



LEP DIRECTORS BOARD

Friday, 24th July 2020 at 10.00am

Via MS Teams

Paper 0 - Greater Lincolnshire LEP Board Agenda

| Time | Item | Lead | Status |
|-------------------|---|---|----------------------|
| 10.00 | 1 Welcome, Apologies, Declarations of Interest 1.0 FOR APPROVAL - LEP Board Minutes - 10/06/2020 1.1 FOR INFO:- Decision Log 1.2 FOR INFO: Review of Actions | Chair | Attached and Website |
| 10.10 | 2 FOR INFO: - Chairs Report - MP engagement | Chair | Verbal - no paper |
| Governance | | | |
| 10.20 | 3 FOR APPROVAL: LEP Board Governance, and additional appointments | Ruth Carver | Attached and website |
| 10.30 | 4 FOR APPROVAL: LEP Transition Board Arrangements | Ruth Carver | Attached and website |
| Strategy | | | |
| 10.45 | 5 FOR APPROVAL : Impact on Employment | Clare Hughes | Attached and website |
| 11.00 | 6 FOR APPROVAL: Covid -19 Recovery Strategy and Funds | Ruth Carver | Attached and website |
| 11.30 | 7 FOR INFO: Town Deals | Cathy Jones | Attached and website |
| 11.45 | 8 FOR APPROVAL: Strategy and Research Priorities | James Baty | Attached and website |
| Delivery | | | |
| 11.50 | 9 FOR APPROVAL Financial Report - Year end Report 9.1 For Approval Financial Statement 9.2 For Approval Annual Audit Report 9.3 For Info - Quarter 1 Finance Report | Andy Orrey, Chair of the Finance and Audit Committee | Attached and website |
| 12.15 | 10 FOR INFO: Chief Executives Report | Ruth Carver | Attached and website |
| 12.20 | 11 FOR INFO: Forward Plan | Ruth Carver | Attached and website |

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

Attendees:

Pat Doody - Chair (Non-Executive Director), Cllr Philip Jackson - Vice Chair (NELC), Sarah Louise Fairburn - Vice Chair (L J Fairburn & Sons Ltd), Cllr Craig Leyland (ELDC), Cllr Colin Davie (LCC), Cllr Oliver Hemsley (RCC), Cllr Ric Metcalfe (CoL), Cllr Rob Waltham (NLC), Chris Baron (Butlins, Skegness), Alric Blake (AllTech), Dean Fathers (Health), Debbie Barnes (LCC), Gary Headland (Lincoln College), Mary Stuart (UoL), Zoe King (Epix Media), Yvonne Adam (Youngs Seafood); Alison Ballard (BAE Systems); Suraya Marshall (RAF Cranwell), Nick Worboys (Longhurst)

Apologies: Stephen Fidler (DfT)

Observers: Pete Holmes (BEIS), Simon Green (NLC), Andrew Crookham (Accountable Body and S151 Officer)

Officers: Ruth Carver, Sue Groves (Note Taker),

For Agenda items: Andy Orrey, Chair of the Finance and Audit Committee

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

- AP1 - Health and Care Enterprise Board - draft minutes from 1st May 2020
- AP2 - Manufacturing Committee - draft minutes from 13th July 2020
- AP3 - Visitor Economy - draft minutes from 4th June
- AP4 - Rebuild - Skills led recovery - letter to Secretary of State
- AP5 - Economic Recovery Questions - GLLEP Food Board Response
- AP6 - Freeports Consultation Response

Key dates for LEP Board Directors

| | |
|--|--|
| <p><u>LEP Board Dates and Venues 2020</u> 24th July - via MS Teams 6th November - via MS Teams</p> <p><u>Covid Response and Recovery Calls</u> 26th August 30th September 9th December</p> | <p><u>Water Management Committee 2020</u> 25th November</p> <p><u>Manufacturing Committee 2020</u> 7th October</p> <p><u>Visitor Economy Committee 2020</u> 13th October, 15th December</p> <p><u>Employment & Skills Board 2020</u> 3rd February, 28th April, 30th June, 2nd October, 8th December</p> <p><u>Innovation Council 2020</u> 2020 dates to be arranged</p> <p><u>Growth Hub Governance Board 2020</u> 2020 dates to be arranged</p> <p><u>ESIF Sub-Committee 2020</u> None arranged</p> <p><u>Health and Care Enterprise Committee 2020</u> 7th August, 20th November</p> <p><u>Energy Council 2020</u> 24th September</p> |
| <p><u>LEP Investment Board 2020</u> 5th August 2020</p> | |



Greater Lincolnshire LEP Board

10th June 2020

Via MS Teams

Draft Minutes

Present: Board Directors:

Pat Doody (Chair, Chair of ESC), Cllr Colin Davie (LCC), Cllr Craig Leyland (ELDC)
Cllr Rob Waltham (NLC), Cllr Ric Metcalfe (CoLC), Cllr Philip Jackson (NELC and Public Sector Vice Chair), Cllr Oliver Hemsley (Rutland CC), Chris Baron (Butlins, Skegness & Chair of VE Committee), Dean Fathers (Health & Diversity Champion), Gary Headland (Lincs Chamber & IoD), Yvonne Adam (Youngs Seafood), Mary Stuart (UoL), Alison Ballard (BAE Systems), Zoe King (Epix Media & Digital Lead & SME Champion), Suraya Marshall (RAF Cranwell)

Observers:

Pete Holmes (BEIS CLG), Andy Gutherson (LCC), Simon Green (NLC), Clive Tritton (NELC), Andrew Crookham (LCC S151 Officer)

Apologies:

Sarah Louise Fairburn (Private Sector Vice Chair - L J Fairburn & Sons Ltd and Food Board Chair), Stephen Fidler (DfT & GLLE P Senior Sponsor), Alric Blake (AllTech), Nick Worboys (Longhurst) Debbie Barnes (LCC)

LEP Executive:

Ruth Carver (CX GLLEP), Clare Hughes (GLLEP), Halina Davies (GLLEP), Cathy Jones (GLLEP), Sue Groves (GLLEP)

Apologies and Declarations of Interest - Apologies were noted from Sarah Louise Fairburn, Stephen Fidler, Alric Blake, Nick Worboys and Debbie Barnes

Full declarations of interest for each individual Board Director can be found at: <https://www.greaterlincolnshirelep.co.uk/about/boards/> The LEP Board were reminded that declarations of interest are required as part of LEP governance and must be updated at least annually, and if anything changes to the LEP office at the earliest convenience.

Minutes & Matters Arising (Paper 1)

The minutes from the Board meeting held on 29th April 2020 were accepted as a true record.

Matters Arising :

- Query around the date of the Annual Delivery Plan. This is due to be published on the 10th July and will need to be signed off by Board Directors electronically - ACTION
- Transition Board. North Lincolnshire and North East Lincolnshire Councils are keen to move this forward and stated that businesses need to be more engaged to come to terms with the new identity. Terms of Reference have been drafted and will be discussed at the GLLEP Strategy Group due to take place on the 19th June. ACTION
- Query regarding Growth Funds - Single Local Growth Fund is 100% committed. The Greater Lincolnshire Growth Fund has approximately £1.5m that good be re-purposed, will need to look at the Recovery Plan to marry up funds, to be discussed at the Board to be held on 24th July. ACTION
- Letter to the Treasury is to be sent regarding existing pipeline projects and other projects which would enable recovery and that the funds could be spent within 18 months. Government needs to receive this list by 17th June.
- Letter from MPs regarding rural Broadband, once approved, this will be circulated to Board Directors. ACTION
- Board forward plan has now changed to have quarterly meetings to review performance and to hold themed monthly meetings in between. First quarterly meeting to be held on 24th July.
- LEP Peer Review to be held on 26th June with SEMLEP.

Actions

- ❖ Circulate Annual Delivery Plan to be signed off by Board Directors by 10th July 2020.

- ❖ Circulate draft Transition Board Terms of Reference to be signed off by Board Directors
 - ❖ Circulate pipeline list of projects to Board Directors for any comments
- Top 100 businesses list, the need to reach out to larger businesses for information, will be circulated next week and to ask for volunteers to host/support these meetings which will be in sector groups, ie, Visitor Economy, Food, Ports and Logistics.

LEP Chair & Chief Executive's Report (Item 2)

Announcement of a consultation and the possible loss of 500 jobs at Bakkavor, Spalding in the deli/salad division.

Action

LEP will work with DWP and SHDC on redeployment and retaining.

GL Business and Economy Recovery plan (Paper 3)

Discussion took place regarding the Lincs Recovery Plan. Board Director challenge on:

- Broadband and digital skills is an opportunity throughout the Plan and developing a cluster approach for GL
- Importance of Place Marketing , Greater Lincolnshire Smart Energy are engaged
- Supply chains - Recovery Plan needs to recognise the wider impact.
- There should be a section on Defence and what it could do to help with recovery, ie, opportunities for civil servant relocation. Action to develop a Defence Board

Andy Gutherson is the chair of the Recovery Group, with Task and Finish Groups including the economy Recovery Group. Recovery is to take place in three delivery areas, and two enabling themes:

- To repurpose existing business support schemes, and design new business support schemes, that meet the challenges of Covid-19
- To take measures to meet the changing employment and training needs of the greater Lincolnshire workforce in the context of Covid-19.
- To provide tailored support to Greater Lincolnshire's most important economic sectors so that they can respond to Covid-19.
- Funding and business intelligence enabling
- Climate Change should be included

Next steps on resourcing, monitoring and cost implications.

Recovery Asks letter Treasury (Item 4)

This has not yet been prepared and will be circulated once it has been drafted.

Impact of Covid on Apprenticeships across Greater Lincolnshire (Paper 5 - Clare Hughes)

Covid-19 will present particular challenges for apprentices as they are affected by the impact on business and the impact on access to education and training.

There are also wider concerns:

- Many employers are not recruiting any staff, including new apprentices or making redundancies
- Large employers are still being required to continue paying their Apprenticeship Levy which is collected monthly by HMRC, and if not used within a 24 month period, the funds expire on the rolling monthly basis.
- Providers of apprenticeship training (employers themselves) are affected by loss of apprenticeship income, as well as other income.

News is positive in that large numbers of existing apprentices are continuing with their training, but the negative impact on the expected number of brand new apprentices is stark and not predicted to improve for many months.

The Resolution Foundation estimates that the pandemic means those who emerge from education this year will be less likely to have jobs in three years' time: *the likelihood of being in employment in 2023 would fall by 13% for graduates and 37% for those with the fewest qualifications*. As a whole, Greater Lincolnshire's workforce has a lower level of educational attainment than the UK average, although the gap has been closing in recent years. COVID-19 risks reversing these gains and exacerbating the difference in employment outcomes for Greater Lincolnshire's residents and the country as a whole.

Only 27% of new apprentices are aged 18-16. (28% are 19-24, and 45% are adults).

Statistics show that around 6% of Greater Lincolnshire school leavers (16 year olds) tend to become apprentices in Greater Lincolnshire. That equates to around 550 apprentices. Higher than the national average of 5%.

The unemployed cohort may well look different to how it did pre-crisis, with a much higher number who have medium- and high-skills and a track record of employment in sectors which may have shrunk significantly. Discussion took place and the following points were made:

- There is a need to understand various solutions and should focus on recovery by re-skilling, upskilling and skilling.
- Flexibility in how the levy can be used, and shared during recovery
- Flexibility in apprenticeships subjects and deliverability/seasonality and reviewing for example chef training as the demand may be reduced.
- It is important to have an employer's view, including SMEs, for a balanced view on Apprenticeships.
- The system needs to be sensitive to Greater Lincolnshire's rurality rather than just looking at large cities.
- Pat Doody asked MS and GH to provide possible solutions and any case studies, it was suggested that that the Orders of St John Care Trust who run 75 care homes be contacted, along with tourism and retail businesses.

Actions

Clare to prepare a letter for Government incorporating views of the Board, employers and the ESB.

Greater Lincolnshire LIS (Paper 6 - Cathy Jones)

The draft LIS has been updated to reflect the decision that Rutland, North Lincolnshire and North East Lincolnshire will be included in the geography of GLLEP. Work has been carried out to identify their priorities and ensure they were reflected in the LIS which has been duly updated, as follows:

- the most significant changes have been to add a **new 'Ports and Logistics' strategic opportunity**, and to substantially increase the focus on opportunities in **decarbonisation and clean energy generation** in the Energy and Water chapter, including a proposed case study on the ORE Catapult.
- the executive summary has been revised to better reflect partners' priorities
- opportunities presented by the proposed St. George's garden village and Grimsby's fish processing cluster (within agrifood) have been included
- innovative activity linked to decarbonisation and clean growth has been emphasised (in Ideas)
- narrative on on-going efforts to support Scunthorpe's steelworks cluster; role of Rutland Water as a key asset, Oakham and Uppingham has been added (Place)

It has not yet been possible to update all of the maps to reflect the new geography but this has been

noted and will be addressed.

Discussion took place and the following points were made:

- LIS will be published locally subject to further business engagement and buy in from the business community particularly in NL and NEL
- Our existing engagement process with the "top 100" businesses will contribute to this.
- The inter-connectivity of our sectors needs to be emphasised
- Consider whether Seafood Processing is adequately reflected as part of an agrifood section.
- After development of LIS, could more be done on manufacturing?
- Need to show link between recovery planning and the LIS: how they come together and how they link. This is also required at the national level.
- The Secretariat will review the LIS in light of the Board's comments

Action:

- ❖ Amended LIS to be published locally subject to further business engagement and buy in from the business community.

Humber Freeports (Paper 7 - Halina Davies)

The Board was asked to agree:

- A joint response with the Humber LEP to the government's consultation on Freeport's by 13 July 2020.
- The development of a joint proposal for a Freeport on the Humber, with local authorities, the business community and the Humber LEP by autumn 2020 (deadline to be confirmed).

The Government has announced that 10 Freeports are to be created nationally, whether inland or on the coast. Discussions are on-going with key stakeholders including the Humber LEP on how we might support a joint submission to include employment, supply chain and skills impact relating to North and North East Lincolnshire and East and West Lindsey districts. The proposals should include scope, scale, opportunity, political engagement, local economic potential, availability of land, stage of site preparation and planning permission, private sector commitment, levelling up, promotion of competitive advantages and innovation/R&D, local leadership and collaboration.

Following a discussion, the following points were made:

- Encourage collaboration between LEPs, ABP etc which would be beneficial for trade and to be as ambitious as possible regarding funding.
- BMW distribution centre is a high profile name and is situated in Immingham and could assist in the supply chain in the automotive industry.

Growth Deal Progress Report (Paper 8 & 8.1 - Halina Davies/Linsay HillPritchard)

The Growth Deal programme remains 100% committed and contracted and as can be seen in the scenario planning provided is on track to achieve government targets with freedoms and flexibilities being applied where necessary.

When Covid-19 took effect several growth deal schemes were unavoidably delayed and have only just begun to return to site. Grant recipients have been very helpful in keeping GLLEP fully informed of impacts, programme changes and progress being made, however there remain some uncertainties going forward regarding reliability of supply chain, actual timescales given social distancing measures and of course any rising costs. Accountable Body is monitoring and highlighting any issues.

A bid submission template from the RT Hon Secretary of State Robert Jenrick MP has been received concerning **additional capital funding for recovery** with a tight turnaround, to be completed by the 17th June. Key stakeholders have been consulted for short term priorities and the GLLEP pipeline will of course be considered.

This bidding round will be a small extension to the Single Local Growth Fund allocation for Greater

Lincolnshire depending on deliverability and match funding being secured, with completion by January 2022 and it will be competitive.

Discussion took place and the following points were made:

- There will be a more detailed discussion on freedoms and flexibilities required at programme and project level at the Investment Committee next week.
- BEIS confirmed that there is already a formal process in place nationally regarding the release of final Growth Deal grant allocations.

Enterprise Adviser Network Expansion (Paper 9 - Clare Hughes)

This is to update the Board Directors on the Enterprise Adviser Network (EAN) and suggested next steps seeking additional funding towards the programme. The paper sets out plans to recruit a fourth Enterprise Coordinator for Greater Lincolnshire area and extend one contract which will end in September 2020.

The LEP was pivotal to the start of the programme locally and provided £50,000 as well as managing the programme. Additional funding has since been provided by Lincolnshire County Council and local District Councils; LEP: £50,000, Lincolnshire County Council: £110,000, District Councils: £9,600

Salary costs, including on-costs, from September 2018 to 31st March 2020 were £113,016. The CEC has paid 50% of that (£56,535). All salaries will continue to be 50% match funded by the CEC.

The grant offer letter, which has been received, will include funding for half of the salary of a fourth Enterprise Coordinator to extend the reach of the Network. A fourth Enterprise Coordinator would cover the 4 mainstream secondary schools in Rutland and 16 of the 20 Special Educational Needs Schools in Lincolnshire. Each EC can cover 20 schools. This will allow us to engage with these 20 schools, match them with business leaders, and help them to increase the number of employer encounters each pupil has.

Discussion took place with the following agreements reached:

- Extension of one EC to align with the end date of the other team members
- Recognition that a fourth Enterprise Adviser is needed to cover the geography, however further evidence of impact to be circulated to Board Directors in order to reach a further view on whether a fourth EA should be supported from the LEP core reserves

Action:

- ❖ Impact analysis to be circulated to the Board
- ❖ Funding options to be explored, including LEP funding from Core reserves, although questions on the role of the LEP in funding an additional post at this stage.

Creative Industries - Federation Membership and Local Sector Impact (Paper 10 - Halina Davies)

Board Directors were asked to note GL LEP membership of the Creative Industries Federation, recent progress with local creative sector initiatives and the opportunities growth of this emerging sector might bring for Greater Lincolnshire.

The federation normally charge annually for membership but have offered GL LEP trial free membership for six months, which GLLEP has accepted. The membership is an opportunity for GL LEP to share details on our local creative sector activities and events via newsletters and the Federation website and is also able to engage via social media.

The Creative Industries sector represents 3,621 businesses in Greater Lincolnshire. The Creative Industries Federation network is great opportunity to get our views across to the new Cultural Renewal

Task Force and influence reopening guidelines and digital solutions for our area. Greater Lincolnshire is well placed to attract people and businesses wishing to relocate and invest from more congested areas and a balance in economic offer and good digital connectivity might therefore be the key to turning some of our hard hit coastal areas post Covid 19.

Discussion took place and the following points were made:

- Board Directors agreed that the £500 membership per annum was good value for money, but would leave the decision to the LEP Secretariat as to whether they continue membership beyond the free six month trial period.
- There was a suggestion that Lincoln Digital could be rolled out county-wide.
- LEP Programme Manager to share CIF log in details with interested LEP Board Directors.

Date of next meeting: 24th July 2020 (by MS Teams), an informal board would be held on 8th July.

