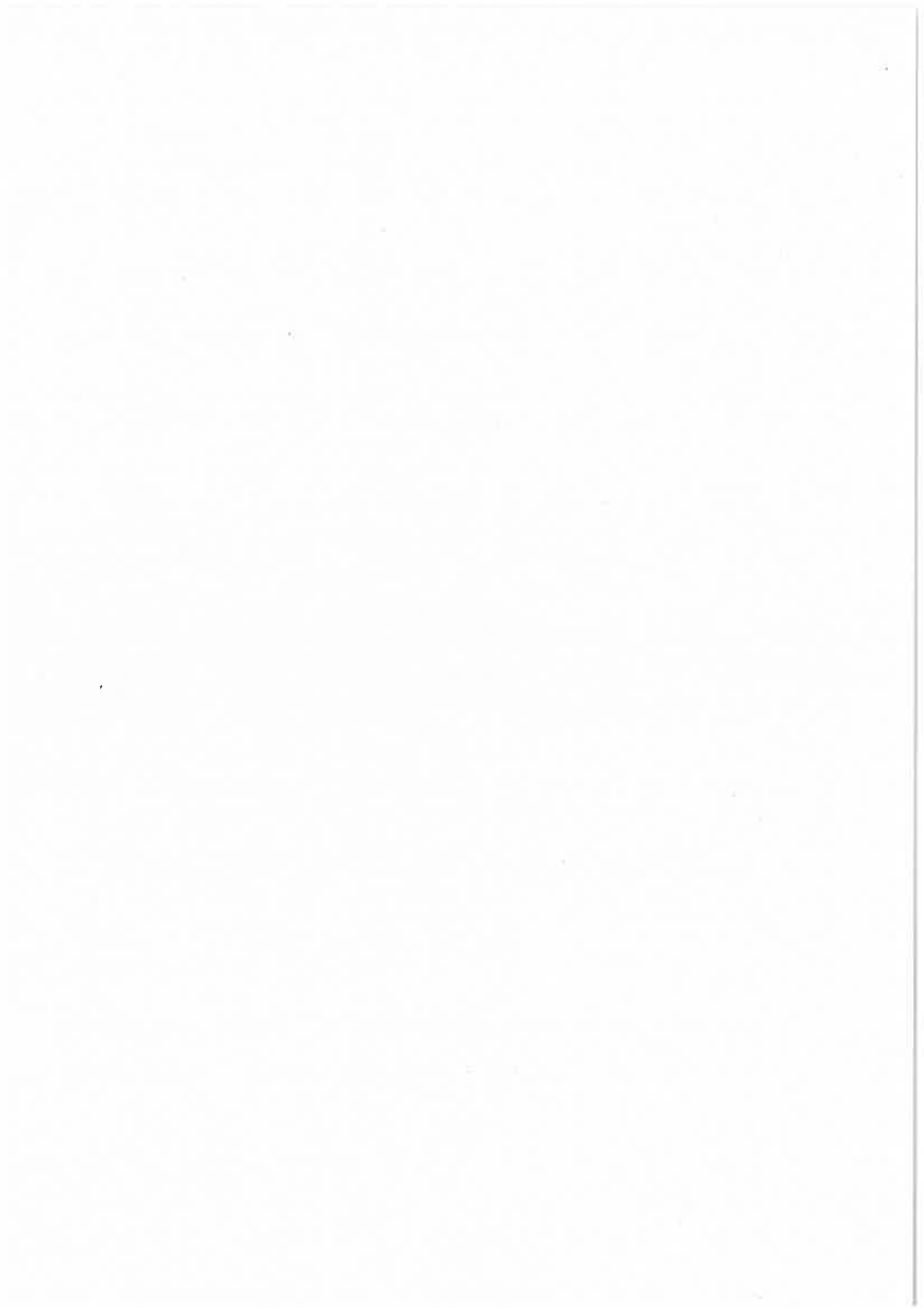
### **2017**

Most LEP's have agreed to attend MIPIM 2017 as Midlands Engine, and through the last spring budget a small fighting fund was allocated to UKTI to develop a stronger Midlands Engine presence internationally. Greater Lincolnshire would therefore be exhibiting in the Midlands Engine Area, but with a Greater Lincolnshire perspective. LEP Board members are asked therefore to support the recommendation that the LEP attends and co-ordinates Greater Lincolnshire presence at MIPIM 2017 to build on further investment opportunities.

