

Solent Local Enterprise Partnership
 Meeting of the Board to be held on Friday 10th June 2016
 08:00 - 11:00 at CEMAST, Room 5,
 1 Meteor Way, Broom Way, Lee-on-the-Solent, PO13 9FU

| Item | Title | Time |
|-------------|--|---------------|
| 1. | Welcome and Introduction | 08:00 - 08:10 |
| 2. | Apologies for absence | |
| 3. | Minutes of meeting held on Friday 18 th March 2016 | |
| 4. | Matters Arising and declarations of interest | |
| 5. | Local Growth Deal Capital Programme 2016/17 | 08:10 - 08:50 |
| 6. | Competing for Growth - Local Growth Deal 3 proposal | 08:50 - 10:05 |
| 7. | Executive Update | 10:05 - 10:40 |
| 8. | Finance Update to include; <ul style="list-style-type: none"> • Consideration of the final outturn for 2015/16 • Budget position for 2016/17 | 10:40 - 10:55 |
| 9. | Any Other Business | 10:55 - 11:00 |

11:00 - 11:30 - Optional tour of CEMAST

10.06.2016

Item 3

**Draft meeting notes of Board meeting held on
20.11.2015**



SOLENT
LOCAL
ENTERPRISE
PARTNERSHIP

Solent Local Enterprise Partnership Meeting of the Board of Directors (meeting note)

Held on Friday 18th March 2016
08:00 - 10:30
At Griffon Hoverwork, Southampton

| Present | In Attendance |
|--------------------------|----------------------|
| Gary Jeffries (Chairman) | Stuart Baker |
| Chris Allington | James Fitzgerald |
| Brian Johnson | Marc Griffin |
| Donna Jones | Richard Jones |
| Dave Lees | Nicola Twiddy |
| Simon Letts | |
| Keith Mans | |
| Anne-Marie Mountifield | |
| Sir Christopher Snowden | Apologies |
| Seán Woodward | Jonathan Bacon |
| | Stuart Hill |
| | Russell Kew |
| | Nick Ridehalgh |
| | Chris Ward |
| | |

| Item | ACTION |
|---|---------------|
| 1. Welcome Gary Jeffries welcomed everyone to the meeting. | |
| 2. Apologies Apologies were noted from Jonathan Bacon, Stuart Hill, Russell Kew, Nick Ridehalgh and Chris Ward. It is expected that Nick Ridehalgh will be leaving ABP within the next 4-6 weeks so his resignation from the Board will be received shortly. | |
| 3. Minutes of meeting held on 22nd January 2016 Sir Christopher Snowden advised that under Item 5 - Innovation, in the previous minutes that it was mentioned that there is a desire to work with the EM3 LEP on the Science & Innovation Audit (SIA) and this should be noted. Anne-Marie Mountifield advised that EM3 were | |

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| | <p>approached after the board meeting (and the Dorset LEP) and that at this stage EM3 wanted to proceed with their SIA as they had planned. Dorset LEP had become a partner in the SIA proposal that had been considered by the board in January 2016 and the Solent LEP is keen to broaden collaborative working on this arena.</p> <p>The full set of Minutes and the set for publication on the Solent LEP website would be updated to include this detail</p> <p><u>Declarations of Interest</u> Brian Johnson - Employer Ownership Programme (EOP) - BAE Systems proposal - QinetiQ bid - BAE Systems a partner in the bid</p> <p>Seán Woodward - Fareham & Gosport Programme</p> | |
| <p>4.</p> | <p>Matters arising <u>Science & Innovation Audit (SIA)</u> Anne-Marie Mountifield advised that the SIA was mentioned in the budget and no area in the south east was successful. 5 SIAs were announced in the budget for Northern Powerhouse, Midlands, East Anglia, Wales and Scotland. Government will be working closely with the initial 5 areas to shape the future rounds of SIAs which are expected to come forward quickly. There was a view that the Solent should seek to work with other areas moving forward and the next round of SIAs is expected to be announced in the summer.</p> | |
| <p>5.</p> | <p>Executive Update Anne-Marie Mountifield took the paper as read and highlighted the following areas:</p> <p><u>LEP Executive team and organisation review</u></p> <p>The board considered the paper from the executive which updated the board on proposals for ensuring that there was sufficient capacity going forward within the executive. A further update will follow at the next meeting.</p> <p>The board AGREED the proposals set out in the executive update; and DELEGATED authority to the Chief Executive and CFO of the accountable body, Portsmouth City Council to take forward the work and NOTED that an update will come to the Employment and Remuneration Committee in May 2016 and to the Board for consideration in June 2016.</p> <p><u>Employer Ownership Programme (EOP)</u> The Solent Employer Ownership of Skills Programme launched in October 2014. A competitive fund of £1.5 million, it is open to private sector employers of all sizes to address skill requirements in their current and future workforce.</p> <p>Brian Johnson declared an interest in the item and withdrew from the meeting.</p> <p>The board considered the update and noted that the project from British Marine was approved</p> | <p>LEP CX and CFO with PCC</p> |