DRAFT

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

| Date | Decision Making Body | Decision Made |
|----------|----------------------|--|
| 19/07/19 | LEP Board | <ul style="list-style-type: none"> • The Board ratified the selection of Health & Care Enterprise Board Members. • The Board agreed supporting Grater Lincolnshire's attendance at MIPIM and approved a contribution of £10,000 in October 2019 and contribute up to £5,000 for MIPIM UK. • The Board agreed to support the UK Steel Charter and to promote this with other LEPs. |
| 27/09/19 | LEP Board | <ul style="list-style-type: none"> • Appointments Committee approved Paul Scott join the Business Lincolnshire Board • Appointments Committee approved Mike Gallimore, Nick Broom and Robert Willey join the Manufacturing Board • The process of recruiting the new LEP Chair agreed • The Job Description for the Chair was approved • The composition of the chair's Appointment Panel and to seek nominations by email for the Appointments Committee to decide was agreed • The Vice Chair Job Description was approved • Agreed that the Terms of Reference for the Board will be reviewed annually and that all other Boards would be reviewed every two years, the Terms of Reference and Policy planner to be updated • The LEP Board approved the skills analysis, subject to further changes by the Employment & Skills Board during October • Apprentice Levy Scheme - Board Directors approved the allocation of £30,000 • The Strategic Partnership Agreement with Cambridge & Peterborough Combined Authority was approved by the Board |
| 29/11/19 | LEP Board | <ul style="list-style-type: none"> • Pat Doody private sector deputy chair was appointed as the Interim LEP Chair. • Cllr Philip Jackson was appointed as public sector deputy chair • The Chairs Appointment Panel was agreed as follows: Prof Mary Stuart, Dean Fathers, Pat Doody, Cllr Colin Davie and Gary Headland, the panel will be supported by the LEP Executive. • Gary Headland to join the Appointment Committee. Existing members are the Chair, the two deputy chairs, and Dean Fathers, Diversity Champion. • Members of the LEP's Energy Council, an energy advisory council for the LEP were agreed as follows: Duncan Botting, MD of Global Smart Transformations, Emma Bridge, Chief Executive |

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| | | Community Energy England, Justin Brown, Assistant Director for Growth, Lincolnshire County Council, Jacqui Bunce, Programme Director Lincolnshire STP NHS, Arnie Craven, External Affairs Director, Cadent Gas, Marie Harley, CEO Blue Castle, John Henry-Looney, Sustainable Direction, Juergen Schaper, FCC Environment, Lea James, Siemens Smart Infrastructure team, Cllr Barry Dobson, Executive Councillor Economic Growth LCC and SKDC, Simon Green, Deputy CX, North Lincolnshire Council, Martin Haworth, Director Singleton Birch and Mark Hutchison, Distribution Director, Western Power |
| 31/01/2020 | LEP Board | <ul style="list-style-type: none"> • Agreed to accept the offer from SUFC regarding legal costs. • Health & Care Enterprise Committee and Food Committee to hold a joint meeting to explore common areas |
| 30/03/2020 | LEP Board | Meeting cancelled |
| 29/04/2020 | LEP Board | <ul style="list-style-type: none"> • Decision on the GLGF was deferred pending a wider discussion on repurposing LEP funds • Sarah Louise Fairburn was appointed as Private Sector Deputy Chair • Dean Fathers was appointed to the Investment Board • A monthly zoom call with our 10 local MP's is being established during Covid - action from the first call is collective lobbying on increased broadband speeds - action for a collective letter and PR? • Annual Budget for core funding was agreed by the Board • Draft delivery plan agreed subject to final sign off by the Board by email, and further guidance from CLG • Draft Lincolnshire Recovery Plan to come back to the June Board for a business view • Refresh LIS to be considered at the June Board |
| 06/05/2020 | Board Brief | <ul style="list-style-type: none"> • Agreed that Board members briefings would be held every 2 weeks • Next Board meeting to be held on 10th June • Sarah Louise Fairburn confirmed as Deputy Chair (private sector) • Dean Fathers appointed to the Investment Committee |
| 10/06/2020 | LEP Board | <ul style="list-style-type: none"> • Circulate Annual Delivery Plan to be signed off by Board Directors by 10th July 2020. • Agreed that Clare prepare a letter for Government incorporating views of the Board, employers and the ESB • LEP will work with DWP and SHDC on redeployment and retaining • Amended LIS to be published locally subject to further business engagement and buy in from the business community. |

GREATER LINCOLNSHIRE LEP BOARD ACTION LOG

| Outstanding Actions from GLLEP Board Meetings | | | | | |
|---|---------|--|---|--------------------------------|----------|
| Date | Item | Action | Update | Actioned by | Status |
| 25/01/2019 | Minutes | <ul style="list-style-type: none"> LEP to facilitate a business voice session with the Planning for Growth Team. | Action with LCC | Cathy Jones/ Andy Gutherson | Deferred |
| 29/03/19 | Minutes | <ul style="list-style-type: none"> Project workshop to be held with Board Directors on lessons learned and impact. | Prepared but deferred | Halina Davies | deferred |
| 19/07/19 | Minutes | <ul style="list-style-type: none"> The Board welcomed the publication of the Tourism Sector Deal and agreed to progress work to bid for a Tourism Zone with local partners | Ongoing | | |
| 27/09/19 | Minutes | <ul style="list-style-type: none"> Growth Hub to provide an update on sectoral coverage within the next annual review | Due in 2020 | Samantha Harrison | |
| 29/11/19 | Minutes | <ul style="list-style-type: none"> Joint response from GLLEP and Humber LEP regarding Free Ports to be drafted All Board Directors to add profile to local LEP website The World of Work about the roles that recruit to www.theworldofwork.co.uk. ESB to request FE College estate condition assessments to feed into skills analysis. | Deferred due to covid - revised date July 2020 Ongoing ESB | | |

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| 31/01/2020 | Minutes | <ul style="list-style-type: none"> Amend the Forward Plan to include Health Sector and Diversity/succession planning discussion | RC | | |
| 20/03/2020 | | <ul style="list-style-type: none"> Meeting cancelled | | | |
| 29/04/2020 | Board Briefing | <ul style="list-style-type: none"> The Board asked to receive a regular intelligence briefing at the LEP Covid calls bi-weekly Any suggested changes to the draft ADP from Board members to be received by the 15th May - with a view to approval electronically by the Board in early July 2020 Terms of Reference for Transition Board regarding Delivery Programme and Membership to be produced and circulated. Decision on the GLGF was deferred pending a wider discussion on repurposing LEP funds | Actioned | James Baty Halina Davies Ruth Carver | |
| 6/5/2020 | Board Briefing | <ul style="list-style-type: none"> Promote GLLEP as a united geography - LIS List of top 100 businesses to be circulated for members to seek engagement To respond to HMG guidance on top up grant funding to districts once released, in a coordinated manner and to ensure consistency in approach across LAs To lobby on flexibility of furlough guidance – Andy example on bus companies should schools open Lobby further on HMRC furlough data to be provided for local intelligence purposes | | James | |

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|--|--|---|--|--|--|
| | | <p>reach out to larger businesses for information, will be circulated next week and to ask for volunteers to host/support these meetings which will be in sector groups, ie, Visitor Economy, Food, Ports and Logistics.</p> <ul style="list-style-type: none">• Impact analysis to be circulated to the Board• Funding options to be explored, including LEP funding from Core reserves, although questions on the role of the LEP in funding an additional post at this stage. | | | |
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Paper 3 – LEP Board Governance

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|----------------------|----------------------------------|----------|-----------------|--|--------------------|----------|
| Publication | Public Paper (published) | | | | | |
| Meeting date: | 24th July 2020 | | | | | |
| Agenda Item: | 3 | | | | | |
| Item Subject: | LEP Board Governance | | | | | |
| Author: | Ruth Carver | | | | | |
| For: | Discussion | X | Decision | | Information | X |

1 Composition of the Greater Lincolnshire LEP Board

A summary of current board directors and their terms of office is attached for information.

Board Directors will be aware of our targets for Board membership, namely 50% of the Board to be female by 2023, and a 1/3 Public 2/3 Private membership by March 2020, and lastly the board to reflect the communities it covers.

| | Target by March 2020 | CURRENT Position July 2020 | Targets | |
|---------------------------------|---|---------------------------------|---|--------------------------------|
| No more than 20 Board Directors | 18 directors | 18 directors plus 1 co-opted | | Green – achieved |
| % of female board Directors | 33% - achieved 37.5 % in March 2020 | 7 out of 18 Directors ie 38% | March 2023 target of 50% | On track – but need to monitor |
| % of private/public split | Direction of travel 56% 9 directors without co-opted | 12 private/6 public, ie 66%/23% | 2/3 rd private by March 2021 | Green - achieved |

2 Diversity

Dean Fathers is the Diversity Champion on the LEP Board, and Dean sits on the Appointments Committee. The purpose of this section is to update the board on activity that is being undertaken on diversity.

- Positive recruitment of Enterprise Advisers in the Enterprise Advisers Network
- Progress has been made to survey and map LEP boards and staff against baseline local protected characteristics data and monitoring diversity. The Appointments Committee will discuss with recommendations coming to the September 2020 LEP Board.
- The East Midlands LEP are working jointly on sharing best practice and join up on messaging, campaigns and case studies to target a wider community audience. The Board is asked to endorse this activity and to support the set-up of a working group to include Dean Fathers (Director) and Kate Storey (officer), from the GLLEP.

3 Refresh of the LEP Board

Three Board Directors are due to step down or be reviewed in September 2020, namely Chris Baron, who also chairs the Visitor Economy Board; Professor Mary Stuart, who represents education on the board, and also chairs the Innovation Council, and the Business Lincolnshire Growth Hub Board, and Cllr Ric Metcalfe, who was a direct appointment for the public sector in 2018. Both Chris and Mary have been on the LEP board since it began in 2011, and therefore it is proposed that recruitment begins over the summer to replace them in the early autumn.

Paper 3 – LEP Board Governance

Cllr Ric Metcalfe was a direct appointment as a public sector director representing the districts of Lincolnshire, at time when the LEP geography was different and the board was 50% public/50% private. The term comes to an end in September 2020.

The process of recruitment for both a new Board Director and a Chair of the Employment and Skills Board was launched earlier in July, with a closing date of the end of July 20.

<https://www.greaterlincolnshirelep.co.uk/whats-new/lep-seeks-new-skills-ambassador/>.

Appointment Panel Recommendations for Endorsement

4 Midlands Engine Investment Fund

4.1 MEIF is collaboration between the government-owned British Business Bank and ten Local Enterprise Partnerships (LEPs) in the West and East and South-East Midlands. The funds consist of £250 million of UK Government, European Regional Development Fund (ERDF), British Business Bank (BBB) and European Investment Bank funding to help businesses in the region start up, scale up and become a successful part of the government's Midlands Engine vision. There are four different funding options designed to plug gaps in the provision of commercially available finance, ranging from £25,000 loans to £2million equity investments. GLLEP has contributed £5 million of Greater Lincolnshire ERDF funds to the MEIF Funds through the ERDF funds. The existing representation for Greater Lincolnshire is due for renewal in the autumn, and both candidates are content to continue for a further three year term from November 2020 to November 2023, namely:

- Russell Copley - MEIF ESEM RAB Member for GLLEP, and RAB Chair
- Samantha Harrison - MEIF (ESEM) Regional Advisory Board (RAB) meeting for GLLEP as an alternate RAB member.

5 Business Lincolnshire Growth Hub Board

5.1 Recommendation from Prof Mary Stuart, Chair of Business Lincolnshire Growth Hub Board: **Mark Webb, Chief Executive of E-Factor in North East Lincolnshire.** Previous roles are Managing Directorship of Grimsby and Scunthorpe Newspaper Group, an organisation that was dedicated to the growth of the area and employed over 300 people. Mark owned the former Cleethorpes Chronicle and currently is the CX at the E-Factor Group, the largest commercial landlord in North East Lincolnshire, and the owner of the Business Hive Club with over 300 Paying Business members.

6 Health and Care Enterprise Board

Recommendation from Dean Fathers, Chair of the Health and Care Enterprise Board. **Martin Hindle,** Martin is currently Chairman of East Midlands Academic Health Science Network and a Non-Executive Director of Public Health England. He is a member of the council of Leicester University and the International Advisory Board of the University of Bradford Business School. He has served as Chairman of University Hospitals of Leicester and as a Non-Executive Director of the Health Protection Agency, National Biologicals Standards Board and the National Blood Authority. He has held a series of roles as chair, CEO and executive board director in international pharmaceuticals and telecommunications. He has served on boards in the UK, USA, Japan, France and the Nordic region.

Professor Frank Tanser, Director of the Lincoln International Institute for Rural Health and Global Professor of Rural Health at Lincoln University.

Peter Northrup, Locality Manager, Skills For Care, Yorkshire, Humber and the North East.

Paper 3 – LEP Board Governance

7 Recommendations

7.1 That LEP Board

- discuss the targets and agree the actions with the report on diversity
- appoint Russell Copley to the Regional Advisory Board for MEIF, with Samantha Harrison as alternate.
- appoint Mark Webb to the Business Lincolnshire Growth Hub Board
- appoint Dr Frank Tanser, Martin Tindle, and Peter Northrup to the Health and Enterprise Board

Greater Lincolnshire and Humber LEP Transition Sub Group

Draft TOR's and Scope for Discussion

1. Purpose of the Paper

This paper sets out the approach and Terms of Reference for a Transition Sub Group (TSG) that will advise both the Greater Lincolnshire LEP and Humber LEP boards in a transition period that will lead to agreement on the nature and level of strategic collaboration and delivery between the current Humber LEP and Greater Lincolnshire LEPs.

Below the Transition Sub Group will be an Operational Transition Sub Group (OTSG) that will take forward the technical aspects of the Transition.

The LEP Boards are therefore asked to discuss and agree the outline Terms of Reference, Membership and scope of the TSG contained within this document to enable a paper to be presented to both LEP Boards for formal approval. The terms of reference is outline at this stage, as the terms of reference will be further developed as matters and direction evolve. The first activity will be a mapping exercise to identify the areas of scope.

Board Directors might want to debate about the evolving purpose of the TSG, whether it is task and finish to effect the transition or whether it becomes a collaboration group between the two leps to support the growth of the two areas.

Recommendations

- 1. That the Terms of Reference, membership and scope of the TSG be debated and agreed in principle by both LEP's.**
- 2. That the Terms of Reference, membership and scope of the OTSG be debated and agreed by both LEP's.**
- 3. That each CX of the LEP undertake a mapping exercise of in scope activity ahead of the initial meeting of the OTSG**
- 4. Agree resource allocation and to map out milestones**

2. Terms of Reference and Membership for the TSG

2.1 The role of the TSG is

- To agree and take forward agreed areas of strategic collaboration in the transition period, and beyond between the two LEP's for the economic growth of the area.
- To oversee an efficient, effective and timely transition to both LA's solely operating within a GLLEP framework
- Communication on transition.

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- 2.2 TSG Membership and timing of meetings
- Jointly chaired by the Chairs of the LEP's
 - Frequency of meetings as and when required by the members during the transition period
 - Each LEP shall nominate two private sector directors including Chairs, North and North East Lincolnshire shall nominate a member each, and the two accountable bodies shall nominate two members to represent their interests
- 2.3 Indicative areas of collaboration are the food sector, the energy estuary, infrastructure, decarbonisation and freeports.

3. Terms of reference and membership for the OTSG

3.1 The role of the OTSG

- To effect an efficient, effective and timely transition of all appropriate strategies, and delivery programmes by an agreed deadline by partners (aiming for the end of the financial year March 2021)

3.2 OTSG Membership and timings of meetings

The proposed membership of the OTSG should be:

- LEP Chief Executives or nominated officer
- Local Authority representatives x 2
- Accountable Body representatives x 2
- Cities and Local Growth Assistant Director x 2

Working principles of OTSG

- OTSG would meet as and when required, intention of first meeting during August
- Transition Period – this is defined as from this point until the end of the operational transition.
- Ensuring no detriment to businesses or residents effected during the transitional period
- Communications on transition and the overlaps be agreed by both LEP's through the OTSG to the TSG
- Avoid unnecessary novation of contracts, unless funding for multiple years
- Where there is an existing programme with a short to medium timescale March 2021, or a logical reason for the extension of the programme such as European funding, the intention is that there would be no novation of contract.

Scope of the Transition

Government is clear that the role of LEPs should be to boost productivity and earning power, aligned to the priorities of the Industrial Strategy as well as the important work of response, resilience and recovery in response to the economic crisis due to the Covid-19 Pandemic. In doing so, Government expects that LEPs should cover:

- **Strategy:** Developing an evidence-based economic strategy that identifies local strengths and challenges, future opportunities and the action needed to boost productivity, earning power and competitiveness.

- **Allocation of funds:** identifying and developing investment opportunities; prioritising the award of local growth funding; and monitoring and evaluating the impacts of its activities to improve productivity across the local economy.
- **Co-ordination:** Using their convening power, for example to co-ordinate responses to economic shocks; and bringing together partners from the private, public and third sectors.
- **Advocacy:** Collaborating with a wide-range of local partners to act as an informed and independent voice for their area.

Scope For consideration by the OTSG

Governance

- Review of membership of the LEP Boards post transition
- Accountable Body -Review of Assurance Framework and operational agreements
- Local contributions to LEPS

Strategic

- Define, agree and resource areas of LEP to LEP collaboration
- Refresh Local Industrial Strategies/ Recovery and Renewal Plans to reflect geography
- Suggest and define areas of collaboration between the two LEPs
- Membership of local and regional bodies

Delivery

- Humber LEP to map existing programme that cover the north and south bank
- Existing Programmes for European Funding ERDF, ESF ,Leader, will continue to be run and not novated across while funds last until 2023 - Both LEPs already work closely together at an operational level in terms of the delivery of ESIF across the overlap . Where funding is yet to be commissioned which will include delivery in the overlap areas, both LEPs will commit towards working together to inform future calls and jointly promote across the overlap area.

Examples may include:

- SLGF - Existing SLGF schemes in the overlap area should run until March 2021 and as part of the mapping exercise schemes in transition or with on-going delivery and reporting obligations will be identified. Humber LEP will continue to support schemes in contract until the conclusion of the LGF programme and its monitoring of outcomes. Information will be shared with GLLEP on overlap schemes. New SLGF will be allocated to Greater Lincolnshire LEP for the overlap areas
- Alignment of pipeline and discussion on prioritisation (HD)
- Growth Hub - Humber LEP to propose to conclude as much (HD) as possible detailed support schemes for companies in the overlap during 20/21. Where this is not possible, and Humber Growth Hub is part way through a business assist activity this will be supported until concluded and outcomes reported thereafter as appropriate. A full list of these transitional

businesses will be compiled and shared (annex of businesses to be developed closer to year end). In 21/22 all new business enquiries for Growth Hub support in the overlap geography will be signposted to Greater Lincolnshire Growth Hub.

- Careers and Enterprise – Humber LEP to conclude activity during 2020 with a view to creating one programme for Greater Lincolnshire by March 2021. Both LEP's to explore resourcing and funding.
- Humber Enterprise Zone - Examine future arrangements for Enterprise Zone as part of the transition
- SAP Programme - MOU for 2020/21 on funding allocated - updated SAP Analysis and new SAP Action plan and reports required by March 2021.
- Growing Places Fund -
- Over a period of time, to align delivery agents for the national business support schemes for example UK Research & Innovation (Innovate UK), DIT Trade and Investment, British Business Bank Midlands Engine Investment Fund etc will have a single GLLEP geography representative.

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Paper 5 – Impact of Covid-19 on Employment

| | | | | | | |
|----------------------|----------------------------------|----------|-----------------|--|--------------------|----------|
| Publication | Public Paper (published) | | | | | |
| Meeting date: | 24 th July 2020 | | | | | |
| Agenda Item: | 5 | | | | | |
| Item Subject: | Impact of Covid-19 on Employment | | | | | |
| Author: | Clare Hughes | | | | | |
| For: | Discussion | X | Decision | | Information | X |

1 Background

- 1.1 This paper sets out the potential impact on employment across Greater Lincolnshire following this outbreak of Covid 19. Unemployment has risen due to the pandemic, with universal credit claims rising sharply. But the full impact has been significantly mitigated by the Government’s furlough scheme, help for the self-employed and other measures. However as the furlough and self-employed scheme comes to an end and businesses adjust to the “new norm” redundancy levels are anticipated to rise very sharply as we move into the autumn of 2020 and in early 2021. Forecasting is challenging as the economic recovery will be impacted by the status of the pandemic and the health response to it. Other national policy matters such as Brexit which will also factor into any potential forward looking forecast.
- 1.2 Whilst it is not possible to accurately forecast, it is possible to produce reference scenarios relating to the labour market and workforce. These are currently being worked on.
- 1.3 The paper also outlines the existing support programmes and those in development that can assist with minimising the impact to the area and support people to quickly enter employment again and to utilise their transferable skills, and recommends additional actions to provide further support to businesses and individuals.

2 Policy Context

- 2.1 The Chancellors Summer Statement - ‘A Plan for Jobs’ <https://www.gov.uk/government/news/rishis-plan-for-jobs-will-help-britain-bounce-back> was announced on 8th July 2020. It includes a series of incentives and schemes for support people back into work, creating jobs and protecting jobs. Headlines included in Appendix A.

3 Role of LEP in employment, skills and training

- 3.1 Through the work of our Skills Lead and Employment and Skills Advisory Panel, we bring together different organisations, both local and national, to effect change. We work in the space between education, learning and business, providing a link between people and employers, whether that is helping to make sure the transition from school to work is a more seamless one; making sure that there are training schemes that employers understand and can take advantage of so that people can progress in the workplace; or ensuring that people who do not have a job can develop the right skills and qualities to get back into the labour market.