The activity would be commissioned to LCC Investment Team to deliver, and would be as part of the Midlands Engine and will be funded through private sector sponsorship and funding from partners such as GLLEP, LCC and the Districts. The anticipated total costs of preparing and attending MIPIM is circa £45,000. Last years private sector sponsorship target was circa £29,000 with the remainder of the costs being met by the lep and local authority partners. Of course sponsorship is not always consistent, so Board Directors are asked to approve expenditure between £22,500 and £10,000.

### **Recommendation**

- That the LEP Directors agree that Greater Lincolnshire attends MIPIM 2017 as part of a Midlands Engine presence.
- The LEP Directors agree that the LEP would contribute no more than 22,500 to the overall cost





### **Introduction**

The GLLEP's Water Management Board has developed a Coastal Vision for Greater Lincolnshire, in recognition of the scale and scope of opportunities at the coast for growing ports, the visitor economy, the agri-food industry and associated supply chains. This is matched by the scale of potential flood risk and the need to effectively manage water supplies commensurate with ambitions for economic growth.

The purpose of the Coastal Vision is to draw together the ambitions for coastal Lincolnshire that are set out in a range of existing initiatives and based on previous public consultations. Brought together, these provide coherent, mutually supporting objectives for the coast. In effect, this provides a strategic framework aligned with the Strategic Economic Plan.

Establishing this framework means that new initiatives with major potential implications for the coastal economy, such as the review of coastal management from Saltfleet to Gibraltar Point Review, or the Humber Estuary Strategy, can be developed to support implementation of the Strategic Economic Plan, along with any new approaches to funding that might be implemented.

The Water Management Board has developed the Coastal Vision in consultation with key public, private and voluntary sector partners since June 2015. It is now presented to the Board of the Greater Lincolnshire LEP for approval.

### **The Greater Lincolnshire LEP: A Vision for Lincolnshire's Coast by 2035**

Greater Lincolnshire's ambitions for the coast are:

- To sustain and grow coastal businesses and the economy
- To sustain and develop coastal prosperity through infrastructure
- To protect and sustain the coastal environment

**By 2035, coastal communities and businesses will be seen as good opportunities for investment because of secure water supply and coastal management, planning policy that supports growth and the environment, and a thriving visitor economy that benefits local communities and visitors alike.**

Greater Lincolnshire's key strengths in agri-food and tourism are concentrated in its coastal areas. So are many of the greatest opportunities for realising and developing those strengths as well as for tackling important challenges such as flood risk management, future water supply, environmental protection, economic growth, housing and infrastructure..

The South Bank of the Humber estuary forms a very distinctive part of the Greater Lincolnshire coastline. It has the largest area of undeveloped designated employment land in England which is adjacent to a deep-water estuary (over 1200 hectares), much of which benefits from Enterprise Zone status.

This Coastal Vision sets out how Greater Lincolnshire can build on its existing strengths, its plans and ambitions for the coast, to join with its emerging aspirations for the economy to become a force for growth. It focuses on the Lincolnshire coast south of Humberston Fitties, but is designed to complement strategic objectives for the south bank of the Humber Estuary.

A number of strategies and plans already exist, setting out carefully considered aspirations for the future of Coastal Greater Lincolnshire, often based on extensive public and stakeholder consultations.

The Coastal Vision seeks to draw these together into a coherent whole, while focusing on the GLLEP's ambitions for the coast's contribution to Greater Lincolnshire's economic growth. This will link into equivalent strategies covering the Humber estuary, supporting an integrated approach from the Humber to the Wash.