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| | <p>by the Employment & Skills Board (ESB) at their meeting on 2nd March 2016.</p> <p>The Board considered and AGREED to support the BAE application for £750,000 funding support with £620,546 from the EOP fund and £129,454 from the LGD programme fund.</p> <p>Brian Johnson returned to the meeting.</p> <p><u>Solent LEP Growth SME Fund</u></p> <p>The Solent Growth Deal provides for £2m p.a. for the LEP to take forward its successful business support grant programme. The guidance document has been changed to reflect feedback from the board that the new funds should focus on job creation and support for firms with high growth potential.</p> <p>The Board considered the guidance document for the proposed Growth SME Fund; and AGREED to the new fund launch in the summer and to Delegate authority to the executive to finalise the guidance.</p> <p><u>European Structural and Investment Funds (ESIF) – Solent LEP SME application</u></p> <p>The process has taken at least 6 months to get to the current position and further to the outline application, the LEP received notification on the 15th February 2016 that it has been invited to develop a full application. The Executive has met with DCLG to discuss the full application and is currently drafting the application for submission at the end of March. There is concern within the Solent LEP Board that funding will not be able to be spent within the given timescale due to the delays. A call will be issued once the Executive have notification of any funding to be received.</p> <p><u>Solent Devolution / Budget Update</u></p> <p>An update on the Solent devolution deal was provided and partners had hoped that a deal would have been signed and announced as part of the HMT budget. There is no ministerial timeframe for the deal being signed and it was noted that a further update would be provided once more detail was available. Deals that were announced in the budget were:</p> <p>East Anglia Greater Lincolnshire Bristol & West of England</p> <p>Also announced in the budget was the confirmed LGD funding position including the following;</p> <ul style="list-style-type: none"> - £1.8 bn new Local Growth Fund round (details to follow) - £475 million for Local Transport Majors. This will enable investment in larger transport projects than was previously possible and will be made available to LEPs to bid for alongside new Growth Deals. - A new £2 bn housing loan fund to be administered through the HCA | Executive |
| 6. | <p>Local Growth Deal update</p> <p>The Board took the paper as read and highlighted the following areas:</p> | |

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| | <p>2015/16 LGD - small underspend which is a slippage through to early 2016/17.</p> <p>2016/17 LGD - a potential £9.6m is unallocated.</p> <p>The Board considered the due diligence case for North Whiteley and APPROVED the £14 million LGD funding for the North Whiteley scheme subject to the pre-conditions being met and DELEGATED authority to the Executive to issues a draft contract with a requirement that pre-conditions will need to be met by 30 June 2016.</p> <p>FFMPG were asked for their views on the proposed under spend for 2016/17 and they asked the Executive to consider and actively explore whether any of the pipeline projects considered by the Board at the January 2016 meeting could come forward in 2016/17.</p> <p>The Board APPROVED to bringing projects forward from the pipeline for further consideration as recommended by FFPMG and subject to the submission of full business cases the AGREED to consider such projects at the next board meeting.</p> <p><u>Fareham & Gosport Programme</u></p> <p>An outline of the programme was provided to support the paper which the board had considered.</p> <p>Seán Woodward declared an interest in the item and was invited to make a representation and further to this withdrew from the meeting.</p> <p>A discussion took place on the options to support the Fareham and Gosport multiyear package and</p> <p>The Board AGREED that the Executive should explore the option to develop the business case for the M27 Junction 10 noting that a further update would come forward at the next meeting.</p> <p>Seán Woodward returned to the meeting.</p> <p><u>Business support and innovation</u></p> <p>Further to the discussion at the last board meeting the board considered the proposal by the executive to ringfence some of the unallocated LGF for 2016/17 to support the creation of a programme fund for innovation (capital funds only).</p> <p>The Board AGREED to ring-fence £3m of 2016/17 LGD funding to support the creation of an Innovation Programme Fund, prioritising delivery of capital schemes in 2016/17, and to DELEGATE Authority to the LEP Executive working with the Innovation and Business Support Delivery Panel to develop the detail for the call to be issued in May 2016.</p> | <p>Executive</p> <p>LEP Board</p> <p>Executive</p> <p>Executive</p> |
| 7. | <p>Transport Investment Plan (TIP)</p> <p>Dave Lees provided an update and overview of the TIP. A discussion followed and the board considered the final report. They were advised that the TIP could inform submissions to the Local transport majors fund as well as inform discussions with the National infrastructure</p> | |