(A good example of this is how we used some our ESF funds to develop a local innovative project that supported industry leaders to advise on college curriculums and train them to deliver master classes to students. Having an understanding of the parameters of the national rules of funding, being aware of the skills challenges facing local employers, and knowing that Colleges can sometimes struggle to attract experienced lecturers, our skills lead devised and commissioned the programme that was then procured and delivered by Bishop Grosseteste University).

Paper 5 – Impact of Covid-19 on Employment

Our approach to supporting recovery is to:

- Bring local and national partners together for the benefit of people and business, because we have a perspective that others do not and can see gaps and opportunities
- Simplify and translate what is often a jargon heavy landscape, helping to bridge the gap between the policy makers at the Department for Education, and our local partners and stakeholders.
- Amplify and bolster national communication, because our evidence shows that local messages from trusted or known sources, local discussion and word of mouth, particularly around skills and training schemes are more likely to have the impact that we want. We have already raised an ask to DfE for additional local funding to do this.

4 **Recommendations**

4.1 The Greater Lincolnshire LEP Board are asked to agree the following actions, some of which are in the Recovery plan

1. **Apprenticeships.** Government is prioritising Apprenticeships.
 - a. We are already working with DfE on their new package of support for any redundant apprentices, by making sure that it aligns with other local support.
 - b. Bring together our Growth Hub Advisers, our Local Authorities ED officers, FSB, Chamber and other partners in local webinars with DfE so they can access the latest information about Incentives that are due to start on 1st August
 - c. Arrange a series of webinars (through our growth hub) for employers who want to know more about the new incentives, but also for those employers who have never had an apprentice in the past and are still not clear how to go about getting one.
 - d. Given that this is also a large priority for us we will look for ways to sensitively collate real-time intelligence about the continuing impact on apprentices, and on the education and training sector locally.
2. **Redundancy.** Ensure that we, and others, are signposting accurately to the programmes that are in place or being developed, through our website, and webinar programmes, so that employers have access to support at the earliest point.
3. **Greater Lincolnshire Recruitment and Careers Fair Programme.** Bring together organisations and people, Colleges, and Job Centre, local councils and employers, in a series of bespoke virtual Recruitment and Careers events.
Seeking an additional budget of up to **£20,000** to deliver this programme in house this year
4. **Gap Analysis and New Programmes.** Through our understanding of the package of employment and skills support, as they are unveiled, and our intelligence from local partners, understand where support is missing, or where there are opportunities that are being missed. Use our links with national contacts to raise these. For example:
 - a. There is currently no support that specifically targets graduates. We will work with our universities to put in place tailored support for students graduating this summer, to help increase their chances of securing employment or further their education.
 - b. If unemployment continues to increase over the next few months and employers cannot offer jobs or Government subsidised placements, we might want to see more schemes that offer people the chance to become self-employed.
5. **European Funds.** Continue to lobby for extensions to the existing programmes as shown in Appendix B. Explore how we can use the national ESF reserve to develop new

Paper 5 – Impact of Covid-19 on Employment

programmes and meet gaps locally.

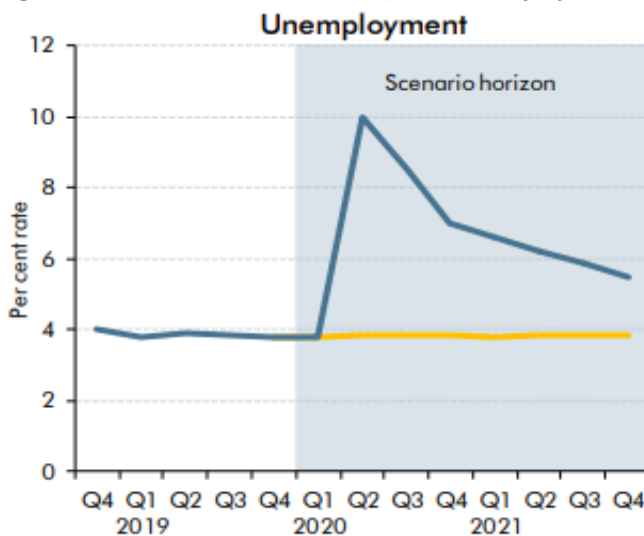
6. **Simplifying.** Develop the LEPs Employment and Skills section on the website so that it becomes a place for information and advice and signposting on the new skills recovery schemes, for our partners, for businesses, and for individuals. As the new schemes and rules are published, explain them in a jargon-free way.
7. Work with DWP, Local Authorities, wider partners to explore and identify a way to monitor the impacts on employment in the coming months given the lack of access to real-time data. **Role of Business Intelligence unit.**

We will ask the Employment and Skills Advisory Panel to lead a small working group on these areas.

5 **Background**

- 5.1 The fall in business output has significant implications for employment levels. Given the wide ranging uncertainty of economic conditions over the coming months, it is very challenging to make precise projections regarding impact on future employment level. However, many reputable analytical sources are projecting that the UK unemployment rate will increase to around 10-15% at its peak in the second quarter of 2020, before making a gradual recovery over the next year or so, though it appears likely that the unemployment figure could remain at around 5%-10% even through Q4 of 2021.
- 5.2 The number of people claiming unemployment elements of Universal Credit in Greater Lincolnshire stood at 39,475 in May 2020, 114% higher than May 2019. Under even the most optimistic scenario we envisage some of those furloughed are forecast to be made redundant at the end of the 4th quarter of 2020/21.
- 5.3 The current OBR reference scenario indicates that unemployment could reach 10% in the UK by Q2 2020 and will not have fallen to anywhere close to 2019 levels by the end of 2021. Indeed, most forecasts suggest it will not be until 2023 that we see unemployment level out.

Figure 1 - OBR Reference Scenario, total unemployment



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- 5.4 The overall impact will remain very hard to tell until the Coronavirus Job Retention Scheme begins to taper off. At the end of May government announced that 8.7m workers were on the furlough scheme. Set against previous estimates that at the end of 2019 there were 35.8m jobs in the UK, this is nearly a quarter (24.3%) of all pre-crisis jobs.
- 5.5 For the workforce of businesses that were continuing to trade, the highest incidences of furloughing were in the accommodation and food services sector (40%), and construction (32%).
- 5.6 People with the lowest income are most vulnerable with a significant number of jobs at risk in occupations with relatively lower wages such as retail, tourism and food services, which are forecast to be some of the hardest hit by the economic impacts of Covid 19.
- 5.7 **Key Considerations**
 Access to intelligence and data Local level figures around furloughing have recently been provided by HMRC. As can be seen the numbers furloughed are very significant and there are very real concerns about redundancies when the furlough scheme begins to taper in August and ends in October. The ‘total’ jobs column in figure 2 below reflects the number of jobs registered against companies that make PAYE returns - the total does not include self-employed, HM forces, or reflect residents who are employed outside Greater Lincolnshire.

Figure 2 - Coronavirus Job Retention Scheme totals, to 31st May 2020

| Area | Total Employments Furloughed | Total Employment (based on BRES) | Proportion of employment furloughed |
|-----------------------------|------------------------------|----------------------------------|-------------------------------------|
| Boston | 6,400 | 34,000 | 18.8% |
| East Lindsey | 15,100 | 48,000 | 31.5% |
| Lincoln | 10,800 | 57,000 | 18.9% |
| North Kesteven | 11,400 | 42,000 | 27.1% |
| South Holland | 8,700 | 41,000 | 21.2% |
| South Kesteven | 16,800 | 58,000 | 29.0% |
| West Lindsey | 9,000 | 28,000 | 32.1% |
| Rutland UA | 4,300 | 16,000 | 26.9% |
| North East Lincolnshire UA | 17,200 | 69,000 | 24.9% |
| North Lincolnshire UA | 18,100 | 78,000 | 23.2% |
| Greater Lincolnshire | 117,800 | 471,000 | 25.0% |
| Lincolnshire County | 78,200 | 308,000 | 25.4% |
| England | 6,445,800 | 26,842,000 | 24.0% |

Source: HMRC Experimental JRS Statistics up to 31st May 2020
 Business Register and Employer Survey 2018

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5.8 Figure 3 shows the total uptake of the self-employment income support scheme in Greater Lincolnshire.

Figure 3 - Self Employment Income Support Scheme take up

| County and district / unitary authority | Total potentially eligible population ¹ | Total no. of claims made to 31/5/20 ² | Total value of claims made to 31/5/20 ² (£) | Average value of claims made to 31/5/20 ² (£) | Take-Up Rate ⁵ |
|--|---|--|--|--|------------------------------|
| Boston | 3,200 | 2,100 | £ 6,000,000 | £ 2,800 | 68% |
| East Lindsey | 7,500 | 5,000 | £ 13,200,000 | £ 2,700 | 66% |
| Lincoln | 4,000 | 3,000 | £ 8,700,000 | £ 2,900 | 74% |
| North Kesteven | 5,500 | 3,900 | £ 11,400,000 | £ 2,900 | 70% |
| South Holland | 4,900 | 3,200 | £ 9,400,000 | £ 3,000 | 65% |
| South Kesteven | 7,100 | 5,000 | £ 15,300,000 | £ 3,100 | 70% |
| West Lindsey | 4,300 | 2,800 | £ 7,900,000 | £ 2,800 | 66% |
| Rutland UA | 2,000 | 1,400 | £ 4,300,000 | £ 3,100 | 68% |
| North East Lincolnshire UA | 5,100 | 3,600 | £ 9,300,000 | £ 2,500 | 71% |
| North Lincolnshire UA | 6,000 | 4,100 | £ 10,800,000 | £ 2,700 | 68% |
| Lincolnshire County | 36,500 | 24,900 | £ 71,900,000 | £ 2,900 | 68% |
| Greater Lincolnshire | 49,600 | 34,100 | £ 96,300,000 | £ 2,824 | 69% |
| England | 2,942,000 | 2,056,000 | £ 6,057,000,000 | £ 2,900 | 70% |

Source: HMRC Self Employment Income Support Data

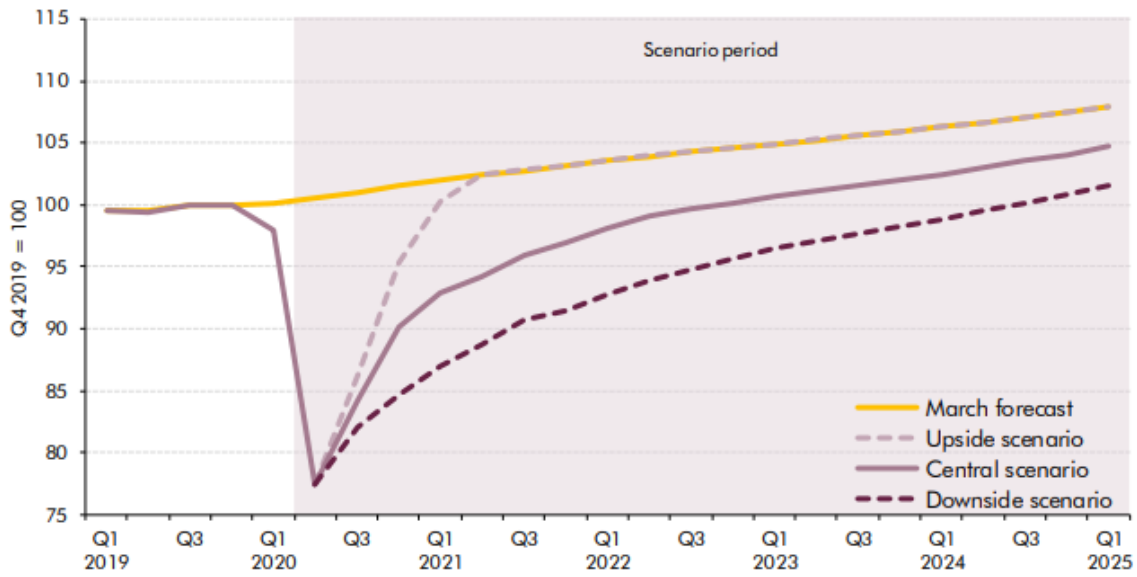
5,9 In terms of youth unemployment, approximately 20% (8,110) of the 39,795 people who were claiming job seeking elements of universal credit were aged 16-24. This is broadly in line with the national average. Meanwhile 26% of claimants (6,895) were aged over 50. There are three economic projections for possible impact on employment across Greater Lincolnshire.

- Upside scenario - a quick return to economic growth (a “v-shaped” recession).
- Central scenario - a slow return to economic growth (a “U-shaped” recession); and
- Downside scenario - a lingering cloud over economic growth (a “L-shaped” recession).

These scenarios are highlighted in figure 4 and 5 from the Office for Budgetary Responsibility July 2020 Fiscal sustainability report.

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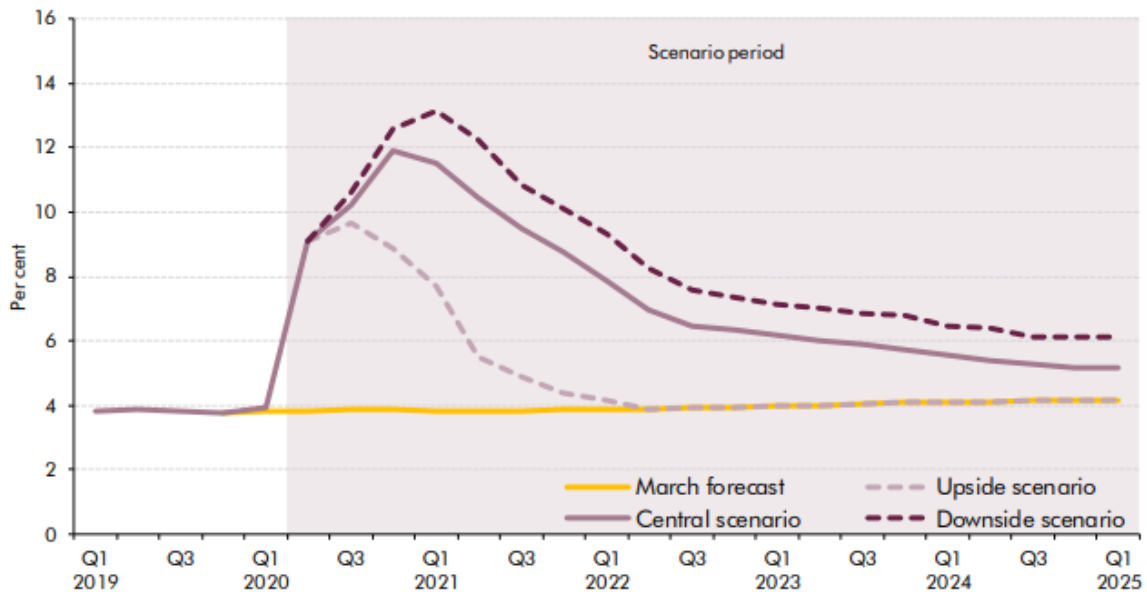
Figure 4 - OBR Fiscal Scenarios compared to March forecast



Source: ONS, OBR

- In the OBR **upside scenario**, activity rebounds relatively quickly, recovering its pre-virus peak by the first quarter of 2021, and there is no enduring economic scarring.
- In the **central scenario**, output recovers more slowly, regaining its pre-virus peak by the end of 2022. Cumulative business investment is 6 per cent lower than in the March forecast over five years, while unemployment and business failures remain elevated. Real GDP is 3 per cent lower in the first quarter of 2025 than in the March forecast.
- In the **downside scenario**, output recovers even more slowly, returning to its pre-virus peak only in the third quarter of 2024. This results in a more significant loss of business investment, more firm failures and persistently high unemployment as the economy undergoes significant restructuring. Real GDP is 6 per cent lower in the first quarter of 2025 than in our March forecast.

Figure 5 - OBR Unemployment Rate Scenarios compared to March Forecast



Source: ONS, OBR

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- 5.10 Beyond the near term, the OBR assume some labour market scarring in our central and downside scenarios, but not in the upside scenario. The unemployment rate therefore returns to the 4.1 per cent as forecast in March in the upside scenario, but is 1 percentage point higher than that in the central scenario and a further percentage point higher in the downside one.
- 5.11 The upside scenario assume a rapid resolution of the health crisis which would reduce the need for reallocation of labour across sectors, allowing employment to recover relatively quickly. The central and downside scenarios assume structural change in the context of continuing uncertainty which would slow the recovery to the labour market.
- 5.12 From the local information that we are receiving, redundancies range from national high street brands through to local SMEs. The Department of Work and Pensions has indicated that there has been disparity around our market towns but the claimant count (Job Seekers Allowance & Universal Credit) of those customers actively seeking employment has risen in all areas from March 2020 to May 2020. In many cases, DWP has been able to respond promptly to the increased business need for staff such as with the food processing businesses in Spalding.
- 5.13 Currently any data we have access to on redundancies is reactive, we tend to know about it after it has happened due to the sensitivity of the data. If we were able to access this information earlier there would be a greater chance that interventions could be targeted to minimise the impact. We are therefore proposing a local campaign to encourage businesses to contact the LEP if they are considering making redundancies. This would enable the LEP support the business to explore options which could avoid redundancies as well as signposting to support that is available for people being made redundant so they can access it as soon as possible. It would also mean that we had access to intelligence that would enable interventions to be targeted at areas of need.

6 New Programmes

- 6.1 Any new programmes that we develop should build on existing programmes and initiatives so that we avoid duplication and complexity. There are already a number of European Social Fund (ESF) projects delivering employability support in the area, these are detailed in appendix B
- 6.2 This includes the Career Net Scheme that is focused on young people who are out of work.
- 6.3 Young people may be particularly affected. Around 30% of employees aged under 25 work are in a sector most affected by shut down, compared with 13% of those over 25. The Resolution Foundation estimate that those leaving education this year will be less likely than previous cohorts to have a job in 3 years' time, with graduates being 13% less likely and those with fewest qualification 37% less likely to have a job.
- 6.4 The Skills lead works closely with the Education and Skills Funding Agency (ESFA) and DWP to ensure the smooth delivery of the ESF programmes and to promote, coordinate and signpost projects effectively. The total value of projects listed in Appendix B is £12.96M
- 6.5 It is important that these projects are extended and we should continue to lobby for that.

Paper 5 – Impact of Covid-19 on Employment

6.6 The LEP team working with the local authority, DWP and Colleges, providers, and third sector colleagues, will continue to assess whether these programmes are meeting need to identify gaps and whether the schemes have enough capacity to handle the expected volumes of activity.

7 Apprenticeships

7.1 It is clear from recent conversations that HMT wants to see people returning to work, and if there was a prioritisation of schemes, apprenticeships would be at the top of the list.

7.2 Covid:19 has presented particular challenges for apprentices as they are affected by the impact on business AND the impact on access to education and training. At the last meeting of the LEP Board, we looked at how the number of new Apprentices had plummeted, affecting both new young and adult apprentice. It is therefore good news that incentives for employers to take on both young and adult apprentices will be available for the start of August.

7.3 That paper also reported that of the 3,809 apprentices with Colleges and Training Providers that responded to the quick survey, 46% (1,763) had been furloughed by their employer, although at that point were still continuing with their training. It was also very clear that the situation was changing on a daily/weekly basis. DfE are establishing a redundancy service for Apprentices. Concerns have been raised nationally that a separate service, whilst welcome, might dilute and confuse local signposting and DWP services. Locally we are feeding information to this proposal.

Link to Local Industrial Strategy and SAP

This paper links to the ambitions of the People Chapter of the Local Industrial Strategy and the SAP Evidence base

Appendix A - Chancellors Announcement Supporting Jobs and Work

- Introduction of a Job Retention Bonus to help firms keep furloughed workers. UK Employers will receive a one-off bonus of £1,000 for each furloughed employee who is still employed as of 31 January 2021.
- New £2 billion Kickstart Scheme will be launched to create fully subsidised jobs for young people, covering 100% of the National Minimum Wage for 25 hours a week for six months.
- Businesses will be given £2,000 for each new apprentice they hire under the age of 25, and £1,500 for each new apprentice aged 25 and older.
- £111 million investment to triple the scale of traineeships in 2020-21.
- £17 million of funding to triple the number of sector-based work academy placements in 2020-21.
- £900 million to double the number of work coaches in job centres to 27,000.
- A £32 million investment in the National Careers Service.

Creating Jobs

- £8.8 billion to be spent on new infrastructure, decarbonisation and maintenance projects (as announced in his March Budget and more recently by the Prime Minister last week).
- £3 billion green investment package to support around 140,000 green job.
- £2 billion Green Homes Grant scheme to enable home owners and landlords to make energy efficient improvements to their properties.
- £1 billion programme to improve energy efficiency in public sector building such as hospitals and social housing.