### **Strategic Context**

Greater Lincolnshire overall provides:

- £12bn GVA to the UK economy (in 2013)
- £1bn visitor economy with over 17m visitors (in 2012)
- The fourth most popular tourism destination in the UK
- £1.5bn manufacturing economy
- 25% of the UK's grade 1 agricultural land
- 25% of all UK-grown vegetables
- 20% of the UK's RAF bases
- The second-fastest growing of all the shire counties with net inward migration, twice the national average

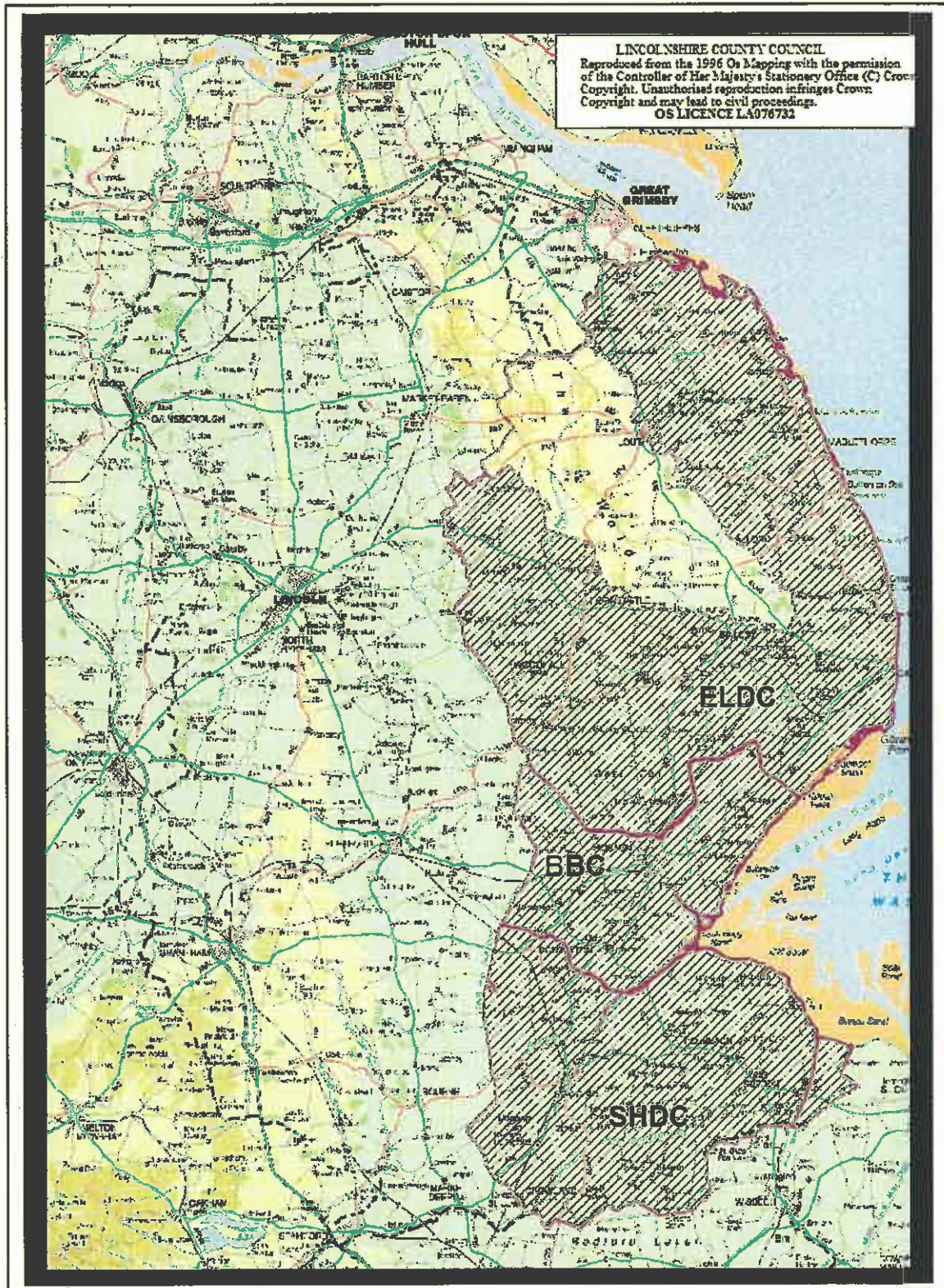
The Greater Lincolnshire LEP, working together with the Humber LEP, is ambitious to:

- Increase economic output by £2.5bn over the next ten years
- Establish the UK's largest Enterprise Zone on the Humber Estuary
- Create or safeguard 9,000 jobs
- Create 1m square metres of commercial floor space