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| | <p>Commission as well as the work they are doing to prioritise major schemes.</p> <p>Subject to some minor amendments as advised by the board they AGREED the final TIP report and DELEGATED authority to the executive to arrange for it to be published.</p> <p>The Executive have been working with the Greater Thames Valley LEPs on drafting the Influencing Strategic Transport in the South East report and have feedback comments into the final version. The Board AGREED to delegate authority to the Executive and Board Lead for Infrastructure to agree the final version of the "Influencing Strategic Transport in the South East" report.</p> <p>The board also noted that the LEP Executive is engaging with the Isle of Wight Council and the local MP, Andrew Turner on the IoW Transport & Infrastructure Plan.</p> | <p>Executive</p> <p>Executive</p> |
| <p>8.</p> | <p>Finance Report</p> <p>The Finance Report was taken as read. The report has been updated since it went to FFPMG last month to reflect changes in the core funding, the addition of the Careers & Enterprise funding and the revised LGD profiling.</p> <p>The Board AGREED the report.</p> | |
| <p>9.</p> | <p>AoB</p> <p>There was a request for a future agenda item to be on brand awareness for the "Southern Powerhouse" - unless the area has an identity it will always be coming from behind.</p> <p>No further business. Meeting closed.</p> | |

Meeting closed at 11:20

10.06.2016

Item 5

Local Growth Deal Update

Item: 5
 Title: Local Growth Deal update for Board
 Date: 10 June 2016
 Purpose: For information and action

1. Local growth deal capital programme 2015/16

Since the last board meeting the LEP executive have continued to work with scheme leads in relation to the 2015/16 and 2016/17 capital programme as well as undertake development work on the capital programme for future years.

In relation to 2015/16 and further to the board meeting in March work has been finalised and as advised by the board the executive have worked to maximise the full defrayal of the funds in 2015/16 to support key local growth priorities. As a result there is a very small underspend of 1.38% which has been carried forward to 2016/17. The final outturn is set out in table 1 below:

Table 1: Final out turn for the 2015/16 Local Growth Deal capital Programme

| | | |
|---|----------|-------------------|
| Solent Growth Fund (launched 23 March 2015) | £ | 506,432 |
| LGD Programme Management Costs | £ | 300,000 |
| Sub Total | £ | 806,432 |
| Final Agreement | | |
| Eastleigh College Estates Renewal | £ | 6,810,000 |
| Isle of Wight College CoE for Composites, Advanced Manufacturing and Marine | £ | 5,400,000 |
| Dunsbury Hill Farm Link Road | £ | 4,540,000 |
| Station Quarter Southampton | £ | 4,185,000 |
| The Hard Interchange | £ | 4,832,000 |
| Fareham and Gosport programme (part 1 and 2) - St. Margaret's Roundabout and Peel Common Roundabout | £ | 4,340,000 |
| A27 Station Roundabout / Gudge Heath Lane | £ | 2,065,000 |
| Solent Recreation Mitigation Project | £ | 1,355,000 |
| Cancer Immunology Centre (CIC) | £ | 4,500,000 |
| Sub Total | £ | 38,027,000 |
| Other LGD Expenditure | | |
| Accountable body capital expenditure on LGD | £ | 1,000,000 |
| Sub Total | £ | 1,000,000 |
| Forecast total expenditure on Solent Growth deal 15/16 | £ | 39,833,432 |
| Solent Growth Deal Award 15/16 | £ | 40,391,667 |

| | | |
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| Actual underspend (carried forward to 2016/17) | £ | (558,235) |
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A further update on the financial out turn is reported under Item 8 Finance report.