Protecting Jobs:

Paper 5 – Impact of Covid-19 on Employment

- The Government will introduce an Eat Out to Help Out discount scheme. This will provide a 50% reduction for sit-down meals in cafes, restaurants and pubs across the UK from Monday to Wednesday every week throughout August 2020.
- VAT will be cut on most tourism and hospitality-related activities from 20% to 5% from 15 July until 12 January 2021.
- The stamp duty threshold will rise from £125,000 to £500,000 until 31 March 2021.

Appendix B - European Social Fund Redundancy Support

| Title | Contract value | To engage/ support at least: | Start and end Date | Contract holder | Delivered by |
|---|----------------|--|--|---|---|
| Skills Support to the Unemployed | £3,150,000 | 2077 jobseekers | 1 st April 2019 to 31st July 2021, with possible 50% extension to 2023. | People Plus | People Plus and a range of Colleges & training providers |
| CareerNet: NEET (or at risk of becoming NEET) 16-24 | £1,620,000 | 1029 young people | 1 st April 2019 to 31st July 2021, with possible 50% extension to 2023. | CLIP, Community Learning in Partnership | CLIP and a range of local training providers |
| Skills Support to the Workforce & at Risk of Redundancy | £7,200,000 | 3925 employees | 1 st April 2019 to 31st July 2021, with possible 50% extension to 2023. | HCUK, arm of Hull College | HCUK, a range of local training providers outside of Hull |
| Employment & Skills ESF Grant Programme | £990,000 | Invite voluntary organisations & small training providers to bid for grants of up to £20k grant to support people furthest away from finding a job | 1st December 2019 to 31 st July 2021 with possible extension to 2023. | Bishop Grossteste University | Bishop Grossteste University |

Paper 7 – Towns Fund

| | | | | | | |
|---------------|--------------------------|---|----------|--|-------------|---|
| Publication | Public Paper (published) | | | | | |
| Meeting date: | 24 July 2020 | | | | | |
| Agenda Item: | 7 | | | | | |
| Item Subject: | Towns Fund | | | | | |
| Author: | Cathy Jones | | | | | |
| For: | Discussion | x | Decision | | Information | x |

1. Introduction

1.1. This paper is provided to support a Board discussion of local Towns Deals. It gives an overview of the Towns Fund and the towns eligible within Greater Lincolnshire together with a summary of their ambitions, and when they expect to submit their proposals to Government.

2. Background

2.1. The [Towns Fund prospectus](#) was published in late 2019. It explains how towns can prepare for a Town Deal as part of a 2-stage process. Eligible councils in Lincolnshire were allocated £140k-170k technical funding per town to prepare their bids. [Further guidance](#) was published in June to enable towns to finalise their Town Investment Plans and work with MHCLG to agree their Town Deals. The eligible towns are:

- Boston
- Grimsby (existing Town Deal)
- Lincoln
- Mablethorpe,
- Scunthorpe
- Skegness

The prospectus also indicates that towns that haven't been awarded a deal (notably Gainsborough and Sleaford in Lincolnshire) can apply in the future.

2.2. Government wishes to see Town Deal Boards established, with investment priorities and project proposals. Boards are to set out a locally-owned Town Investment Plan. Proposals should drive long term economic and productivity growth through investment in connectivity, land use, economic assets including cultural assets, skills and enterprise infrastructure. All towns will also need to consider:

- how Covid-19 has impacted on them and what is needed in their Investment Plans in response.
- how their plans can contribute to clean growth.

2.3. Government is providing technical support to towns via a commercial support package led by Arup. The consortium, which includes a range of other consultants, will work with towns to help develop their proposals. Support might include visioning and strategy, regeneration, place design, community engagement, digital services, transport connectivity, and other requirements which may be identified.

2.4. The High Street Fund is a separate process for which Holbeach, Scunthorpe, Grimsby and Grantham are eligible. Bids are being finalised for submission at the end of the month. We have been asked to provide a letter of support for Holbeach and Grimsby, and will do the same for the other bids if requested. There is also a Heritage Action Fund which is open to Lincoln and Grantham.

Paper 7 – Towns Fund

3. Timescales

- 3.1. All areas must confirm when they wish to submit their investment plans. Government has confirmed that there is no material advantage (or disadvantage) to submitting by the first deadline of 31 July. The key test is confidence that Boards have a well-evidenced and justified set of proposals. The three deadlines are 31 July, end of October and end of March. All of our towns have indicated that they intend to submit at the end of October.

4. GLLEP Role and Representation

- 4.1. Towns are to ensure that LEPs are represented on the Board. The role of the LEP is one of influencing to ensure strategic alignment e.g. fit with the LIS. We have identified Board members to join Towns Deal Boards. In addition we have allocated members of our team to be the single point of contact for individual towns and to provide advice or technical support as appropriate, as shown in the table overleaf.

5. Recommendations and conclusions

- 5.1. Board members are invited to note the contents of this report.

Paper 7 – Towns Fund

Overview

| Town Deal | Members of the Towns Deal Board (GLLEP Board representatives underlined) | GLLEP Secretariat | Project List/Priorities |
|---------------|--|-------------------|---|
| Boston | Alice Olsson - Metsa Wood Alison Fairman, BEM - Community Representative Andy Lawrence - Port of Boston Claire Foster - Boston College Clive Fletcher - Historic England Cllr Paul Goodale - BTAC Chairman, BBC Councillor Eddy Poll - LCC Councillor Paul Skinner - Leader, BBC David Fannin - CVS Donna Watton - Donna Comm Ltd Emma Hadley - Boston Witham Academies Federation Greg Pickup - Heritage Lincs Jacqui Bunce - NHS John Harness - NHS Kingsley Taylor - CAB Matt Warman, MP Neil Kempster, Chestnut Homes (Chair) Nick Heath - Wilmott Dixon <u>Nick Worboys - Longhurst Housing (GLLEP representative)</u> Norman Robinson - Environment Agency Peter Isaac - Oldrids Richard Tory - Big Boston Local Rob Barclay - Shodfriars Sandra Dowson - One Public Estate Simon Beardsley - Lincolnshire Chamber of Commerce | Cathy Jones | Projects addressing the following themes are being considered: Skills and Enterprise Connectivity Urban Regeneration Tourism/Heritage Community Facilities |

Paper 7 – Towns Fund

| | | | |
|----------------|---|-------------|---|
| | Val Braybrooks, MBE - University of Lincoln | | |
| Grimsby | Requested | Ruth Carver | Deal signed 2018 focusing on 4 core themes to: - Drive Economic Growth Accelerate Housing Delivery Transform Grimsby's Waterfront Improve Skills and Educational Attainment. Detail here Consultation from 2018 was used to develop the first phase of investments that have already started in the town centre. Greater Grimsby Board has now started to develop the Grimsby Town Centre Masterplan, will help decide which ideas to put forward for funding, both from the Towns Fund and other sources of public funding. Open for consultation 15 - 22 July here |
| Lincoln | Andy Gutherson - Lincolnshire County Council Angela Andrews - City of Lincoln Council Caroline Killeavy - YMCA Edward Strange - Brewin Dolphin <u>Gary Headland - Lincoln College</u> Jacqui Bunce - NHS James Kirby - Stirlin Karl McCartney - Lincoln Constituency MP Leo Scott Smith - Tended Liam Scully - Lincoln City FC Lisa Donini - M&S/Chair Healthy High Street Lord Patrick Thomas Cormack - House of Lords Marc Jones - Lincolnshire Police Mark Speed - Siemens <u>Mary Stuart - University of Lincoln</u> Mike Timson - Visit Lincoln Peter Neil - Bishop Grosseteste University | James Baty | LSIP Scale Up Facilitates for Digital and Technology LSIP/WGC Gateway Masterplan Hospitality Events and Tourism Institute (HEAT) Lincoln Made Smarter Barbican Production and Maker Hub for Creative Industries Lincoln Creates grant scheme Light Up Lincoln - Festival Infrastructure feasibility Study Lincoln City FC Stadium and Community Redevelopment Project Lincoln City Centre Visitor App Transport Infrastructure Project(s) TBC Tentercroft Street Lincoln Central Market and Vibrant Public Realm Employment and Skills Access to Work Programme Powering Up Lincoln - Lincoln Living Lab |

Paper 7 – Towns Fund

| | | | |
|--------------------|--|---------------|--|
| | <p>Ric Metcalfe - City of Lincoln Council Richard Davies - Lincolnshire County Council Station Commander - RAF Waddington Tim Chambers - Cool Data Ursula Lidbetter - Lincolnshire Co-operative</p> | | <p>Construction Skills Project Drill Hall Development Health and Well Being Centre Govtech Accelerator Lincoln Open Data Strategy Knowledge Venture Lincoln Digital Natives</p> |
| Mablethorpe | <p>Joint Board for Mablethorpe and Skegness but separate Deals. See Skegness below for details of board.</p> | Clare Hughes | <p>Potential application of £500K accelerated funding: Sutton on Sea Observatory Mablethorpe High Street - potential for part pedestrianisation or similar. The main focus of the Town Deal is The Campus for Future Living coalition, a centre that addresses the complex challenges of many of the town's residents - it will support health care workers, attract and support innovative technology. The Centre will provide: An innovation area, A learning area, An outreach area - providing E-Medicine and treatment facilities, an enterprise area - centred around a Carers Hub to support the development of new micro-care, and a skills area - in the form of a base for the continuing professional development of clinicians working on our coast with accommodation for remote workers.</p> |
| Scunthorpe | <p>Mary Stuart and Cllr Rob Waltham are both board members and directors.</p> <p>Alan Ross Stylex Auto Products Ltd Andrew Percy MP Councillor Waltham MBE North Lincolnshire Council David Atkin British Steel</p> | Halina Davies | <p>Potential for: A land acquisition package to enable a new Hospital development An automation focused scheme working with and supporting the manufacturing sector A digital connectivity project for the town A graduate retention scheme for SMEs</p> |

Paper 7 – Towns Fund

| | | | |
|-----------------|--|--------------|---|
| | <p>Denise Hyde North Lincolnshire Council Diana Taylor Marketing Humber Duncan Willey PPH Commercial. Dr Faisal Baig Clinical Commissioning Group (CCG) Holly Mumby-Croft MP Jo Corney Department of Working Pensions (DWP) Joanne Dixon HBP Systems Kishor Tailor Humber LEP Lesley Potts North Lincolnshire Council <u>Mary Stuart (Chair) University of Lincoln</u> Peter Campey Department for Business, Energy and Industrial Strategy (beis) Samantha Cooke Hilton by Hampton Simon Green North Lincolnshire Council Sophie Day British Steel</p> | | <p>An East-West infrastructure connectivity scheme from Scunthorpe to Sheffield Project Ark - a flood management related scheme</p> |
| Skegness | <p>Private Sector Representatives <u>Sarah Louise Fairburn: CCB Chair</u> <u>Chris Baron: CCB Vice Chair</u> <u>Pat Doody: CCB Investment Board Chair</u> Robert Caudwell Freddie Chambers Claire Draper Janet Stubbs William Price John Henry Looney Peter Watson Ruth Carver Robert Parker</p> <p>Public Sector Representatives Victoria Atkins MP Matt Warman MP</p> | Clare Hughes | <p>Emphasis on skills, FE and HE campus.</p> <p>Potential application of £750K accelerated funding: development of Skegness Foreshore</p> |

Paper 7 – Towns Fund

| | | | |
|--|--|--|--|
| | <p>Cllr Craig Leyland Cllr Steve Kirk Cllr Carl Tebbutt Cllr Tony Tye <u>Cllr Colin Davie</u></p> <p>Stakeholders Gill Alton OBE Paul Collins Sid Dennis Lisa Fairlie Adrian Benjamin Caroline Killeavy Mark Humphreys Sandra Williamson Andrew Stevenson</p> | | |
|--|--|--|--|

Paper 8 – Strategy and Research Priorities

| | | | | | | |
|---------------|----------------------------------|---|----------|--|-------------|---|
| Publication | Public Paper (published) | | | | | |
| Meeting date: | 24 July 2020 | | | | | |
| Agenda Item: | 8 | | | | | |
| Item Subject: | Strategy and Research Priorities | | | | | |
| Author: | James Baty | | | | | |
| For: | Discussion | x | Decision | | Information | x |

1. Introduction

- 1.1. This paper is provided as an update and to form a Board discussion in relation to our current strategy and research priorities including Local Industrial Strategy and the Recovery Plan for Greater Lincolnshire in light of covid-19 and our new context.

2. Background

- 2.1. Through 2019, the main strategic priority of the LEP was the Local Industrial Strategy with a view of being ready to publish in early 2020. During late 2019 and early 2020 the LEP were in advanced conversations with policy teams in Government around our LIS.
- 2.2. Work and engagement on the LIS was paused following the onset of covid19 and subsequent Government policy decisions. Whilst the present national policy context for the LIS post-covid19 is unclear, it is clear that economic restart and recovery is the absolute focus of Government.
- 2.3. Due to the change in context, we have had to adapt our strategic and research priorities for the foreseeable future, whilst utilising the evidence base and strategy work set out over the past two years to form a strong, evidence based recovery plan that links strongly to the Local Industrial Strategy.

3. Recovery Plan

- 3.1. A Greater Lincolnshire recovery plan was taken to Board in June which covered 0-6 month priorities in order to respond to the impacts the covid19 pandemic via two enabling measures and three delivery measures each with their own strategic objective. Within the plan it was stated " The long term action will be to deliver the ambitions of the Local Industrial Strategy so that the greater Lincolnshire and Rutland economies provide prosperity to their residents, businesses, and communities as well as making a substantial economic commitment to the national economy."
- 3.2. As such, the LEP, on behalf of the Greater Lincolnshire economic recovery cell will seek to develop a mid-term recovery and renewal plan for Greater Lincolnshire. This will act as the bridge between the shorter term Business and Recovery Plan; and the longer term Local Industrial Strategy.
- 3.3. The aim of the plan is to influence locally, regionally and nationally, providing the case for investment and intervention in advance of local manifestos and national party conferences in September, and ultimately to impact Greater Lincolnshire's submissions to an anticipated Autumn Spending Review. It will also act as the LIS implementation plan.

Paper 8 – Strategy and Research Priorities

3.4. Work has already begun to test the existing LIS interventions in light of covid19, with two successful Innovation Council sessions already being held where the priorities from the LIS in its current guise were tested.

4. Brexit - Implications on the labour market

4.1. In early 2020 the LEP utilised Growth Hub cluster Brexit funding to commission work which assessed the impact of Brexit in light of known legislative changes and terms within the HM Government white paper on the immigration system. This work was paused due to covid-19.

4.2. It is important to pick this work back up again as we approach January 2021, and is recast in light of the impact that covid19 will be having on our labour market. The paper is intended to cover impacts across the strategic priority in Greater Lincolnshire.

4.3. The scope of the project is to:

- Develop an updated baseline assessment of the labour markers underpinning Greater Lincolnshire's strategic priority sectors.
- Assess the impact of current Government legislation on those labour markets in relation to Brexit.
- Gather qualitative feedback from businesses on their perceptions and readiness for the opportunities and challenges of Brexit; in the context of the current scenario.

The output will be a draft report on recommendations; in alignment with the objectives of the Local Industrial Strategy and recovery plans. This work will directly feed in to other work streams relating to LIS and recovery.

5. The role of evidence and intelligence

5.1. The Local Industrial Strategy evidence base was the most comprehensive overview of the Greater Lincolnshire economy that has ever been produced. However, the current situation requires a shift in focus in terms of evidence and intelligence.

5.2. There is an increased requirement to provide real time situation reports in order to inform decisions, engage Government and direct delivery priorities. Therefore there has been an increasing emphasis on collecting real time business sentiment.

5.3. Therefore the research priorities for 2020 and into 2021 are:

5.3.1. Support the production of a medium term recovery plan evidence base, including additional evidence which impacts the existing Local Industrial Strategy evidence, This is to kept as a live evidence base.

5.3.2. Provide clear situation reports on a weekly basis in to the Greater Lincolnshire recovery group, LEP Board and stakeholders.

5.3.3. Feed current business information relating to sentiment, opportunities, shocks and intelligence in to BEIS on a weekly basis via the Growth Hub.

5.3.4. Develop a dashboard to monitor the economy through recovery, to be developed by a small working group comprised of recovery plan work stream members. This will utilize local economic barometers such as the Chamber of Commerce Quarterly Economic Survey and local intelligence as well as analysis of local authority led grant schemes.

6. Timescales and Involvement

Paper 8 – Strategy and Research Priorities

- 6.1. It is intended that the mid-term recovery plan will set out and make the case for Greater Lincolnshire's priorities in advance of party conference season in September and the anticipated Comprehensive Spending Review in Autumn. Therefore the proposed timescale is relatively tight. It is proposed a first phase of scoping and consultation concludes mid-August, with a draft and final economic recovery and renewal plan delivered by early September. Board will be updated throughout the process.
 - 6.2. The plan will be developed in a similar way to the LIS, with a co-development approach involving all local partners and members of the economic recovery group. Theme leads will become a virtual working group to discuss and review progress through phases.
 - 6.3. Virtual workshops involving LEP Committees will also take place through the development. Local Authorities will be invited to contribute locally significant actions which will allow particular local issues to be addressed within the plan by local authorities. This will be an important part of the plan given the importance of place and local variations across our geography.
- 7. Recommendations and conclusions**
- 7.1. Board members are invited to note the contents of this report and to approve the budget cap of circa £20,000 to undertake the production of a Recovery Plan for Greater Lincolnshire.

Paper 9

Finance and Audit Committee Report - LEP Finance 2019/20

| | | | | | | |
|----------------------|-------------------------------------|----------|-----------------|----------|--------------------|----------|
| Publication | Public Paper (published) | | | | | |
| Meeting date: | 24th July 2020 | | | | | |
| Agenda Item: | 9 | | | | | |
| Item Subject: | Report on 19/20 LEP Finances | | | | | |
| Author: | Finance and Audit Committee | | | | | |
| For: | Discussion | X | Decision | x | Information | X |

1 Summary

1.1 The Finance and Audit (F&A) committee met on the 2nd July 2020 to review, in detail the year end finances for the period 19/20. The following report is intended to provide an overview of the audited Greater Lincolnshire transactions for the 2019/20 financial year.

1.2 The LEP continue to operate a number of reserves allowing them to respond to operational pressures and deliver against their agreed business plan priorities. The Finance and Audit Committee continue to support and advise the LEP board through our work with the Accountable Body in the areas of governance and delivery by providing scrutiny, advice and recommendations on a variety of policies and procedures and ensuring the correct systems and procedures are followed in transactional operations

1.3 The responsibilities on the Accountable Body for proper use of all Government grant monies discharged to the LEP are significant, and as such we have ensured that we have a yearly independent Audit on all financial transactions. The audits scope also looks into governance and decision making arrangements with a full walkthrough on a selected Single Local Growth Fund project. The Full Report is attached as paper 10.1

1.4 The board is asked to approve the recommendations made by the finance and audit committee.

2 Recommendations from the Finance and Audit Committee

2.1. Following scrutiny from the committee and external audit feedback the committee make the following recommendations to board:

- Note the positive audit report from Duncan and Toplis (**Paper 10.1**)
- Approve and recommend the Financial Report (**Paper 10.2**) for Board sign off and incorporating into the Annual Report for AGM sign off.
- Interest gained on the Core Funding and Single Local Growth Fund of £105,198 to be held on reserve for future allocation on identified activity.
- Interest of £56,909 gained on cash balance 2 to be placed back in the loan fund for future use as per the cash Balance and reserve policy.

3 Annual Financial Statement

- 3.1 The LEP Annual Report 2019-20 will incorporate a Financial Reporting section. Therefore the key highlights, progress and activity will be reported fully in this report which will be available for the LEP AGM.
- 3.2 **Paper 10.2** provides a summary of all income and expenditure through the LEP in the last 12 months resulting in a summary position on all cash balances.
- 3.3 This follows a similar format to inclusions in the end of year report. Given the level of information it is recommended that the Board should publish the statement as a separate document and also include information within the Annual Report.