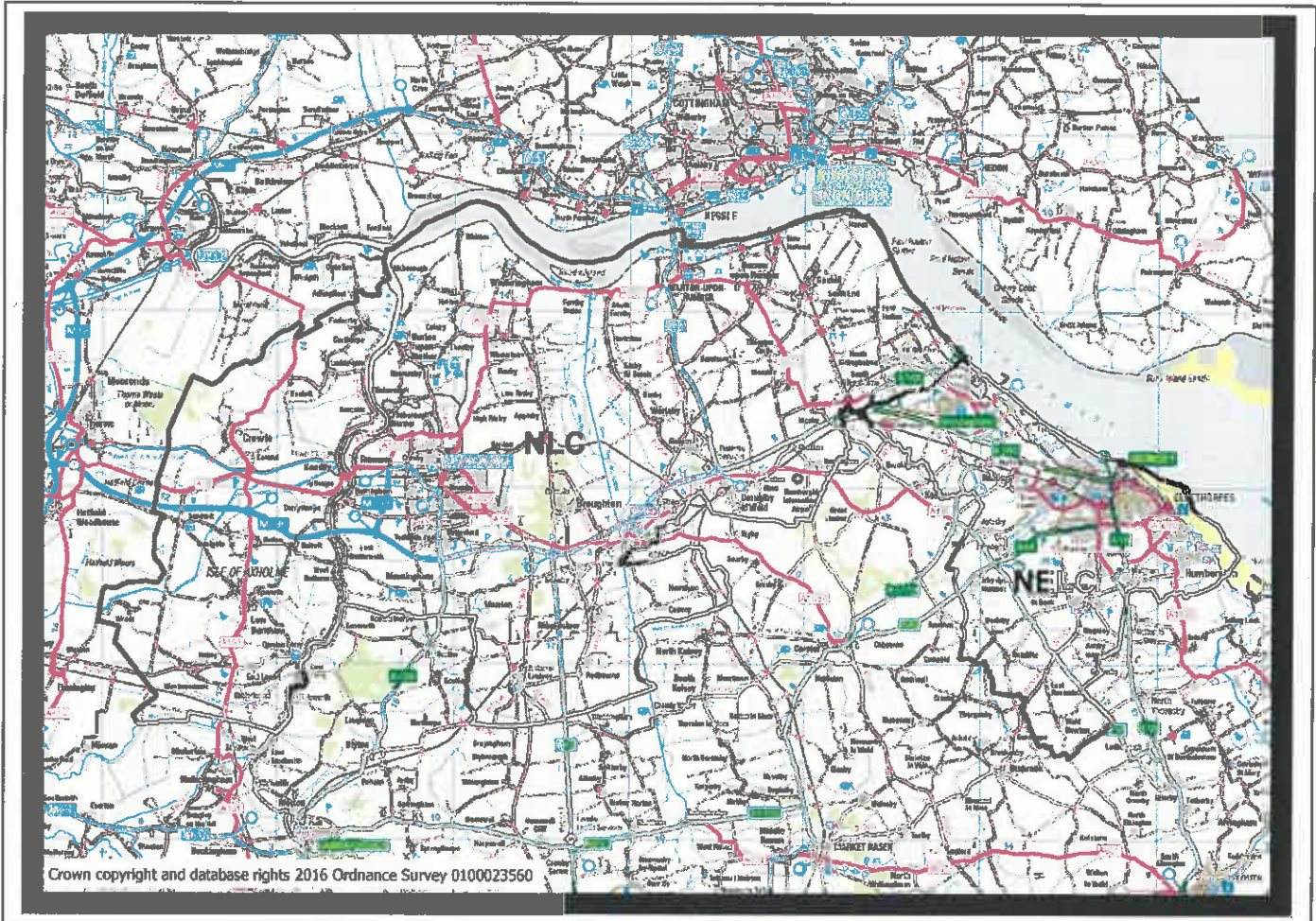
Much of this happens – or will happen – at the coast.

## The Greater Lincolnshire Coast

For the purposes of the Coastal Vision, the Lincolnshire Coast south of the Humber is taken to cover lowland East Lindsey (as illustrated below), Boston Borough and South Holland District.



The south bank of the Humber, including the Unitary Authorities of North Lincolnshire and North East Lincolnshire, is taken to be the area covered by the Humber LEP and the Humber estuary strategy.