The board are asked to:

NOTE the position in relation to the 2015/16 outturn on the Solent Local Growth Deal programme

2. Current status of 2016/17 LGD schemes and the future capital programme – Quarter 1 analysis

Further to the last board meeting and the approval of the LGD capital programme for 2016/17 the Executive has been working with scheme leads to reach final agreement on the programme for the current year. Table 2 summarises the current position as we approach the end of quarter 1 in 2016/17.

Table 2: Current Funding Agreement Status of Projects within the 2016/17 Solent Growth Fund Programme - Quarter 1

| | | |
|---|----------|-------------------|
| LGD Programme Management Costs | £ | 300,000 |
| Solent Growth Fund (2016) | £ | 3,493,568 |
| Innovation programme Fund (2016) | £ | 3,075,000 |
| Large Local Major transport schemes | £ | 255,000 |
| Sub Total | £ | 7,123,568 |
| Final Agreement | | |
| Eastleigh College Estates Renewal | £ | 2,190,000 |
| Isle of Wight College CoE for Composites, Advanced Manufacturing and Marine | £ | 5,500,000 |
| Solent Gateway Programme - Isle of Wight Floating Bridge | £ | 3,776,782 |
| Sub Total | £ | 11,466,782 |
| Contracts issued but not signed | | |
| A27 Station Roundabout / Gudge Heath Lane | £ | 2,893,000 |
| Sub Total | £ | 2,893,000 |
| Under negotiation | | |
| Solent Gateways – (East Cowes and Trafalgar dock) | £ | 621,000 |
| National Maritime Systems Centre | £ | 542,503 |
| Fareham and Gosport multi year programme (A27 Dualling and Newgate Lane) | £ | 4,500,000 |
| BAE Systems Marine Engineering Centre Development | £ | 129,400 |
| North Whiteley | £ | 2,500,000 |
| Sub Total | £ | 8,292,903 |
| Total (a) | £ | 29,776,253 |
| Solent Growth Deal Award 2016/17 (b) | £ | 42,640,334 |
| Carry forward from 2015/16 (c) | £ | 558,235 |
| Capital funding for LGD returned from Accountable body (d) | £ | 1,000,000 |
| Total LGD Capital programme 2016/17 (d) = (b) + (c) + (d) | £ | 44,198,569 |
| Un allocated capital funding (d) - (a) | £ | 14,422,316 |

General LGD Scheme delivery update - Board members should **note** that a number of schemes have gone to contract and final agreements have been signed and we should shortly receive a signed agreement for the A27 Station Roundabout / Gudge Heath Lane programme.

In addition as agreed at the last board meeting we have launched the Innovation programme fund and we anticipate a good response to the call for projects with full business cases due to be submitted by 3 June 2016. At the time of writing we expect the call to be oversubscribed. In addition work continues in relation to the Solent Growth Fund with a launch of new programme with British Marine and an extension of work with Natural Enterprise on the IOW rural programme. We will also look to launch the new general fund in the summer.

Based on the current position we have an allocated capital programme of £29,776,253 (including under negotiation schemes) which represents 67.3% of the total allocation available for 2016/17.

In relation to delivery as we move to the close of quarter 1, £21,483,350 (48.6 %) of the capital programme available for 2016/17 is either committed or near committed and a further £8,292,803 (18.7%) is under negotiation. This leaves a balance of £14,422,316 (33.7%) to be allocated. As we move through to the end of quarter 1 (as at 30 June 2016) of the current year we will be seeking to finalise discussions on those projects under negotiation as set out in table 2 and we are considering proposals in relation to the use of the unallocated funds. This includes looking at bringing forward projects from the capital programme for 2017/18 and future years. On the basis of board advice from the last meeting we are also looking at the programme pipeline that has been developed for the LGD 3 Competing for Growth Solent LEP submission to see if there are any projects in scope for early delivery under our current funds.