4 Details of funds.

4.1 Operational Core

The LEP's core income and expenditure for the 19/20 financial year is shown below:

- Total core contribution of £500,000
- Total additional income received in period was £246,854.
- Actual expenditure £659,165

The tables below show the breakdown of income and expenditure:

Table 1- Base core

| Area - Description | | Original Budget (YR) | Actual Spend as at March 20 |
|--------------------|----------------|----------------------|-----------------------------|
| Area 1 | Executive Team | £242,310 | £223,305 |
| Area 2 | Operational | £257,690 | £265,407 |
| Total | | £500,000 | £488,712 |

Table 2- Other core expenditure

| AREA - DESCRIPTION | ACTUAL SPEND (£) |
|---------------------------------|------------------|
| Enterprise Co-ordinator | 808 |
| Skills Employment Manager | 1,849 |
| Skills Advisory Panel | 47,583 |
| EM Ambassador Network Grant | 2,561 |
| LEP Review Monies | 94,990 |
| Future Proofing Coastal Tourism | 22,662 |
| TOTAL | £170,453 |

Within the year the LEP received the following income contributions: -

- £500,000 Core Funding
- £84,364 Enterprise Co-ordinator Grant
- £50,777 EM Ambassador Network Grant
- £83,710 Future Proofing Coastal Tourism
- £28,003 Career learning (NB In error will be paid back in 2020/21)

Recommendation:

- The underspend of £11,288 on core the core contribution be placed on reserves.
- Income received in period for specific activities not utilised be placed on the cash balance reserve for future years.

We are pleased to report that overall expenditure variances are minimal.

LEP Executive

- Two additional Enterprise Co-ordinators were recruited to support the excellent work begun on the Enterprise Network linking schools with businesses and subsequently a Skills Delivery Manager recruitment process was successfully undertaken and position appointed.
- The LEP also utilised staffing from Lincolnshire County Council economic teams to support analytical and data focused work.

Governance

- The LEP has continued to deliver its statutory obligations and strives for excellence in company decision making, policy and all governance.
- After nearly 10 years at the helm, the LEP Chair, Ursula Lidbetter stepped down in line with government guidance and a national, transparent, inclusive executive search, undertaken externally, was launched to find a replacement.
- Following a comprehensive search and after shortlisting then interviewing four candidates, the Appointments Committee selected Pat Doody from the existing directors' on a three year term.
- Three additional new directors' fulfilling specific sector positions and fulfilling required gender and sector diversity goals were also recruited as part of this process. These are:-
 - Alison Ballard, UK Typhoon Delivery Director at BAE Systems - bringing aviation and engineering expertise;
 - Yvonne Adam, Managing Director at Youngs Seafood - bringing food/ fish sector and Humber cluster expertise;
 - Air Commodore Suraya Marshall at RAF Waddington - bringing military expertise.

Sector progress and priority themes

- The priority focus this year has been the development of the Local Industrial Strategy which brings together key priority sectors alongside new areas such as defence and energy/water.
- Delivery of Growth Deal projects has continued to support sector infrastructure and skills.
- The Growth Hub attracted additional funding for scale up businesses and increased the number of advisors.

Communication / Events

- A Stakeholder Engagement Plan was contracted and research undertaken leading the way to a rolling targeted Engagement Plan.
- The LEP Annual Conference delivered the highest number of delegates, speakers and panellists to date and provided a significant promotional boost to profile and perceptions.
- The first ever Skills Conference was conceived, developed and ready to go before being sadly postponed due to the Coronavirus pandemic.
- Social media platforms increased in following and reach with interactions and engagements significantly built.

Policy

- The Local Industrial Strategy draft was completed pending final iterations with Government, subsequently paused and likely to be refocused to reshape and form part of the economic recovery process.
- Brexit sector discussions have been developing and sector requirements fed into Government to shape policies and plans.

Boards

- LEP statutory and strategic boards continue to grow in number and coverage, and to influence policy and programme development locally.

4.2 Match / partner contributions

There is a requirement for the LEP to match fund £250,000 of the core budget with a further £250,000 of match funding. Analysis has shown that match funding of £371,151 has been achieved supporting the delivery of the LEP core function.

These costs are made up of:-

| | |
|---|-----------|
| • Board Directors Voluntary Time (Equivalent Value) | £ 47,277 |
| • LCC officer support (Non Accountable Body) | £ 241,686 |
| • Consultancy Shared service | £ 17,813 |
| • Events | £ 64,375 |

The LEP continued to focus on utilising partner contributions to add value to on-going activity. £161,771 was gained in this way to help drive the skills agenda in particular and included support for the enterprise co-ordinators, skills research, newsletter and world of work website.

4.3 Feasibility Fund

The total feasibility pot at the beginning on the financial year was £221,439. This was split into 2 distinct funds:

| | |
|---------------------------------|----------|
| • Feasibility fund committed | £51,560 |
| • Feasibility fund commissioned | £169,879 |

During the financial year the LEP board agreed to increase the fund to 255,028 utilising cash balance interest.

Overall 13 contracts have been awarded to a value of £389,585. £29,612 has been paid to contracts within the financial year and estimated spend in 2020/21 will be £35,483.

| Project | Amount £ |
|------------------------|---------------|
| Huttoft Boat Shed | 4,534 |
| Holbeach Fez | 17,628 |
| Gradus Business Centre | 7,000 |
| Total 19/20 | 29,612 |

At as the 31st March 2020 the two funds have been realigned and now are:

- Feasibility fund committed £33,932
- Feasibility fund commissioned £191,934

It is estimated that payments will be made to 2 identified contracts in 20/21:

- E-factor £21,551
- Cleethorpes £13,932.

4.4 Greater Lincolnshire Business Investment Fund

Within 2019/20 the programme held 6 projects contracts to the value of £1.9Million as detailed below:

| Company | Location | Project Summary | Grant |
|----------------------------------|------------|--|----------|
| Tong Engineering Ltd | Spilsby | To create a new production facility, enabling the company to consolidate their two existing sites in to one; safeguarding the future of the company by ensuring the business meets its growth aspirations. | £500,000 |
| SDG Access Ltd | Navenby | To build a new bespoke business premises, enabling the company to consolidate their two existing sites in to one; safeguarding the future of the company by enabling the company to deliver against their growth aspirations | £151,346 |
| Wolds Manufacturing Services Ltd | Louth | To build a new manufacturing facility, enabling the company to significantly improve production efficiency ensuring they have the capacity to meet increasing customer demand and deliver against future growth plans. | £327,653 |
| SBS Ltd | Heckington | To buy/build a new premise to house the full manufacturing facility to meet increasing orders | £299,860 |
| WISE Software Ltd | Saxilby | The company will develop a 'goods to picker' warehouse automation system, a new robotics arm to their software business. | £218,806 |

| | | | |
|-------------------|----------------|---|------------|
| ParcAcre | Hemswell Cliff | To build a new warehouse facility and the development of an Innovation centre at Hangar 2, Caenby Corner Industrial Estate. | £500,000 |
| Total grant award | | | £1,997,665 |

The following outputs have been achieved) -

- 75 new jobs (37% of total contracted)
- 20 safeguarded jobs (95 % of total contracted)

Within the year £1,155,843 of grant payments have been made:

| Project | Amount £ |
|----------------------------------|------------------|
| SDG Access Ltd | 130,403 |
| Wolds manufacturing Services Ltd | 205,594 |
| Sleaford Building Services LTD | 126,242 |
| Tong Engineering Ltd | 477,298 |
| Orderwise - Wise software Ltd | 216,306 |
| Total 19/20 | 1,155,843 |

A release of £27,500 was made to Greenborough Ltd who manages the fund on behalf of the LEP.

4.5 Growing Places Fund (Invest to Grow Loan)

The balance as at 1st April 2019 was £3,170,208 (with applied interest).

Within the year we received Loan interest of £283,906. The resulted in an increase of the loan fund (not including cash balance interest) to £3,454,114.

Long term investment Loans as at 31st March 2020 amounted to £4,300,000 as follows:

- £3,500,000 - Chestnut Homes - Boston Quadrant
- £800,000 - The Lincolnshire Bomber Command Memorial.

No further loan applications were submitted in 19/20. Under the current grant determination £1,908,428 should be used as loan funding and £1,545,686 has some flexibility in it use e.g. grant funding. Work continues on reviewing all funds to assess their flexibility especially with regards responding to COVID - 19 Recovery Plans.

4.6 Growth Hub / EU Exit

The Business Lincolnshire Growth Hub has the following objectives;

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

Within the year the growth hub received and spent £246,000 to deliver their objectives. This year produced great successes and a full report will be circulated to the committee once finalised at the end of the month. The information below provides a snap shot key metrics from services directly delivered by the Business Lincolnshire Growth Hub.

| Figures from April 2019 to 31 March 2020 | Number |
|--|------------|
| Growth Hub Adviser Engagements | 1,682 |
| Business Diagnostics | 1,033 |
| Client satisfaction with Growth Hub Service | 95 % |
| Businesslincolnshire.com unique users | 28,615 |
| No of Individuals helped to start a business | 196 |
| Business Workshops event attendees | 678 |
| Grants approved - cumulative | 633 |
| Total value of Grants Paid - Cumulative | £2,099,078 |
| Private Sector Match Secured - Cumulative | £5,066,752 |
| Facebook Likes - Cumulative | 1093 |
| Twitter followers - Cumulative | 5788 |
| Linked In Community - Cumulative | 199 |
| New Jobs Created - Cumulative | 1,372 |

In response to the planned EU Exit on 31st October 2019, additional provision was made available to businesses in terms of information, advisory support, events and website content.

GL LEP/Business Lincolnshire Growth Hub were selected by BEIS to act as the Growth Hub Cluster lead for the East Midlands region.(The Cluster includes GLLEP, D2N2 LEP and Leicester and Leicestershire LEP.)

The Growth Hub received £364,578 in total as follows:

- EM Cluster Exit Readiness - £193,000
 - £50,000 Cluster Lead - GLLEP/ Business Lincolnshire Growth Hub
 - £143,000 - Brexit Business Readiness Support between GLLEP/ D2N2 / Leicester & Leicestershire LEP
- EU Exit Business Intelligence - £140,000 (between the 3 EM Cluster Growth Hubs)
- EU Exit Project Uplift Funding - £31,579

In summary the funding delivered:

- Supporting roll-out of regional ‘One Government’ EU exit business readiness workshops.
- Drawing together a detailed programme of all regional and local events and wider opportunities which enable direct engagement with business, especially SMEs, and seek solutions where gaps exist.
- Reporting the specific issues that business report as barriers to being ready for EU exit, identify emerging issues/trends in respect of potential economic shocks. Providing weekly reports on activities including business numbers engaged; events delivered, issues raised, issues resolved and issues to be escalated.

- Scaling up the number of businesses (particularly SMEs) engaged and cascading the business readiness message to as many businesses as possible before the 31st October.
- Focus on explaining and advocating for the clear readiness actions that all businesses can take and providing them with quick access to EU exit support collaterals.
Signpost businesses to other sources of further information and support (local, national, public and private) where required.

4.7 Single Local Growth Fund

At year end we currently hold contracts with an agreed grant contribution of £119,147,638. The LEP is 96.36% contracted against its total growth Deal allocation of £123,647,638. A remaining contract of £4.5million is in negotiation and it is expected to be signed as a deed in early 20/21.

Of the amount contracted the LEP are contributing an average intervention of 33.29% with match funding on project contracts to a value of £238,734,521.

Within the year we received our fourth tranche of growth deal monies to the sum of £6,809,606. The table below shows how the monies were distributed across the growth deal projects.

| PROJECT NAME | Single local Growth Fund |
|--|--------------------------|
| Boston Quadrant | 201,126 |
| Grantham Southern Relief Road | 4,752,607 |
| Unlocking Rural Housing | 100,000 |
| Skegness Gateway | 526,934 |
| Normanby Enterprise Park | 688,708 |
| Agri-food Centre of Excellence | 511,680 |
| Holbeach Peppermint Junction | 31,615 |
| Lincoln Medical School | 4,477,500 |
| Access to Employment Zones 2 | 664,682 |
| Advanced Engineering R and D Centre | 157,790 |
| Grantham Technology and Innovation Centre | 200,000 |
| Gainsborough Growth Phase 2 | 25,000 |
| Riseholme roundabout | 213,572 |
| Huttoft | 14,657 |
| Sleaford Growth Project | 134,175 |
| Europarc Food Enterprise Zone | 822,406 |
| DTLA | 375,853 |
| South Humber Infrastructure Investment Programme Phase 2 | 775,413 |
| Due diligence costs | 45,071 |
| Total Programme | £14,718,789 |

Freedom and Flexibilities were used within the year including increasing intervention rates on eligible evidenced expenditure for Grantham Southern Relief Road and Lincoln Medical School. In previous years the LEP used other freedom and flexibilities

including utilising spend on aligned Lincolnshire County Council projects to fulfil government spend targets and effectively reserve the monies for use in previous years. Of the £18.6Million identified in this measure £7.9m was utilised in 19/20.

Within year £126,905 was accrued to be paid back from the Hemswell Food Enterprise project following a withdrawal from the project applicant. These monies will be placed on the reserve once received in 20/21. £3,649,858 had previously been paid back from the withdrawal of the Grantham College project and Skegness Countryside Business Park. This reserve is expected to be used in future years against the current contracted projects.

| | ACTUAL | Forecast* | Total ALL Years |
|-----------------|-------------|-------------|-----------------|
| | TO Mar 2020 | 2020/21 | |
| | TOTAL | TOTAL | |
| SLGF Allocation | 105,494,586 | 18,153,052 | £123,647,638 |
| Project spend | 95,138,500 | 28,509,138 | £123,647,638 |
| Offset used | -8,208,163 | -10,356,086 | -£18,564,249 |
| Offset gained | 18,564,249 | - | £18,564,249 |

- Spend on LCC capital projects (offset) amounts to £18.5 million. We forecast to utilise £7.8million in 2019/20 however this was slightly higher.
- The remaining balance will be utilised in future years and will be profiled based on updated impact information during COVID.
- The other freedom and flexibility that has been used is the making of advance payments on projects. To date £25.219million has been released in this way. As at March 20 £20.176 million had been evidenced.
- £3.776M of funding paid back due to withdrawn projects is being held on reserve.

*NB prior to COVID the programme was set to deliver the remaining contractual spend in 20/21 however we are currently reviewing the impact of COVID including delays on site, supply chain, applying government guidance etc. It is expected that we will need to use our freedom and flexibilities where project slippage occurs.

The programme outputs that have been achieved and evidenced :-

| Key Output | Description | Actual to date | % of overall target |
|------------|-------------------------------------|----------------|---------------------|
| Housing | Housing units completed | 503 | 16 |
| Jobs | Jobs and apprenticeships created | 631 | 13 |
| Skills | Area of new or improved floorspace | 6,528 | 45% |
| Skills | No. of new learners assisted | 1,650 | 35% |
| Transport | No Target with Greater Lincolnshire | | |

We continue to work with projects in providing good evidence for outputs and this does not solely focus on the key Target outputs reported in the Local Growth Fund

Data returns but also on addionality captured in both quantitative and qualitative measures.

4.8 Cash balances and Interest

The total cash balance as at 31st March 2020 held on behalf of the LEP by the Accountable body is **£10,289,395**. In the main cash balances are committed however an exercise reviewing what flexibilities we have with funds to enable a recovery response during the COVID pandemic is underway.

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

| | | |
|-----------------------|--|-----------------|
| Cash Balance 1 | Core Funding, Reserves and other cash balances | £11,603 |
| Cash Balance 2 | Growing Places Fund (Invest to grow) | £56,909 |
| Cash Balance 3 | Single Local Growth Fund | £93,595* |

*As part of 18/19 year end procedures the Accountable Body reviewed interest calculations and identified an adjustment for an additional £23,763 for Cash balance 3. This was added within the 19/20 financial year and was utilised for Feasibility Fund.

5 Audit

5.1 Duncan & Toplis conducted an audit on all the LEP finances detailed above and presented their findings to the F&A committee who agreed their original scope. A full copy of the report is attached at **Paper 10.1** but summarises the finances are a fair representation of the financial activities of the year ended 31 March 2020. All members of the F&A committee welcomed the thorough audit that had been undertaken and recommend that a copy be placed on the LEP website following the board meeting.

**GREATER LINCOLNSHIRE LOCAL ENTERPRISE PARTNERSHIP
LIMITED**

(A COMPANY LIMITED BY GUARANTEE)

Registered number: 09223395

ANNUAL FINANCIAL SUMMARY
FOR THE YEAR ENDED 31 MARCH 2020

COMPANY INFORMATION

DIRECTORS (at year end)

Pat Doody (Appointed as Chair 01 March 2020)
Mary Stuart
Chris Baron
Colin Davie
Rob Waltham
Debbie Barnes
Dean Fathers
Richard Metcalf
Craig Leyland
Debbie Barnes
Zoe King (Nee Easey)
Sarah Louise Fairburn
Gary Headland
Nick Worboys
Yvonne Adam
Alison Ballard)
Alric Blake)
Phillip Jackson
Suraya Marshall)

DIRECTORS (in period)

Yvonne Adam (20 March 2020)
Alison Ballard (20 March 2020)
Alric Blake (29 November 2019)
Phillip Jackson (24 May 2019)
Suraya Marshall (20 March 2020)
Ursula Lidbetter (Term ended 29th November 2019)
David Dexter (Term ended 22 September 2019)
Herman Kok (Term ended 19 July 2019)

COMPANY SECRETARY

Wilkin Chapman LLP
The Maltings,
11-15 Brayford Wharf E,
Lincoln
LN5 7AY

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

REGISTERED NUMBER
09223395

REGISTERED OFFICE
Greater Lincolnshire LEP
County Offices,
Newland, Lincoln,
LN1 1YL

Auditors
Duncan & Toplis
4 Henley Way
Doddington Road
Lincoln LN6 3QR

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INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 MARCH 2020

FINANCIAL SUMMARY 2019/20

| <i>INCOME</i> | <i>Note</i> | | <i>19/20</i> | | <i>18/19</i> |
|-----------------------------------|-------------|----------|------------------|----------|-------------------|
| Core Funding | 1,2 | £ | 500,000 | £ | 500,000 |
| Other Core contributions | 1 | £ | 246,854 | £ | 370,000 |
| EU exit Funding | 8 | £ | 364,578 | £ | - |
| Invest and Grow | 3 | £ | 283,906 | £ | 839,426 |
| Growth Hub | 5 | £ | 246,000 | £ | 246,000 |
| Single Local Growth Fund | 4 | £ | 6,936,511 | £ | 12,333,858 |
| Gross interest (on Cash Balances) | | £ | 162,107 | £ | 126,792 |
| Total Income | | £ | 8,739,956 | £ | 14,416,076 |

| <i>EXPENDITURE</i> | <i>Note</i> | | <i>19/20</i> | | <i>18/19</i> |
|--------------------------|-------------|----------|------------------|----------|------------------|
| Core Funding | 1,2 | £ | 488,712 | £ | 500,016 |
| Other Core contributions | 1 | £ | 170,453 | £ | 117,959 |
| EU exit Funding | 8 | £ | 364,578 | £ | - |
| Invest and Grow (Loan) | | £ | - | £ | - |
| Invest and Grow (Other) | 3 | £ | - | £ | - |
| Feasibility | 4 | £ | 29,612 | £ | 98,299 |
| Business Investment Fund | 5 | £ | 1,183,344 | £ | 165,502 |
| Growth Hub | 7 | £ | 246,000 | £ | 246,000 |
| Single Local Growth Fund | 6 | £ | 6,809,606 | £ | 8,840,354 |
| Total Expenditure | | £ | 9,292,305 | £ | 9,968,130 |

BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2020

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

| <i>CASH BALANCES</i> | | | <i>YEAR END CLOSING BALANCE</i> | |
|----------------------------|-------------|----------|---------------------------------|---------------------|
| | <i>Note</i> | | <i>19/20</i> | <i>18/19</i> |
| Invest to Grow Fund | 3 | £ | 3,454,114 | £ 3,121,038 |
| Other cash balances | | £ | 727,973 | £ 649,862 |
| Core Reserve | | £ | 306,417 | £ 296,840 |
| Business Investment Fund | 5 | £ | 1,636,154 | £ 2,819,498 |
| Feasibility Fund | 4 | £ | 225,866 | £ 221,439 |
| Single Local Growth Fund | 6 | £ | 3,776,764 | £ 3,649,858 |
| Gross Interest received | 9 | £ | 162,107 | £ 126,792 |
| Total | | £ | 10,289,395 | £ 10,885,328 |
| Long term loan investments | | £ | 4,300,000 | £ 4,300,000 |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

- Net spend on the account is £552,349

| | |
|-----------------------------------|----------------|
| | £ |
| Core Cost net spend | (11,288) |
| Other Core contributions | (76,401) |
| Invest To Grow payback | (283,906) |
| Feasibility Fund drawdown | 29,612 |
| Business Investment Fund drawdown | 1,183,344 |
| SLGF(<i>see note X</i>) | (126,905) |
| Gross Interest | (162,107) |
| Net spend | 552,349 |

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

Note 1: Core Funding Breakdown

| AREA - DESCRIPTION | ACTUAL SPEND (£) |
|--------------------|------------------|
| Executive Team | 223,305 |
| Operational | 265,407 |
| TOTAL | 488,712 |

There is a small underspend of £11,288 and this money has been placed on LEP core reserves.