Greater Lincolnshire's coastal zone contributes significantly to the economic strengths that the LEP is ambitious to develop. On the Humber, there are major opportunities for investment. These include:

- The UK's largest port complex
- Significant existing investment in manufacturing and the renewables sector – potential for the largest Enterprise Zone in the UK
- Major transport and infrastructure connections
- Visitor attractions such as Cleethorpes

South of the Humber, these benefits currently include:

- £400m of the £1bn visitor economy

- The three National Nature Reserves at Donna Nook, Saltfleetby-Theddlethorpe Dunes and Gibraltar Point between them attracted £522,000 visitors in 2012, with over 90,000 visiting the RSPB reserves at Freiston Shore and Frampton Marsh in 2011, and around 60,000 visitors to Donna Nook each Winter.
- Easy access to the Lincolnshire Wolds Area of Outstanding Natural Beauty
- More than 50 miles of coastline also offer traditional seaside resorts such as Cleethorpes, Skegness, Mablethorpe and Sutton-on-Sea
- Butlins at Skegness is the fourth most popular English holiday destination in the UK
- Coastal Lincolnshire is responsible for growing one eighth of the nation's food and processing 70% of its fish
- 5% of all UK food processing jobs, including plants belonging to many of the largest companies in the UK food sector
- Training in the agri-food industry is provided at the University of Lincoln's Holbeach campus through the National Centre for Food Manufacturing
- Prime location for business investment from food manufacturers
- Agri-food generates GVA of over £2.5bn and employs 56,000 people

This activity is located in a broad coastal plain almost entirely at or below sea-level, amounting to nearly 40% of Greater Lincolnshire's land area. The coastal surge of December 2013 demonstrated the potential vulnerability of this area, which is currently protected from the sea by 125km of raised sea defences, supplemented by over 1,000km of river defences. The coastal plain and the lowland fens are maintained as productive agricultural land with the aid of 4,800km of drainage channels and watercourses managed by Internal Drainage Boards.

In financial terms, the existing IDB assets represent over £150m of investment, while the Environment Agency has invested in the region of £250m over the past twenty years in sea defences alone. At present (2016), average annual coastal investment by the Environment Agency stands at about £10m, including £7m for the annual beach replenishment scheme from Mablethorpe to Skegness, known as Lincshore. This excludes large-scale capital projects to provide assets such as at Grimsby and Boston.

Without this investment, the capacity of the coast to support existing communities and economic activity would be fundamentally compromised. Existing national funding mechanisms for flood risk management prioritise protection to people and property. This means that in practice it is difficult to secure national funding for defending the substantial sections of coast without existing major settlements or infrastructure. Flood risk presents an obstacle to planning for significant growth in coastal areas, while it also affects prospects for business investment in the area.

Securing sustainable funding to manage flood risk and secure our water resources will therefore be a key challenge for the Humber and for Greater Lincolnshire over the coming years. The Humber LEP and the Greater Lincolnshire LEP have co-operated in putting forward to Government the benefits that greater flexibility in funding flood risk and water management from the Humber to the Wash, and these have helped to shape the present coastal vision.

## **A Coastal Vision for Lincolnshire**

Over recent decades, many initiatives and plans have been developed to support different aspects of coastal life. While these have not always been fully co-ordinated or clearly prioritised, recent initiatives seek to establish a more strategic approach to capitalise on previous successes and make the most of new and emerging investment opportunities.

The development of the Greater Lincolnshire and Humber Strategic Economic Plans provides an important opportunity to realise these ambitions, linking coastal initiatives within a wider framework of co-ordination as a driving force behind Lincolnshire's economic potential.

The purpose of this Coastal Vision for Greater Lincolnshire is to provide this framework, articulating a common sense of direction for the coastal areas while supporting initiatives with common objectives to capitalise on the outcomes of previous and existing work. It is also intended to provide a supportive context to link funding bids and aligning programmes of work within the Greater Lincolnshire coastal area.