Within the year the LEP received the following additional income contributions:-

- £84,364 Enterprise Co-ordinator Grant
- £50,777 EM Ambassador Network Grant
- £83,710 Future Proofing Coastal Tourism
- £28,003 Career learning (NB In error will be paid back in 2020/21)

Within year £ of committed reserves have been used as follows:-

| AREA - DESCRIPTION | ACTUAL SPEND (£) |
|-----------------------------|------------------|
| Enterprise Co-ordinator | 808 |
| Skills Employment Manager | 1,849 |
| Skills Advisory Panel | 47,583 |
| EM Ambassador Network Grant | 2,561 |

| | |
|--|-----------------|
| LEP Review Monies | 94,990 |
| Future Proofing Coastal Tourism | 22,662 |
| TOTAL | £170,453 |

Note 2: Match funding (including voluntary board contribution)

There is a requirement for the LEP to match fund £250,000 of the core budget with a further £250,000 of match funding. Analysis has shown that match funding of £371,151 has been achieved supporting the delivery of the LEP core function.

These costs are made up of:-

- Board Directors Voluntary Time (Equivalent Value) £ 47,277
- LCC officer support (Non Accountable Body) £ 241,686
- Consultancy Shared service £ 17,813
- Events £ 64,375

Note 3: Invest and Grow

The balance as at 1st April 2019 was £3,170,208 (with applied interest).

Loan interest received in period was £283,906. This resulted in an increase of the loan fund (not including cash balance interest) to £3,454,114.

Long term investment Loans as at 31st March 2020 amounted to £4,300,000 as follows:

- £3,500,000 - Chestnut Homes - Boston Quadrant
- £800,000 - The Lincolnshire Bomber Command Memorial.

Within the Invest to Grow cash balance 2 other funds have been created:

Note 4: Feasibility Pot

The total feasibility pot at the beginning of the financial year was £221,439. This was split into 2 distinct funds:

- Feasibility fund committed £51,560
- Feasibility fund commissioned £169,879

During the financial year the LEP board agreed to increase the fund to 255,028 utilising cash balance interest.

Overall 13 contracts have been awarded to a value of £389,585. £29,612 has been paid to contracts within the financial year and estimated spend in 2020/21 will be £35,483.

As at the 31st March 2020 the two funds have been realigned and now are:

- Feasibility fund committed £33,932
- Feasibility fund commissioned £191,934

Note 5: Business Investment Fund

The Greater Lincolnshire Growth Fund was launched in October 2017 and here has been significant interest in the fund. The fund is promoted through the Greater Lincolnshire website and administered through a contract with Greenborough Ltd (Business Growth and Project Management service). Within 2019/20 the programme held 5 projects contracts:

| Company | Location | Project Summary | Grant |
|----------------------------------|------------|--|------------|
| Tong Engineering Ltd | Spilsby | To create a new production facility, enabling the company to consolidate their two existing sites in to one; safeguarding the future of the company by ensuring the business meets its growth aspirations. | £500,000 |
| SDG Access Ltd | Navenby | To build a new bespoke business premises, enabling the company to consolidate their two existing sites in to one; safeguarding the future of the company by enabling the company to deliver against their growth aspirations | £151,346 |
| Wolds Manufacturing Services Ltd | Louth | To build a new manufacturing facility, enabling the company to significantly improve production efficiency ensuring they have the capacity to meet increasing customer demand and deliver against future growth plans. | £327,653 |
| SBS Ltd | Heckington | To buy/build a new premise to house the full manufacturing facility to meet increasing orders | £299,860 |
| WISE Software Ltd | Saxilby | The company will develop a 'goods to picker' warehouse automation system, a new robotics arm to their software business. | £218,806 |
| Total grant award | | | £1,497,665 |

To date £1,291,346 of grant has been paid out to the above contracts. Within the year Project management costs and £1,155,843 grant payments have been made:

- SDG Access Ltd £130,403
- Wolds manufacturing Services Ltd £205,594
- Sleaford Building Services LTD £126,242
- Tong Engineering Ltd £477,298
- Orderwise - Wise software Ltd £216,306
- Greenborough Ltd - £27,500

Note 6: Single Local Growth Fund

At year end we currently hold contracts with an agreed grant contribution of £119,147,638. The LEP is 96.36% contracted against its total growth Deal allocation of £123,647,638. A remaining contract of £4.5million is in negotiation and it is expected to be signed as a deed in early 20/21.

Within the year we received our fourth tranche of growth deal monies to the sum of £6,809,606. The table below shows how the monies were distributed across the growth deal projects.

| PROJECT NAME | Single local Growth Fund |
|--|--------------------------|
| Boston Quadrant | 201,126 |
| Grantham Southern Relief Road | 4,752,607 |
| Unlocking Rural Housing | 100,000 |
| Skegness Gateway | 526,934 |
| Normanby Enterprise Park | 688,708 |
| Agri-food Centre of Excellence | 511,680 |
| Holbeach Peppermint Junction | 31,615 |
| Lincoln Medical School | 4,477,500 |
| Access to Employment Zones 2 | 664,682 |
| Advanced Engineering R and D Centre | 157,790 |
| Grantham Technology and Innovation Centre | 200,000 |
| Gainsborough Growth Phase 2 | 25,000 |
| Riseholme roundabout | 213,572 |
| Huttoft | 14,657 |
| Sleaford Growth Project | 134,175 |
| Europarc Food Enterprise Zone | 822,406 |
| DTLA | 375,853 |
| South Humber Infrastructure Investment Programme Phase 2 | 775,413 |
| Due diligence costs | 45,071 |
| Total Programme | £14,718,789 |

Freedom and Flexibilities were used within the year including increasing intervention rates on eligible evidenced expenditure for Grantham Southern Relief Road and Lincoln Medical School. In previous years the LEP used other freedom and flexibilities including utilising spend on aligned Lincolnshire County Council projects to fulfil government spend targets and effectively reserve the monies for use in previous years. Of the £18.6Million identified in this measure £7.9m was utilised in 19/20.

Within year £126,905 was accrued to be paid back from the Hemswell Food Enterprise project following a withdrawal from the project applicant. These monies will be placed on the reserve once received in 20/21. £3,649,858 had previously been paid back from the withdrawal of the Grantham College project and Skegness Countryside Business Park. This reserve is expected to be used in future years against the current contracted projects.

Note 7: Growth Hub

The Greater Lincolnshire LEP secured £246,000 of revenue funding from BEIS to continue the operation of the Growth Hub service during 2019-2020.

The Business Lincolnshire Growth Hub has continued:

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

A detailed report on growth Hub activity will be submitted to government on the 30th June 2020.

Note 8: EU Exit

In response to the planned EU Exit on 31st October 2019, additional provision was made available to businesses in terms of information, advisory support, events and website content.

GL LEP/Business Lincolnshire Growth Hub were selected by BEIS to act as the Growth Hub Cluster lead for the East Midlands region.(The Cluster includes GLLEP, D2N2 LEP and Leicester and Leicestershire LEP.)

The Growth Hub received £364,578 in total as follows:

- EM Cluster Exit Readiness - £193,000
 - £50,000 Cluster Lead - GLLEP/ Business Lincolnshire Growth Hub
 - £143,000 - Brexit Business Readiness Support between GLLEP/ D2N2 / Leicester & Leicestershire LEP
- EU Exit Business Intelligence - £140,000 (between the 3 EM Cluster Growth Hubs)
- EU Exit Project Uplift Funding - £31,579

Note 9: Interest

All interest has been applied as per the cash balance and interest policy.

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

| | | |
|-----------------------|--|----------------|
| Cash Balance 1 | Core Funding, Reserves and other cash balances | £11,603 |
| Cash Balance 2 | Growing Places Fund (Invest to grow) | £56,909 |
| Cash Balance 3 | Single Local Growth Fund* | £93,595 |

*As part of 18/19 year end procedures the Accountable Body reviewed interest calculations and identified an adjustment for an additional £23,763 for Cash balance 3. This was added within the 19/20 financial year and was utilised for Feasibility Fund.

Note 9: 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 table below shows the closing cash balances for the year 19/20

| | | |
|-----------------------|--|-------------------|
| Cash Balance 1 | Core Funding, Reserves and other cash balances | £1,045,993 |
| Cash Balance 2 | Growing Places Fund (Invest to grow) | £5,373,043 |
| Cash Balance 3 | Single Local Growth Fund | £3,870,358 |

The total cash balance as at 31st March 2020 held on behalf of the LEP by the Accountable body is £10,289,395.

END

**GREATER LINCOLNSHIRE LOCAL ENTERPRISE PARTNERSHIP
LIMITED**

(A COMPANY LIMITED BY GUARANTEE)

Registered number: 09223395

ANNUAL FINANCIAL SUMMARY
FOR THE YEAR ENDED 31 MARCH 2020

COMPANY INFORMATION

DIRECTORS (at year end)

Pat Doody (Appointed as Chair 01 March 2020)
Mary Stuart
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Debbie Barnes
Dean Fathers
Richard Metcalf
Craig Leyland
Debbie Barnes
Zoe King (Nee Easey)
Sarah Louise Fairburn
Gary Headland
Nick Worboys
Yvonne Adam
Alison Ballard)
Alric Blake)
Phillip Jackson
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DIRECTORS (in period)

Yvonne Adam (20 March 2020)
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INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 MARCH 2020

FINANCIAL SUMMARY 2019/20

| <i>INCOME</i> | <i>Note</i> | | <i>19/20</i> | | <i>18/19</i> |
|-----------------------------------|-------------|----------|------------------|----------|-------------------|
| Core Funding | 1,2 | £ | 500,000 | £ | 500,000 |
| Other Core contributions | 1 | £ | 246,854 | £ | 370,000 |
| EU exit Funding | 8 | £ | 364,578 | £ | - |
| Invest and Grow | 3 | £ | 283,906 | £ | 839,426 |
| Growth Hub | 5 | £ | 246,000 | £ | 246,000 |
| Single Local Growth Fund | 4 | £ | 6,936,511 | £ | 12,333,858 |
| Gross interest (on Cash Balances) | | £ | 162,107 | £ | 126,792 |
| Total Income | | £ | 8,739,956 | £ | 14,416,076 |

| <i>EXPENDITURE</i> | <i>Note</i> | | <i>19/20</i> | | <i>18/19</i> |
|--------------------------|-------------|----------|------------------|----------|------------------|
| Core Funding | 1,2 | £ | 488,712 | £ | 500,016 |
| Other Core contributions | 1 | £ | 170,453 | £ | 117,959 |
| EU exit Funding | 8 | £ | 364,578 | £ | - |
| Invest and Grow (Loan) | | £ | - | £ | - |
| Invest and Grow (Other) | 3 | £ | - | £ | - |
| Feasibility | 4 | £ | 29,612 | £ | 98,299 |
| Business Investment Fund | 5 | £ | 1,183,344 | £ | 165,502 |
| Growth Hub | 7 | £ | 246,000 | £ | 246,000 |
| Single Local Growth Fund | 6 | £ | 6,809,606 | £ | 8,840,354 |
| Total Expenditure | | £ | 9,292,305 | £ | 9,968,130 |

BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2020

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

| <i>CASH BALANCES</i> | | | <i>YEAR END CLOSING BALANCE</i> | |
|----------------------------|-------------|----------|---------------------------------|---------------------|
| | <i>Note</i> | | <i>19/20</i> | <i>18/19</i> |
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| Total | | £ | 10,289,395 | £ 10,885,328 |
| Long term loan investments | | £ | 4,300,000 | £ 4,300,000 |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

- Net spend on the account is £552,349

| | |
|-----------------------------------|----------------|
| | £ |
| Core Cost net spend | (11,288) |
| Other Core contributions | (76,401) |
| Invest To Grow payback | (283,906) |
| Feasibility Fund drawdown | 29,612 |
| Business Investment Fund drawdown | 1,183,344 |
| SLGF(<i>see note X</i>) | (126,905) |
| Gross Interest | (162,107) |
| Net spend | 552,349 |

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

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Within year £ of committed reserves have been used as follows:-

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|-----------------------------|------------------|
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| | |
|--|-----------------|
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| TOTAL | £170,453 |

Note 2: Match funding (including voluntary board contribution)

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- £3,500,000 - Chestnut Homes - Boston Quadrant
- £800,000 - The Lincolnshire Bomber Command Memorial.

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- Feasibility fund commissioned £191,934

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| Company | Location | Project Summary | Grant |
|----------------------------------|----------------|--|------------|
| Tong Engineering Ltd | Spilsby | To create a new production facility, enabling the company to consolidate their two existing sites in to one; safeguarding the future of the company by ensuring the business meets its growth aspirations. | £500,000 |
| SDG Access Ltd | Navenby | To build a new bespoke business premises, enabling the company to consolidate their two existing sites in to one; safeguarding the future of the company by enabling the company to deliver against their growth aspirations | £151,346 |
| Wolds Manufacturing Services Ltd | Louth | To build a new manufacturing facility, enabling the company to significantly improve production efficiency ensuring they have the capacity to meet increasing customer demand and deliver against future growth plans. | £327,653 |
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| WISE Software Ltd | Saxilby | The company will develop a 'goods to picker' warehouse automation system, a new robotics arm to their software business. | £218,806 |
| ParcAcre | Hemswell Cliff | To build a new warehouse facility and the development of an Innovation centre at Hangar 2, Caenby Corner Industrial Estate. | £500,000 |
| Total grant award | | | £1,997,665 |

Within the year Project management costs of £27,500 and £1,155,843 grant payments have been made:

- SDG Access Ltd £130,403
- Wolds manufacturing Services Ltd £205,594

- Sleaford Building Services LTD £126,242
- Tong Engineering Ltd £477,298
- Orderwise - Wise software Ltd £216,306
- Greenborough Ltd - £27,500

Note 6: Single Local Growth Fund

At year end we currently hold contracts with an agreed grant contribution of £119,147,638. The LEP is 96.36% contracted against its total growth Deal allocation of £123,647,638. A remaining contract of £4.5million is in negotiation and it is expected to be signed as a deed in early 20/21.

Within the year we received our fourth tranche of growth deal monies to the sum of £6,809,606. The table below shows how the monies were distributed across the growth deal projects.

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| Skegness Gateway | 526,934 |
| Normanby Enterprise Park | 688,708 |
| Agri-food Centre of Excellence | 511,680 |
| Holbeach Peppermint Junction | 31,615 |
| Lincoln Medical School | 4,477,500 |
| Access to Employment Zones 2 | 664,682 |
| Advanced Engineering R and D Centre | 157,790 |
| Grantham Technology and Innovation Centre | 200,000 |
| Gainsborough Growth Phase 2 | 25,000 |
| Riseholme roundabout | 213,572 |
| Huttoft | 14,657 |
| Sleaford Growth Project | 134,175 |
| Europarc Food Enterprise Zone | 822,406 |
| DTLA | 375,853 |
| South Humber Infrastructure Investment Programme Phase 2 | 775,413 |
| Due diligence costs | 45,071 |
| Total Programme | £14,718,789 |

Freedom and Flexibilities were used within the year including increasing intervention rates on eligible evidenced expenditure for Grantham Southern Relief Road and Lincoln Medical School. In previous years the LEP used other freedom and flexibilities including utilising spend on aligned Lincolnshire County Council projects to fulfil government spend targets and effectively reserve the monies for use in previous years. Of the £18.6Million identified in this measure £7.9m was utilised in 19/20.

Within year £126,905 was accrued to be paid back from the Hemswell Food Enterprise project following a withdrawal from the project applicant. These monies will be placed on the reserve once received in 20/21. £3,649,858 had previously been paid back from the withdrawal of the Grantham College project and Skegness Countryside Business Park. This reserve is expected to be used in future years against the current contracted projects.

Note 7: Growth Hub

The Greater Lincolnshire LEP secured £246,000 of revenue funding from BEIS to continue the operation of the Growth Hub service during 2019-2020.

The Business Lincolnshire Growth Hub has continued:

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

A detailed report on growth Hub activity will be submitted to government on the 30th June 2020.

Note 8: EU Exit

In response to the planned EU Exit on 31st October 2019, additional provision was made available to businesses in terms of information, advisory support, events and website content.

GL LEP/Business Lincolnshire Growth Hub were selected by BEIS to act as the Growth Hub Cluster lead for the East Midlands region. (The Cluster includes GLLEP, D2N2 LEP and Leicester and Leicestershire LEP.)

The Growth Hub received £364,578 in total as follows:

- EM Cluster Exit Readiness - £193,000
 - £50,000 Cluster Lead - GLLEP/ Business Lincolnshire Growth Hub
 - £143,000 - Brexit Business Readiness Support between GLLEP/ D2N2 / Leicester & Leicestershire LEP
- EU Exit Business Intelligence - £140,000 (between the 3 EM Cluster Growth Hubs)
- EU Exit Project Uplift Funding - £31,579

Note 9: Interest

All interest has been applied as per the cash balance and interest policy.

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

| | | |
|-----------------------|--|----------------|
| Cash Balance 1 | Core Funding, Reserves and other cash balances | £11,603 |
| Cash Balance 2 | Growing Places Fund (Invest to grow) | £56,909 |
| Cash Balance 3 | Single Local Growth Fund* | £93,595 |

*As part of 18/19 year end procedures the Accountable Body reviewed interest calculations and identified an adjustment for an additional £23,763 for Cash balance 3. This was added within the 19/20 financial year and was utilised for Feasibility Fund.

Note 9: 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 table below shows the closing cash balances for the year 19/20

| | | |
|-----------------------|--|-------------------|
| Cash Balance 1 | Core Funding, Reserves and other cash balances | £1,045,993 |
| Cash Balance 2 | Growing Places Fund (Invest to grow) | £5,373,043 |
| Cash Balance 3 | Single Local Growth Fund | £3,870,358 |

The total cash balance as at 31st March 2020 held on behalf of the LEP by the Accountable body is £10,289,395.

END

Paper 9.3 - 2020/21 Budget Review & Update on Quarter 1 Expenditure 2020/21 Budget Setting

| | | | | | | |
|----------------------|---|----------|-----------------|----------|--------------------|----------|
| Publication | Public Paper (published) | | | | | |
| Meeting date: | 24 th July 20120 | | | | | |
| Agenda Item: | 9.3 | | | | | |
| Item Subject: | 2020/21 Budget Review & Update on Quarter 1 Expenditure | | | | | |
| Author: | Linsay Hill Pritchard LCC AB/ Kate Storey LEP | | | | | |
| For: | Discussion | X | Decision | X | Information | X |

1 Recommendations

1.1 The board is asked to:

- Approve the revised budget for 20/21 following the refocusing of the budget due to Covid-19
- Note the Quarter 1 spend and income activity
- Review the identified uncommitted funding reserves

2 Summary

This report updates the board following their recommendation to revisit the proposed budget for the financial year 20/21 given the need to refocus activities as a result of the COVID-19 pandemic. The LEP secretariat have reviewed the budget and identified estimated levels of expenditure required to fund activity and the income sources to fund the year and balance the budget. Aligned to this is the identification of flexibilities within the LEP finances to enable the Board to respond quickly to the changing economic climate. A full report on repurposing LEP funds for recovery at paper 6.

3 Background

A report presented to board on the 29th April provided an estimated budget reviewed by the Finance and Audit Committee. This was considered prior to the 19/20 financial year closedown work and subsequent audit. The budget was set to enable delivery of the Local Industrial Strategy and the Strategic Economic Plan objectives and the various grants and loan funding programmes the largest being the Single Local Growth Fund Programme (£123million).

It also aligns to the delivery plan which focusses on the LEP programme of activities and projects and includes the strategic objectives, project forecasts and milestones for the year ahead, and identifies wider activity including the LEPs role in influencing and partnership working.

Original forecasted expenditure was £1,048,903 with identified income sources of £964,328 using a combination of earmarked reserves, core funding, estimated grant income and contributions from Lincolnshire County Council on Skills and research activities. This did leave a gap of £84,575 to fund from core reserves or to work to find in year savings or additional partner income.

3.1 The table below proposes a revised budget:-

Paper 9.3 - 2020/21 Budget Review & Update on Quarter 1 Expenditure 2020/21
Budget Setting

| LEP REVISED BUDGET 2020-21 | | |
|---|---|----------------|
| Sub-headers | Expenditure REVISED Budget 20/21 | |
| LEP Executive (staffing) | | |
| Staffing permanent | £ | 198,089 |
| Staffing Secondees | £ | 46,083 |
| Staffing fixed term | £ | 175,395 |
| Staffing Business Support | £ | 2,500 |
| Staff sundries | £ | 9,200 |
| <i>Sub Total</i> | £ | 431,267 |
| Company Costs | | |
| Company (board/ insurances/ audit/misc.) | £ | 10,000 |
| Legal services | £ | 3,500 |
| Governance | £ | - |
| Independent domain (legal personality) | £ | - |
| <i>Sub Total</i> | £ | 13,500 |
| Operational costs | | |
| Subscriptions/ contributions | £ | 28,000 |
| On-going supplier delivery | £ | 168,460 |
| Targeted activity | £ | 25,000 |
| Strategy/ policy development | £ | 20,000 |
| SAP Other | £ | 87,799 |
| Sector Development | £ | - |
| Legal services | £ | 1,500 |
| Est. Accountable Body Costs | £ | 75,000 |
| Skills Kickstart | £ | 50,000 |
| Metro dynamic | £ | 40,000 |
| <i>Sub Total</i> | £ | 495,759 |
| Other | | |
| Research | £ | 25,000 |
| Skills (ESB) | £ | 10,000 |
| <i>Sub Total</i> | £ | 35,000 |
| Total Estimated Expenditure | £ | 975,526 |
| Sub-headers | Income REVISED Budget 20/21 | |
| Core funding Grant | | 500,000 |
| Capacity Funding Reserve Balance | | 5,010 |
| Careers Enterprise Reserves | | 42,954 |
| Skills Post Reserve | | 45,009 |
| SAP Reserve | | 27,417 |
| Kickstart Reserve | | 50,000 |
| Careers Enterprise Grant income | | 85,636 |
| SAP Grant | | 75,000 |
| Programme Management and Due Diligence Fee | | 77,500 |
| LCC Contribution (not including staff match) | | 35,000 |
| Estimated Interest generated Growth Deal/Core | | 32,000 |
| Total Estimated Income | £ | 975,526 |
| Net Position | £ | - |

Paper 9.3 - 2020/21 Budget Review & Update on Quarter 1 Expenditure 2020/21 Budget Setting

- 3.2 The budget has reduced from the original £1.048million to £0.976million and this is paid for by identified grant income, reserves that are held on account, estimated cash balance interest and a contribution from LCC Budgets for skills and research.
- 3.3 The revised budget has been refocused to (a) remove the gap in funding (b) remove planned activity currently unable to take place due to Covid-19 restrictions and (c) refocus activity on Recovery where applicable. Extracted activity can be resumed in 2021-22 where critical and subject to available income.
- 3.4 Notable changes include:-
- Removal of a comprehensive governance review and training
 - Removal of IT and domain changes to move towards an independent legal company (i.e. separated systems from LCC)
 - Supplier delivery reduced for event and printed collateral (but retained to enable a smaller budget to support online events)
 - Reduction of strategy development (some sector specific development)
 - Increased budget to support National Food Security and our agri/ tech food businesses and supply chains
- 3.5 44% of the budget supports staffing as a critical resource to deliver key LEP activity and developments. This remains a stretched resource with a small team of dedicated staff working to meet the key milestones within the yearly delivery plan.
- 3.6 The budget set above directly aligned to the Delivery Plan including:
- Commissioning of Metro Dynamics to draft the LIS and SEP strategies to include granular evidence and research activity;
 - direct funding for SAP Skills Analysis and action plan;
 - developing Team Lincolnshire promotion, events, and capacity building;
 - increased contract levels to support additional comms activity, marketing and engagement work and scaled-back website review
 - subscriptions to collaborative activity and partnerships and networks offering wider benefits such as Midlands Engine and LEP Network;
 - design and branding to include Annual Report,
 - LIS and other key strategies and documents to ensure strong brand presence and professional front facing material;
 - increasing communication with existing and new audiences through multiple newsletters, blogs, and news releases;
 - Enterprise Advisor Network skills supporting and building critical skills capacity

4 Quarter 1 Activity

- 4.1 The table below shows the current spend and income on the key LEP areas as at June 2020. As expected expenditure on quarter 1 is relatively low given most project claims are paid out in quarter 2.

Paper 9.3 - 2020/21 Budget Review & Update on Quarter 1 Expenditure 2020/21 Budget Setting

Core

Expenditure to the sum of £147,355 has been incurred in quarter 1 and as expected this is mainly on staffing, sector consultancy and research activities.

The LEP have received the £500,000 income for core activity and a grant payment for the Enterprise co-ordinators of £21,229.

Feasibility Fund

£9,258 has been paid to the Cleethorpes North/Station Quarter feasibility work supporting the development of the Station Quarter project. The project seeks to deliver 200 apartments and 3,200 sq.m of retail and leisure floorspace, set within a new public realm that will transform the arrival experience by road and rail. The feasibility work is now complete. The total net eligible costs claimed were £60,650 and grant was paid at a value £30,325.

Invest to Grow Loan Fund

International Bomber Command Centre has repaid a sum of £50,000 into the Invest and Grow Loan fund and further £4,888 has been received as loan interest.

Greater Lincolnshire Growth Fund

Fees of £10,000 to Greenborough Management Ltd have been released providing the management function of the fund.

A final grant of £12,702 has been paid to Tong Engineering seeing the financial completion of their project. A total of 40 new jobs have been created equating to 32 FTE.

Single Local Growth Fund.

The claims covering the period April - June 2020 were received on 13th July and will be processed for reporting to the Investment Committee in August as part of the Growth Deal update paper. The team are focussed on understanding the impacts of COVID and project slippage.

5 Commitment

5.1 **Core** - There is £1.046m of core reserves as a starting point for April 2020 - most is committed apart from:

- £11,603 Interest gained on year-end balance
- £50,000 1 year of the 3 year Skills post - Natalie recruited for 2 years only.

5.2 **Invest and Grow Fund** - This fund encompasses several pots of money including the Feasibility Fund, Invest to grow Loan and Greater Lincolnshire Growth Fund grant scheme. At the start of April 2020 this fund was £5,373,043. The following paragraphs 5.3 - 5.6 provide a breakdown of the funds and identified commitment and flexible funds.

5.3 **Feasibility Fund** - there was £225,866 as at April 2020 - we expect a further £30,809 to be spent in this financial year and this will be all current contracts completed leaving a balance of £195,057 left that could be re-purposed to a resilience fund.

5.4 **Greater Lincolnshire Growth Fund** - of the £3Million there is £2,410,877 contracted leaving £589,123 to allocate. However due to the withdrawal of SBS Ltd a further £298,072 could be

Paper 9.3 - 2020/21 Budget Review & Update on Quarter 1 Expenditure 2020/21 Budget Setting

available. £171,830 is available now as has not been paid to SBS but £126,242 is due to be paid back in instalments. We have concluded therefore that £760,953 is available at the time of reporting and could be repurposed.

- 5.5 **Invest and Grow** - at April 20 the total fund was £3,511,023 with 1.9Million set aside for loans and 1.6million with flexibility. During the year monies have been paid back from Bomber Command and the LEP is in the process of finalising the variation to their loan agreement which includes a proposed grant pay-out of £164,772. At the time of publishing £1,492,711 has flexibility and can be used in a resilience fund.
- 5.6 **Invest and Grow - Future Interest** - A further £183k is estimated to be received during the year on loan interest and an estimated £32k on cash balance interest. Although not realised yet this does offer some flexibility for future discussions.
- 5.7 **Single Local Growth Fund** - As identified within the financial year end paper £93,595 of interest was received on the cash balance value. As recommended this would be moved to the core reserve to fund core activity but again is uncommitted at this time.
- 5.8 In summary, the total amount available at this time for re-purposing is £2,448,721.

Paper 10 LEP Chief Executive Report

| | | | | | | |
|----------------------|-----------------------------------|----------|-----------------|----------|--------------------|----------|
| Publication | Public Paper (published) | | | | | |
| Meeting date: | 24th July 2020 | | | | | |
| Agenda Item: | 10 | | | | | |
| Item Subject: | LEP Chief Executive Report | | | | | |
| Author: | Kate Storey | | | | | |
| For: | Discussion | X | Decision | x | Information | X |

1 Recommendation

1.1. LEP Board Directors are asked to note the content of this report.

2 Summary

The report aligns to the three categories within the Annual Delivery Plan, namely Strategy, Delivery and Governance. This report provides an overview of LEP team activities for the first quarter of the 1920-21 financial year.

2 ANNUAL DELIVERY PLAN: Area One - Strategy

- Local Industrial Strategy Development
- Develop the SAP programme and SAP Skills Analysis action plan
- Liaison with Cities and Local Government Unit
- LEP Geography
- Develop a comprehensive communications and engagement plan
- Review of the LEPs social media coverage
- Work with Lincolnshire County Council to build on links with China
- Business Lincolnshire - Growth Hub
- Team Lincolnshire
- Participate in development of the Lincolnshire Housing and Growth Deal Proposal
- Annual Conference and AGM

Local Industrial Strategy (LIS) Completion

Prior to Covid19 we were having advanced conversations with policy teams in Government. The present national policy context for the LIS post-covid19 is now less clear, however it is clear that economic restart and recovery will link heavily to the priorities and themes already contained within the LIS. In the meantime we have been undertaking work with North and North East Lincolnshire officers in order to ensure that any Humber priorities are pulled into our LIS and will be developing an economic recovery plan which links heavily to the LIS. We are also planning to increase business engagement with the LIS, particularly across North and North East Lincolnshire.

Develop the Skills Advisory Panel Programme

We continue to liaise with the SAP Programme team at DfE. Being part of the SAP Programmes have brought a number of benefits, including links to the wider DfE team including the time that we have responding to, and developing recovery plans for the pandemic.

Enterprise Adviser Network

We received our Grant Offer letter from the Career and Enterprise Company indicating we are able to continue to fund 50% of the Enterprise Coordinator salaries until August 2021. It also provides us with an opportunity to fund the salary of a 4th Enterprise Coordinator (EC). ECs provide a much needed boost to secondary schools by helping them to put in place strategic plans to deliver Careers Education, Information, Advice and Guidance, and matching them to local business leaders

Paper 10 LEP Chief Executive Report

who will provide advice and support about working with local employers. Progress has continued virtually during Covid-19.

Liaison with Cities and Local Government Unit (CLGU)

We had frequent engagement with CLGU colleagues throughout 2020 as we continued to develop the LIS. Since Covid19 engagement has changed however we are now picking up further conversations in relation to LEP role and strategic response and economic recovery.

LEP Geography

This action is complete and we are now actively engaged in transitioning North and North East Lincolnshire as full Greater Lincolnshire members.

Comms and Engagement Plan

This work was commissioned and the first phase undertaken just before Covid-19 impacted. This included some stakeholder interviews and valuable feedback to be taken forward within the phase 2 Engagement Plan. This work was paused due to LEP focus redirected to resourcing the Covid-19 Response and is due to resume as staff slowly begin to return to their substantive roles. Social media coverage is increased. Our Twitter engagement rate is currently very high at 1.7%. (0.5% is considered a good engagement rate for Twitter, and anything above 1% is excellent). Facebook was not previously utilised outside of live streaming of events as wasn't considered the right platform for a B2B focus. However we saw big increases in engagement with the posts since we began using the platform at the end of March partly considered successful due to messaging targeting audiences more broadly (ie students) as well as businesses (COVID-19 advice, Pick for Britain , #StudentLandArmy).

Hunan China

Unfortunately the impact of COVID initially in China and latterly here in the UK, has significantly slowed activity and impacted delegates being able to progress some of the discussions that they had started in November 2019, however the commitment to continue dialogue and progress activity where possible is still strong. Work to develop the Five Year Plan has been continuing. As well as feedback on the plan we have been presented with a substantial list of proposed projects which all need some work to gain a more thorough understanding of deliverability and fit with our own priorities. We are holding two operational, officer-level meetings on 23rd and 28th July with the Hunan Foreign Affairs Office and also the Department Of Commerce to discuss the proposed projects and are exploring options to agree a suitable platform to sign the document later in the year, with the support of both DIT and FCO, to give it the profile and importance it is due.

Growth Hub

COVID Response & Business Recovery

The Business Lincolnshire Growth Hub has continued to operate and provide an essential service to businesses throughout the COVID 19 crisis. The core team at LCC have been supported by other colleagues from the Council's Economic Development and LEP teams and the Growth Hub Advisers have had wider support from other ESIF funded support providers. It has been a real team effort to handle the huge increase in enquiries from businesses in need of crisis support over the last 3 months.

The Growth Hub event activity has been switched to a virtual model for the time being and we are not expecting to deliver any face to face event activity before end of March 2021. However, a varied programme of virtual activity has been delivered by the team with a focus around COVID response and more latterly recovery. Topics covered have included for example Financial Advice for Growth and Recovery, COVID Secure Workforce, Marketing Post COVID, Managing through a Crisis, Innovative Sales Channels, etc.

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We are undertaking an analysis of interactive conference platforms that we could use to deliver some larger scale events, such as the digital conference - #GoDigital20 - in Q4 2020 and the Manufacturing Conference in Q1 2021.

We have delivered a 'Survive and Thrive' Campaign which included advice for businesses as they prepared to reopen, digital marketing guidance to help businesses reach their customers in new ways, tips for encouraging innovation, and leadership advice for managers during this period of uncertainty.

The Growth Hub Team are now focussed on implementation actions to support recovery and are taking a lead role and working with partners in the delivery of the Business Support and Sector Support elements of the Greater Lincolnshire Business and Economy Recovery plan and our attention has now turned to implementing new support to deliver the medium term priorities. New offers will include, an Advisor for the Visitor Economy Sector and one for the Agri / Horti Sector, a Manufacturing Transformation programme, extensions to our Business Resilience Programmes for a further 12 months, Supply Chain Risk Management programme and extended Growth Hub Adviser provision for Rutland.

Business Lincolnshire Sustainable Business Growth -Phase 2

Despite the challenges, the phase 2 programme continues to perform well with 1017 business engaged to end June 2020. Of these 318 businesses have been intensively supported with at least 3 hours of support and 49 businesses have claimed and been paid a grant of at least £1,000. The Digital, Enterprise Capital and Enterprise Revenue grants have also proved hugely popular since the project went live on 1st July 2019, with grants committed against all three pots to a total value of £549,705. This is approximately 88% of the total grant available.

The Project Change Request for phase 3 of the programme which will extend provision for a further year to end June 2023 has been submitted but appraisal has been put on hold by MHCLG due to COVID 19. A further bid has been submitted by EMB to provide an additional grant pot to provide grants up to £10,000 for large digital projects and will initially be aimed at scaling businesses make large innovative IT investments. Discussions are on-going on whether appraisal of this new project could be brought forward as the project directly supports the Business Support Recovery plan.

Additional Funding

The Government has also announced a number of additional funds for LEP's and the Growth Hubs which will be used to provide additional advisory and grant funding support in response to COVID 19 and includes:

- Uplift funding from BEIS to buy in additional advisory support (£296,000 confirmed)
- Funding to deliver Peer to Peer Networks - anticipating around 25 Peer to Peer Network Groups to be created (funding amount tbc)
- Tourism Kickstart - ERDF grant funding for Tourism sector businesses - 100% grants of between £1,000 and £5,000 to purchase small items of equipment or consultancy support (funding amount circa £500,000)
- General Kickstart - ERDF grant funding for businesses from other sectors - 100% grants of between £1,000 and £5,000 to purchase small items of equipment or consultancy support (funding amount tbc)

EU Exit

Throughout the COVID19 crisis the attention of businesses to the exit from the EU has been shifted towards survival and recovery. Government has recently clarified that there will be no extension and our support packages are in place providing:

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- A dedicated space for EU Transition information on the Business Lincolnshire website - <https://www.businesslincolnshire.com/explore/building-business-resilience/eu-transition/>
- A support programme for businesses that are looking to trade internationally where gaps in DIT support provision exist (Across the EM cluster). Providing a full workshop & webinar programme, 1-2-1 support and peer networking opportunities
- A Business Resilience programme providing support to businesses that face the potential economic shock of exit from the EU (Across the EM cluster).. Providing a full workshop & webinar programme, 1-2-1 support and peer networking opportunities

Team Lincolnshire

Despite a challenging few months Team Lincolnshire has continued to grow and there are now 111 members. With physical events ceasing for the foreseeable future the Team Lincolnshire events programme has changed significantly and is now held virtually. Team Lincolnshire Cares (TLC) was launched as a rally call to support TL members and the wider business community and this has included weekly virtual TLC Coffee Clubs where TL members host on a variety of subjects. Joint monthly Team Lincolnshire and Business Lincolnshire webinars have been taking place and during Quarter 1 webinars have taken place focussed on Finance for Investment and Recovery and Urban Design in a Coastal Context. Many more are planned around driving forward investment such as Green Construction and Town Deal/Future High Streets.

There has been a strong emphasis on promoting the positive work of the TL ambassadors - investment projects that they have been collaborating on such as Holbeach FEZ and the Covid-19 support they have been sharing. In addition, an increased social media presence has taken place and TL are now on LinkedIn too. A TL Business Plan is underway which will be aligned with objectives and outcomes which have come out of the LCC Investment Strategy and are also in-line with GLEP priorities around key areas such as the food sector and driving forward construction in both the commercial and residential sector and will shape the future agenda for TL events whether virtual or physical.

Due to Covid-19 TL membership fees have been suspended and a paper will be presented to the Economic Scrutiny Committee on 14th July 2020 to seek approval of TL members paying 25% of the annual fees for 2020/21 which would be payable for the last 3 months of the year.

Housing

Greater Lincolnshire Vision for Growth 2050 and the HIG Action Plan remain on-going.

LEP Annual Conference and AGM

The Annual Conference has been postponed and we are reviewing options with the Growth Hub to deliver online virtual options as an alternative. In the meantime the 2019-20 Annual Report has been drafted and design scheduled pending agreement of a final version. This will be available to accompany the AGM which is likely to be undertaken as a video meeting in order to complete the financial year end sign off with company members (date and platform tbc).

3 ANNUAL DELIVERY PLAN: Area Two - Delivery

- Programme and Project Delivery Improvement Plan
- Programme and Risk Management
- Project Pipeline
- Delivery of key projects
- Communication and branding

Programme and Project Delivery

Paper 10 LEP Chief Executive Report

Our Growth Deal Programme allocation totals £123,647,638 and runs until March 2021, delivering 34 contracted projects and programmes. Whilst the programme has worked hard to achieve delivery of strategic transformational projects across Greater Lincolnshire, Covid-19 has inevitably impacted delivery and some projects due to lockdown and supply chain restrictions had to be delayed in March 2020 not returning to site until May / June 2020. We remain 100% contracted on the programme with contractual commitments in place totalling £362.4m.

Work has now restarted on all of the SLGF schemes and key milestones achieved this quarter will be:-

- **Grantham University Centre** was handed over to the University of Lincoln with an official event and photo-shoot held recently. The building will enable a new campus based approach to skills delivery in Grantham responding directly to local employer requirements.
- **Northern Junction Roundabout** began work on site on the 10th July and a photo-shoot was held on Brumby Lane Common Bridge to mark the occasion including the LEP, MPs and local councillors. This project once complete will serve as one of the primary roundabouts to the Lincolnshire Lakes housing development, providing access to the new villages 1, 2, 5 and 6 and a proposed 60acre Advanced Manufacturing Park.
- A photo call is planned for the 31 July in relation to a start on site for the **Borderville Expansion** project being delivered via **New College Stamford**. This project involves the refurbishment and upgrade of the College's sports science and healthcare facilities in order to significantly enhance the delivery of sport, public services and health and social care. It also will become home to an RAF training facility supporting the future development of our defence sector.
- Infrastructure works are due to start in early August as part of the **£1.5million extension of the Skegness business park**. The site is off the A52 to the west of Skegness, and the initial works will see the construction of a new highway, along with drainage and utility services between Holly Road and Hassall Road. The scheme once finished will provide space for business expansion and attraction to the area and will result in the construction of construct 6,000ft² of managed workspace units for SMEs.