Greater Lincolnshire has a track record of innovative approaches to the economic, social and environmental challenges experienced by its coastal communities. To a greater or lesser extent, these themes run throughout the range of initiatives, plans and strategies affecting the coastal areas. It is therefore proposed that the Coastal Vision should be structured around them and can be expressed as follows:

Greater Lincolnshire's ambition for its coast are:

- To sustain and grow coastal businesses and the economy
- To sustain and develop coastal prosperity through infrastructure
- To protect and sustain the coastal environment

**Its vision is that by 2035 coastal communities and businesses will be seen as good opportunities for investment because of secure water supply and coastal management, planning policy that supports growth and the environment, and a thriving visitor economy that benefits local communities and visitors alike.**

### **Delivering the Coastal Vision**

As a framework document, the Coastal Vision does not seek to establish new objectives or a new strategy. Rather it seeks to support co-ordination and mutual co-operation between key existing initiatives and plans. Each of the outcomes will therefore be realised through successful delivery of a range of existing and emerging initiatives, by promoting ongoing co-operation across initiatives and by providing a broader strategic context for new and future ideas.

The Shoreline Management Plans covering the Lincolnshire coast set out a broad strategic ambition of maintaining coastal defences at their present standard and in their present location up to the year 2105, allowing for local flexibility in practical delivery. The Humber Estuary Strategy, performing the same function for the estuary, covers a shorter timeframe, and is currently being reviewed.

A fundamental issue for all parts of the coast is reliable, sustainable funding. Present funding schemes focus on protecting property. This is a challenge when much of Greater Lincolnshire's most productive industrial and agricultural land is maintained by a combination of sea defence and inland drainage. Much of it is also sparsely populated.

On the east coast, key assets such as beaches are artificially maintained, providing simultaneously a high standard of defence and critical economic assets for the visitor economies all along the coast. The necessity of maintaining community resilience to potential coastal flooding was highlighted anew by the coastal surge of December 2013, but there remains the challenge of balancing this practical readiness with longer term pragmatism in sustaining and developing the businesses and communities that make a major contribution to the regional and UK economy.

The GLLEP has recognised the importance of this relationship between growing the county's key economic strengths, continued provision of effective flood risk management and creating opportunities for growth by enhanced water management in the round in future. The Coastal Vision seeks to assist in supporting this holistic view of water management in Lincolnshire.

## **1 Sustaining and Growing Business and the Economy**

Greater Lincolnshire has successfully attracted funding into its coastal communities to explore and develop approaches to tackling social issues and encouraging business investment and growth. Ranging from projects funded from LEADER and REPE funding, to the development of innovative strategic networks such as the Coastal Action Zone and the Coastal Communities Alliance, this work has realised considerable funding and delivered numerous community initiatives.

There are significant opportunities to derive enhanced benefit from improving linkages with this approach, including liaison with the new established coastal team and co-ordination with the developing strategic direction established through the GLLEP's Growth Strategy.

The GLLEP has identified a number of key areas where Greater Lincolnshire offers the greatest opportunities for economic growth. These are agri-food, the visitor economy and housing, and in the Humber estuary, these opportunities focus on renewable energy, chemicals, ports, logistics and food processing. The GLLEP has identified water management as a fundamental factor in addressing these sectors.

In the coastal parts of Greater Lincolnshire, the interdependence between these industries and activities and coastal and water management is particularly marked. Food production and processing here depends on reduced coastal and river flooding, as well as on good supplies of water. This is equally true of the agricultural, rural areas as it is for the major urban centres of Boston and Spalding, and east coast communities such as Skegness and Mablethorpe, although the balance between these elements will vary considerably according to local circumstance.

The Port of Immingham is the largest in the UK by tonnage and plays a vital role in the UK's energy supply chain, through its imports of biomass and coal. The Humber is at the forefront of Europe's offshore wind industry, with potential for investment of over £60bn in offshore deployment by 2030. Projects including the Able Marine Energy Park, Able Logistics Park and further growth of operations and maintenance activity at the Port of Grimsby will generate over 11,000 skilled and well paid jobs in engineering and support sectors by 2025. These activities will cement the Humber's role as the UK's Energy Estuary.

North Lincolnshire's role as a major UK centre for ports and logistics, renewable energy and seafood processing ensures that it is uniquely placed to deliver investment and jobs to support the objectives of the Northern Powerhouse and Midlands Engine. The area's road, rail and port connectivity ensure that the area is a vital gateway to Europe, and provide access to over 40 million UK residents within a four hour drive time.