In Q1 of 2020/21 we received the first annual Growth Deal funding allocation from government for just over £12m and we await the formal outcome of a recent national review process to understand when our final £6m of allocation for the programme will be released to our Accountable Body.

The LEP Board is aware of programme level risks and expected delays to individual project schemes which are disclosed through reports and Board discussions and options explored to utilise our Freedoms and Flexibilities as solutions to schemes not able to fully complete projects by 31 March 2021.

Risk is further managed through our contractual agreements with grant recipients through specific claw back clauses relating to delivery, expenditure and outputs. The LEP can legally withdraw its grant where circumstances demand, however this option is usually a final resort and has rarely been applied to date.

On the 30 June government formally announced its £900m Getting Building Fund and an indicative financial envelope for Greater Lincolnshire of £25.8m. The LEP Board considered and approved individual allocation amounts to seven schemes/programmes and the secretary of State will now consider these providing a confirmed decision on the Getting Building Fund allocations towards the end of July 2020.

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A formal response from LEP on the national Freeports consultation was also submitted to government. Government hopes to create 10 Freeports in the UK and bid submissions will begin to be developed over the summer. Greater Lincolnshire will work closely with local authority Partners, port operators and the Humber LEP in developing and putting forward its submission later this year. A copy of the Technical Response is available from the Team.

Feasibility Funding

Continued use of the Feasibility fund to bring forward pipeline projects to be explored: criteria revised and signed off by Investment Board to ensure that Feasibility Fund is now a rolling programme used solely to bring forward pipeline projects. 3 projects have been funded under the revised criteria.

European Rural Development Fund (ERDF)

Greater Lincolnshire has committed just over £65 million ERDF to projects against our allocation of £73 million. Following the final local call to take up remaining allocations which closed on 30th September 2019 and the 16 successful outline applications submitted full applications by 6th March 2020 to enable assessment and final decisions to be made by June. Due to Covid-19 the application appraisals have been paused as a result of MHCLG staff being re-deployed. It has not yet been announced when the project appraisals will recommence. Advice to projects is regularly updated on the ERDF Q&A COVID-19 Response page. It was anticipated that any remaining ERDF allocations would be put into a National Reserve Fund. To create a competitive national call to take up any unallocated funds and underspends within the programme. However, MHCLG have announced that the current circumstances have meant that the focus of ERDF and the mechanisms for getting funding out quickly to places have necessarily changed and they no longer expect to launch England-wide ERDF Reserve Fund calls for proposals and will instead be using more targeted and rapid ways of funding remaining activities, such as through a commissioning model.

European Agricultural Fund for Rural Development (EAFRD)

The three RDPE Growth Programme grant calls for Food Processing, Business Growth and Food Processing closed at the end of May 2018. In the GLLEP area 26 projects have been approved and contracted with a total grant value of £5.4m awarded. The Growth Programme re-opened for new expressions of interest on 4th November 2019 and closed midnight Sunday 16th February 2020. 99 Expressions of Interests were received within Greater Lincolnshire with 64 of these successfully endorsed to submit full applications, requesting just over £9m of grant funds.

Successful applicants have been invited to submit a full application with assessments and decisions expected to be made by December 2020. Any delays to application submissions or contracted projects caused by Covid-19 are being reviewed on a case by case basis by the RPA to determine if extensions are required.

LEADER

Our 5 LEADER programmes have now closed with all contracts issued by 30th September 2019. Alongside compulsory post-payment monitoring, the Accountable Body are in the process of commissioning a comprehensive impact evaluation of the LEADER programme. The evaluation will demonstrate the impact of the programme on all stakeholders, identify the contribution of funded projects to wider social and economic outcomes, consider lessons learnt for the utilisation of future programmes, and provide recommendations for future socio-economic programmes and their inclusion in policy making for rural areas. These recommendations will be fed into the emerging Local Industrial Strategy, as well as regional and national stakeholders.

European Social Fund (ESF)

ESF Programmes have continued where possible during Covid:19 through remote delivery of support and training. The newest project, a programme of grants for small, and third sector organisations to help people in their communities who are out of work, has set up a new virtual steering group and grant panel.

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Coastal Communities Fund

We have established a Coastal Business/ Provider Forum, supporting strategic and collaborative work with local employers and providers developing a local skills offer. This forum has harnessed the leadership of key anchor employers on the Lincolnshire coast. Due to COVID the courses that were being delivered on site have been moved to online provision, which has proved a challenge but we are working with businesses and providers to ensure access to relevant courses for staff, furloughed staff and people looking to gain employment in the Visitor Economy Sector.

Inward Investment

The LEP was successful in obtaining a second round of Midlands Engine FDI KAM programme funding to the value of £49,000 for the period June to March 2021. The work is focused on building the relationship established with new foreign owned businesses throughout the Greater Lincolnshire and Rutland area. The targets are focussed around creating relationships with 35 new FDIs, uncovering 15 potential pipeline investment projects and 5 investment successes and the programme continues to take place with physical visits moving to virtual support.

There has been increased correspondence with the foreign owned businesses disseminating the relevant messages coming through from the LEP and the Lincolnshire Resilience Forum due to Covid-19. FDI inward investment enquiries have slowed down but are still being received and appropriate propositions returned. There have been several UK owned business expansions/ investment which the LEP has supported with advice and guidance such as Ben Burgess, who specialise in agricultural equipment, who are expanding into a new £4m depot development on a site in Oakham creating approximately 30 FTE new jobs.

Communication and Branding

The statistics refer to activity between 8th May and 9th July 2020 Tables include reference to the start of the financial year to align to the Delivery Plan.

Media Monitoring

149 items of print, online and broadcast coverage picked up from 8th May to 9th July 2020

An average of 2.4 articles or mentions per day

Print and online coverage worth £199,758 Advertising Value Equivalent

| | This period | Last period | Difference | Since 1st April 2020 |
|-------------------------|-------------|-------------|------------|----------------------|
| Items of media coverage | 149 | 128 | +21 | 211 |
| Average per day | 2.4 | 2.1 | +0.3 | 2.1 |
| AVE value of coverage | £199,758 | £63,934 | +135,824 | £225,095 |

NB The big rise in AVE does not represent a realistic advertising value equivalent. We did have significant coverage in this quarter but where we are covered in publications where it's expensive to advertise it skews the data.

Broadcast

- BBC Look North, 22nd May 2020—Pat Doody, extra Bank Holiday
- ITV Calendar, 3rd June 2020—Sarah Louise Fairburn, Pick for Britain campaign
- BBC Radio Lincolnshire, 8th June 2020—Sarah Louise Fairburn, Pick for Britain campaign
- BBC Radio Lincolnshire, 10th June—Pat Doody, recovery cell update
- BBC Radio Lincolnshire, 2nd July 2020—Ruth Carver, Getting Building Fund allocation

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Twitter

| | This period | Last period | Difference | Since 1st April 2020 |
|-----------------|-------------|-------------|------------|----------------------|
| Total followers | 6,722 | 6,663 | +59 | +95 |
| Retweets | 401 | 798 | -397 | 579 |
| Likes | 553 | 696 | -143 | 1,061 |
| Link clicks | 685 | 700 | -15 | 1,257 |
| Engagement rate | 1.7% | 1.4% | +0.3% | 1.4% |

LinkedIn page

| | This period | Last period | Difference | Since 1st April 2020 |
|------------------------|-------------|-------------|------------|----------------------|
| Total followers | 873 | 697 | +176 | +260 |
| Organic impressions | 13,958 | 15,800 | -1,842 | 24,100 |
| Comments | 14 | 17 | -3 | 24 |
| Post likes (reactions) | 320 | 261 | +59 | 510 |

Facebook

| | This period | Last period | Difference | Since 1st April 2020 |
|------------------|-------------|-------------|------------|----------------------|
| Total page likes | 713 | 382 | +331 | +483 |
| Total followers | 768 | 359 | +409 | +548 |

LEP news stories for Q1:

New Local Covid-19 helpline for businesses <https://www.greaterlincolnshirelep.co.uk/whats-new/new-local-covid-19-helpline-for-businesses/>

Businesses encouraged to access coronavirus funds
<https://www.greaterlincolnshirelep.co.uk/whats-new/businesses-encouraged-to-access-coronavirus-funds/>

Let's help feed the UK -<https://www.greaterlincolnshirelep.co.uk/whats-new/lets-help-feed-the-uk/>

Help is at hand for people made redundant through Covid-19
<https://www.greaterlincolnshirelep.co.uk/whats-new/help-is-at-hand-for-people-made-redundant-through-covid-19/>

Key workers can use delayed road for essential travel
<https://www.greaterlincolnshirelep.co.uk/whats-new/key-workers-can-use-delayed-road-for-essential-travel/>

1000 bouquets donated to carers of the vulnerable in Lincolnshire

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<https://www.greaterlincolnshirelep.co.uk/whats-new/1000-bouquets-donated-to-carers-the-vulnerable-in-lincolnshire/>

Small businesses boosted by bounce-back loans - <https://www.greaterlincolnshirelep.co.uk/whats-new/small-businesses-boosted-by-bounce-back-loans/>

Testing for essential workers launched in Lincolnshire
<https://www.greaterlincolnshirelep.co.uk/whats-new/testing-for-essential-workers-launched-in-lincolnshire/>

Student land army required to help feed the nation -
<https://www.greaterlincolnshirelep.co.uk/whats-new/student-land-army-required-to-help-feed-the-nation/>

LEP welcomes Rutland County Council - <https://www.greaterlincolnshirelep.co.uk/whats-new/lep-welcomes-rutland-county-council/>

New website to support communities during crisis -
<https://www.greaterlincolnshirelep.co.uk/whats-new/new-website-to-support-communities-during-crisis/>

Supporting schools with careers education -<https://www.greaterlincolnshirelep.co.uk/whats-new/supporting-schools-with-careers-education/>

Lincolnshire Councils strengthen ties in LEP reorganisation
<https://www.greaterlincolnshirelep.co.uk/whats-new/lincolnshire-councils-strengthen-ties-in-lep-reorganisation/>

Fresh faces and a new deputy chair <https://www.greaterlincolnshirelep.co.uk/whats-new/fresh-faces-and-a-new-deputy-chair/>

Free on-line courses for businesses and workers on the coast
<https://www.greaterlincolnshirelep.co.uk/whats-new/free-online-courses-for-businesses-and-workers-on-the-coast/>

Agrifood webinars coming up -<https://www.greaterlincolnshirelep.co.uk/whats-new/agrifood-webinars-coming-up/>

LEP seeks new Skills Ambassador -<https://www.greaterlincolnshirelep.co.uk/whats-new/lep-seeks-new-skills-ambassador/>

Student Land Army campaign cuts through -<https://www.greaterlincolnshirelep.co.uk/whats-new/student-land-army-campaign-cuts-through/>

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

- Evolve the LEP, its sub-groups and our governance arrangements in line with national good practice
- Outcome of the LEP Peer Review
- Succession planning and diversity
- Local Assurance Framework
- Publication of Annual Report

Governance

Paper 10 LEP Chief Executive Report

Board Directors are asked to note that a number of LEP Policies were due for review in March 2019. We are extracting these for input by the various boards and committees with strategic leads and will circulate a list and proposed amendments where applicable as an electronic process over the next 6-8 weeks.

The LEP Annual Report is complete in a first draft and alongside the financial year end paper and auditors report will be ready to present to company members at an electronic AGM over the summer. We are currently cautiously aiming for August / early September to complete this.

Recruitment

Pat Doody was appointed as Chair of the Greater Lincolnshire LEP on 4th March 2020. A process is now underway to recruit a board director with responsibility for chairing the Employment and Skills Strategic Advisory Panel.

Peer Review

Chair and Chief Executive were involved in a peer review with the LEP Network, and the Centre for Public Scrutiny on 26th June. Actions for Greater Lincolnshire LEP to consider were as follows:

Governance

1. Both parties to further discuss ways of increasing the effectiveness of the Board including public and private sector members working together as a unified Board , introduction of annual reviews for Board directors and targeted recruitment
2. Greater Lincolnshire to provide SEM with further information about co -option as a means of enhancing Board diversity and developing strategic thinkers as a pipeline of future directors as well as use of sector boards in enhancing diversity
3. Both parties to explore other LEP's approaches to scrutiny with a view to identifying and adopting best practice

Delivery

1. Both parties to explore approaches of other LEP's to accessing additional resources with a view to identifying best practice
2. Clear message to be conveyed to central government through the LEP network that additional resources are critical to provide the necessary support to business in the recovery phase
3. Greater Lincolnshire to provide SEM with further details of structures in place across Greater Lincolnshire to secure delivery of housing and infrastructure
4. SEM to provide further information to Greater Lincolnshire on intelligence gathering role of Growth Hubs and their alignment to LEP's strategic objectives. Greater Lincolnshire to further develop role of Growth Hubs in information gathering and dissemination of that information shifting from a primary focus on delivery of outcomes

Strategy

1. SEM to provide further information to Greater Lincolnshire on how equality and diversity objectives have been integrated into their recovery strategy.
2. Both parties to share work undertaken to secure economic recovery particularly in relation to the LIS strategy

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3. Greater Lincolnshire to share with SEM practical short term measures taken through the business cell of the LRF to support business
4. SEM to share with Greater Lincolnshire experiences and challenges of operating Enterprise Zones and in particular their experiences where these have been acquired after their creation through changes in the LEP boundaries

Convening and Advocacy

1. Both parties to continue their dialogue sharing experiences and best practice on communications and what's worked well and had the most impact to include use of social media and engagement with MPs
2. LEP network to be requested to convene meeting of LEP Chief Executives and Chairmen following central government announcement of recovery package

Local Assurance Framework

The deadline for this was extended due to Covid-19. It has now been updated, been through audit and Andrew Crookham the S151 Officer has formally confirmed LEP compliance.

Publication of Annual Report

As reported under Area Two, a first draft has been completed for sign off and design to follow.

Paper 11 Rolling Forward Agenda Planner 2020



| Greater Lincolnshire LEP Board and Investment Board | | | |
|---|--|--|--|
| Date and Meeting | Standing Items | Progress Reports/Reports back from Sub Groups | Areas for discussion and decision |
| LEP Skills Conference 19th March 2020 8.30 EPIC Centre | | | |
| LEP Board 20th March University Centre North Lincolnshire | Minutes of the last meeting Chair and CX Report – APR, Budget 2020 | Finance and Audit Committee – Approval of Annual Budget and preparations for Year End, AGM Risk Register - Plan Governance – Appointments Committee Freeports – Briefing paper - RC | Delivery – Approval of Delivery Plan timetable Strategy – Health and Care Enterprise Board Action Plan - <u>Dean Fathers</u> Strategy – Visitor Economy Action Plan – <u>Chris Baron ?</u> Strategy –infrastructure priorities? Strategy – Update on Local Industrial Strategy and moving towards implementation – James Baty Strategy – North Lincolnshire Council impact and priorities – Simon Green |
| GLLEP March 2020 – Investment Board University Centre North Lincolnshire | Welcome, Apologies, Declarations of Interest, Approval of Minutes Written Procedures note from 24 February 2020 to be noted and accepted for publishing | | Growth Deal Update Report –Overview and 2019/20 Q3 Dashboard (For Information) Invest and Grow Application Bomber Command – Due diligence Report and Recommendations (For Decision) Northern Junction Roundabout Progress Update Report (For Information) Greater Lincolnshire Growth Fund -Annual Progress Update Report (For Information) |

Paper 11 Rolling Forward Agenda Planner 2020



| Greater Lincolnshire LEP Board and Investment Board | | | |
|--|---|--|--|
| Date and Meeting | Standing Items | Progress Reports/Reports back from Sub Groups | Areas for discussion and decision |
| GLLEP 21st May 2020 – LEP Board Metsa Wood, The Old Golf Course, Fishtoft Road, Boston, PE21 0BJ | Minutes of the last meeting Chair and CX Report | Governance Finance and Audit Committee Interim Finance Report for 19/20 and draft Annual Report – KS Governance Appointments committee – equality and diversity action plan | Delivery - Team Lincolnshire and Inward Investment Activity Governance - Accountable Body Report – Andrew Crookham Governance Annual Review of policy documents Strategy - Employment and Skills Board Progress and priorities – Action Plan Pat Doody Strategy – ESIF- Pat Doody |
| GLLEP 21st May 2020 – Investment Board Metsa Wood, The Old Golf Course, Fishtoft Road, Boston, PE21 0BJ | Welcome, Apologies, Declarations of Interest, Approval of Minutes | | Growth Deal Update Report (For Information) Greater Lincolnshire Growth Fund – Genfrost Due Diligence Report and Recommendations (For Decision) Greater Lincolnshire Growth Fund – Lincoln City FC Due Diligence Report and Recommendations (For Decision) Greater Lincolnshire Growth Fund – Blue Castle Business Services Due Diligence Report and Recommendations (For Decision) |
| Conference and AGM 10th July | | | |

Paper 11 Rolling Forward Agenda Planner 2020



| Greater Lincolnshire LEP Board and Investment Board | | | |
|--|---|--|---|
| Date and Meeting | Standing Items | Progress Reports/Reports back from Sub Groups | Areas for discussion and decision |
| GLLEP 24th July 2020 – LEP Board Lincoln - Venue tbc | Minutes of the last meeting Chair and CX Report | Finance and Audit Committee - Q1 Interim Report | Delivery – Q1 Activity Strategy – Local Industrial Strategy Strategy – Energy Council – Duncan Botting Strategy – Manufacturing Board – Darren Joint |
| GLLEP 24th July 2020 – Investment Board Lincoln – Venue tbc | Welcome, Apologies, Declarations of Interest, Approval of Minutes | | Growth Deal Update Report –Overview and 2019/20 Q4 Dashboard (For Information) Greater Lincolnshire Growth Fund – ARK ICT Due Diligence Report and Recommendations (For Decision) |
| 26 August 2020 Via MS Teams | | | Discuss face to face meetings |
| GLLEP Board – 30th September 2020 Via MS Teams | See below | | Strategy – Local Industrial Strategy Strategy – Innovation Council – Mary Stuart Strategy – Water Management Board – Robert Cauldwell Team Lincolnshire & Investment Diversity EM LEPs |
| GLLEP Board – 25th September 2020? Stourton Estates, Top Yard Farm, Baumber, Horncastle, LN9 5BP | Need to check with Ruth about this meeting, monthly briefing in diary for 30 th September. | | Strategy – Local Industrial Strategy Strategy – Innovation Council – Mary Stuart Strategy – Water Management Board – Robert Cauldwell Team Lincolnshire & Investment |
| GLLEP Investment | | | Growth Deal Update Report (For Information) |



Paper 11 Rolling Forward Agenda Planner 2020

| | | | |
|--|--|--|--|
| <p>Board – 25th September 2020 Stourton Estates, Top yard Farm, Baumber, Horncastle, LN9 5BP</p> | | | |
| <p>GLLEP Board – 27th November 2020 Venue tbc</p> | | <p>Finance and Audit Committee Q2 Finance Report – with recommendations - 6 monthly review</p> | <p>Delivery – Q2 Activity</p> <p>Strategy – Local Industrial Strategy</p> <p>Strategy – Food Board – Sarah Louise Fairburn</p> <p>Delivery – Business Lincolnshire – Samantha Harrison</p> |

Paper 11 Rolling Forward Agenda Planner 2020



| Greater Lincolnshire LEP Board and Investment Board | | | |
|---|----------------|--|---|
| Date and Meeting | Standing Items | Progress Reports/Progress Reports back from Sub Groups | Areas for discussion and decision |
| GLLEP November 2020 Investment Board Venue tbc | | | Growth Deal Update Report (For Information) |
| Jan 2021 LEP Board | | | |
| March 2021 LEP Board | | | |
| | | | |
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