### **Key Plans and Initiatives to achieve this outcome:**

- Greater Lincolnshire LEP Strategic Economic Plan
- Greater Lincolnshire LEP Spatial Plan
- Humber LEP Strategic Economic Plan
- Humber LEP Spatial Plan
- Lincolnshire's RDPE Strategy
- GLLEP Water Management Plan 2016
- Waterways Vision – Fens Waterways Link
- North Lincolnshire, North East Lincolnshire, East Lindsey and South East Lincolnshire Local Plans

## **2 Sustaining and Developing Prosperity through Infrastructure**

Coastal Lincolnshire represents a challenge for strategic and local spatial planning, with a combination of socio-economic and environmental factors that have traditionally been considered as issues rather than opportunities. In particular, the prevalence of low-lying land at risk from coastal inundation requires a delicately balanced approach to provide opportunities for community resilience and business growth that take a proportionate view of the potential for coastal flooding.

On the south bank of the Humber, in recognition of the growth ambition for the area Highways England are making improvements to dual the A160 to improve access to the Port of Immingham from the M180/A180. A new link between the A18 and A180 at Stallingborough is also under construction. These projects will provide benefits to Northern Lincolnshire by reducing congestion and unlocking economic benefits for the area.

In recognition of the benefits of a co-ordinated approach, emerging Local Plans have incorporated key elements of the 2010 Coastal Study as part of their evidence base, and work continues to explore ways of managing the balance between development and flood resilience in the planning context.

Maintaining the extensive water management infrastructure in the coastal area is a key challenge, and heavily dependent on achieving the long term objectives for coastal management that are set out in the Shoreline Management Plans for the Greater Lincolnshire coast.

### **Key Plans and Initiatives to achieve this outcome:**

- North Lincolnshire Core Strategy (2011)
- North Lincolnshire Housing and Employment Land Allocations DPD (2016)
- Shoreline Management Plans (2010-2115)
- Flamborough Head to Gibraltar Point (2012)
- The Wash (2012)
- Lincolnshire Coastal Study (2010)
- Humber Estuary Flood Risk Management Strategy (2017/2018)
- Greater Lincolnshire LEP Strategic Economic Plan

- Greater Lincolnshire LEP Spatial Plan
- Humber LEP Strategic Economic Plan
- Humber LEP Spatial Plan
- Humber Business Case (2014)
- Lincolnshire Lakes Area Action Plan (LLAAP) (2016)
- Saltfleet to Gibraltar Point Review 2018
- Joint Lincolnshire Flood and Drainage Management Strategy 2010-2025
- North Lincolnshire Local Flood Risk Management Strategy (2014)
- North East Lincolnshire Local Flood Risk Management Strategy (2014)

### **3 Protecting and Sustaining the Environment**

The Greater Lincolnshire coast is the site of nationally important National Nature Reserves at Donna Nook, Theddlethorpe-Saltfleetby Dunes and Gibraltar Point, which draw in hundreds of thousands of visitors every year, along with major reserves on the Wash coast at Freiston and Frampton, and on the Humber at Far Ings. The Humber and the Wash are internationally recognised for their importance as wildlife habitats, and protected by UK and European Law.

Both are designated as Special Areas of Conservation, Special Protection Areas and as Ramsar sites with conservation objectives to ensure that their integrity will be maintained. The LEP wishes to harness their potential contribution to economic growth, particularly by enhancing their roles in sustaining a thriving visitor economy, recognising the benefits that they bring and securing their long-term future in the area.

Key visitor attractions have been developed through combined sea defence and habitat creation schemes such as at Freiston Shore, which takes advantage of the well-understood capacity of natural habitats to reinforce sea defences. Recent research commissioned by Greater Lincolnshire Nature Partnership assesses the annual value of nature tourism to the Greater Lincolnshire economy as £51m, with significant scope for growth. There are also significant tourism opportunities to be found in the natural assets of the Humber, such as the Water's Edge Country Park, restored clay pits such as at Far Ings, Thornton Abbey and the Victorian seaside resort of Cleethorpes.

Longstanding initiatives to promote the attractiveness of the coastal environment for visitors through the Coastal Country Park and the Coastal Grazing Marshes are being co-ordinated in the newly emerging Wild Coast Initiative. The aim of the Wild Coast is to encourage co-ordination across work to develop opportunities for growth in the fields of historic and built environment and the natural environment, with their attendant potential for encouraging local business and increasing visitor numbers and the quality of their experience.

This is integral to the broader objectives of partners in enhancing the economic and social potential of coastal Lincolnshire, and the Wild Coast will form a significant part of the final coastal vision

**Key Plans and Initiatives to achieve this outcome:**

- Coast NEL
- Coastal Country Park (Lincolnshire)
- Wild Coast Strategy 2017
- GLNP Nature Strategy (2012)
- Lincolnshire County Council Natural Environment Strategy (2012)
- Humber LNP Strategy
- East Inshore and East Offshore Marine Plans

**Scope and Timescales**

The Lincolnshire Coastal Vision will be delivered through the collective implementation of the range of initiatives indicated above. It is not within the remit of any single organisation, or group or organisations, to achieve the broad aspirations outlined, but it is achievable with a degree of co-ordination between these programmes.

The Coastal Vision should cover a medium term period, up to about 2035, although some core aspects, such as the policy intentions for coastal management in the Shoreline Management Plans are intended to provide a broad indication of the preferred approach up to 2105. Within this broader timescale, programmes such as the Humber Estuary Flood Risk Management Strategy and the Saltfleet to Gibraltar Point Review are in progress to determine how the preferred approach can be delivered after 2021.

In combination with the existing range of initiatives and plans, these programmes will play a major role in achieving the overarching goals that the Local Enterprise Partnership seeks to achieve for the Greater Lincolnshire coast.

**Recommendations**

That the Board approves the Greater Lincolnshire Coastal Vision as a framework for ensuring that long term coastal management approaches support the objectives of the Strategic Economic Plan for the coastal areas of Greater Lincolnshire.



**Actions Required:**

It is recommended that board members;

- Note the progress to date
- Provide feedback & comment on the strategic direction of activity
- Discuss the recommendations

**Background**

In 2012, a Destination Management Plan was produced for Greater Lincolnshire. A £2bn target was set for the value of tourism by 2020. In 2016, the value of tourism has already reached £1.9bn.

In February 2016, the Business Lincolnshire Growth Hub, in partnership with the Greater Lincolnshire LEP and Lincolnshire County Council, commissioned a strategic review of Greater Lincolnshire Destination Management Plan to assess its impact on the visitor economy and the value of tourism growth. The research engaged stakeholders and businesses who were influential in developing and growing the visitor economy for Greater Lincolnshire (including the Greater Lincolnshire Destination Forum (GLDF) and the Strategic Tourism Group members). Melanie Sensicle of Melanie Sensicle Consulting Ltd undertook the review.

The review initially sought to assess the county's strategic plans to identify the destination management plan fit, check it against the refreshed Visit England framework for English tourism and produce a short summary describing the synergies. However, it became apparent that this needed to be revised to focus on strategic relevance, future priorities and delivery arrangements.

A copy of the final report has been enclosed in the additional papers pack. Melanie will present the research findings and future recommendations.

It should be noted that this work on the visitor economy will link directly into the place marketing work which will focus on the work, invest and study themes.

**Outcomes**

The recommendations resulting from the research include;

- 1) Identifying a destination branding hierarchy for Lincolnshire (link to place marketing)
- 2) Production of a comprehensive body of information about visitors to Greater Lincolnshire
- 3) Production of a place marketing toolkit for visitor economy businesses
- 4) Maximise the opportunities offered by Hull 2017 and mayflower 400

5) Create a new Visitor Economy sector forum

The report has been presented to the GLDF and Strategic Tourism Group and they have all endorsed the research outcomes.

**Recommendation 2 has been prioritised as the first action.**

We are working with Melanie to manage the production of a report that updates intelligence about visitors to Greater Lincolnshire including trends in volume and value, satisfaction levels, visitor profiles and information about media consumption, booking patterns and channels, accommodation preferences and interests and motivations. The result will be a body of information, in one place, about visitors to Greater Lincolnshire as well as better knowledge of what information is missing so that it can be filled through further primary or secondary research. The report will be available to all stakeholders to guide investment, marketing and development.