3. Overall LGD Programme Management

As part of the spending review and autumn statement 2015 the government confirmed that it will deliver on its commitment to a £12 billion Local Growth Fund nationally between 2015-16 and 2020-21 and they have confirmed the indicative Growth Deal allocations that were made through Growth Deals in July 2014 and January 2015. As shown below:

| 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|--------------------|--------------------|--------------------|-------------------|-------------------|
| £42,640,334 | £18,982,028 | £10,817,860 | £9,252,686 | £9,252,686 |

It is recognised that our funding profile is front loaded and based on the current status on the 2016/17 approved capital programme a number of schemes will either be deferred, delayed or are not in a position to progress. Therefore the executive will seek to mitigate the risk of under spend in the current year and overspend in future years by looking at a number of options as follows:

- a. Examination of the current programme pipeline funded under LGD 1 and 2** to see if we can bring forward projects scheduled for future years that are ready to deliver now.
- b. A review of new schemes that have come forward as part of the call for new projects for the new LGD round.** Board members will recall that the LEP called for Expressions of Interest in anticipation of a future Local Growth Fund round, in autumn 2015.
- c. Innovation Programme Fund** – The board will be aware that we have opened the innovation programme fund and the deadline for bids is 3 June 2016. Currently £3 million has been allocated in 2016/17 to support this initiative. In the event the programme is oversubscribed, the board has the option to fund a larger number of proposals, subject to affordability.

10.06.2016

Item 6

**Competing for Growth - Local Growth Deal 3
Proposal**

Meeting: Solent LEP Board
Date: 10 June 2016
Item 6: Competing for Growth - Further Growth Deals

1. Background

The Local Growth Fund (LGF) is a £12bn single-pot capital fund made available by central Government to local areas through Local Enterprise Partnerships (LEPs). The fund aims to support investment in the infrastructure, housing and skills that will drive forward local economies, create more jobs, leverage in private sector investment and generate wealth, and should support the economic strategy of an area as set out in a Strategic Economic Plan.

Board members will know that the first Solent Growth Deal was published in July 2014, with an Expanded Solent Growth Deal published in January 2015. Through these Deals the Solent has secured £151.9m of Local Growth Funding, which will create up to 6,000 new jobs, 11,000 new homes, improve skills provision, improve connectivity, unlock development sites, and generate £400m public and private investment. Government has advised that proposals should include a greater level of private sector investment than in previous rounds.

On 22nd March 2016, the Secretary of State for the Department for Communities and Local Government (DCLG), the Rt. Hon. Greg Clark MP, announced the next LGF round and invited the 39 LEPs in England to submit proposals, in July, to access £1.8bn of capital funding to boost skills, support business and build more homes. The letter the LEP received from the Secretary of State inviting an application is attached as annex 1. It is important to note that the profile of the £1.8bn is from 2017/18 to 2020.

This funding round will be highly competitive. The executive understands that previous rounds were at least three times over-subscribed, with significantly more funding available than the £1.8bn now on offer. To be successful, it will be imperative that the Solent LEP works with partners to develop a submission to government that will boost growth in the Solent and bring in even greater levels of private sector funding than previously secured.

2. Local Growth Fund Round 3 - Competing for Growth

We have now also received additional advice from the Cities and Local Growth Unit in relation to the proposal. There is no prescribed format for the submission but the proposal should make a clear and well-evidenced case for investment within our area. We will need to specifically address the criteria set out in the Secretary of State's letter and we should also set out a specific figure for the LGF funding sought, along with a prioritised list of programmes and projects making up this figure. We are expecting further guidance on the information needed here (including output data), and this will form an integral part of our submission.

The final component of our submission will relate to value for money evidence. As part of the assessment of proposals Government will test each LEP's approach to value for money by considering benefit-cost ratios and sampling the project approval documentation from a small number of projects that we are already implementing. We are awaiting confirmation on which projects they will be seeking further information, and the information needed. They are seeking a quick response to this requirement where possible and in all cases they will need this information by the time we submit our final proposal.

Final proposals need to be submitted electronically by 12 noon on Thursday 28 July 2016. They will not consider any proposals submitted after this deadline.

Each LEP will also have a ministerial challenge session. The purpose of this will be to give us an opportunity to pitch our ideas to ministers, who will provide high-level feedback. This will help us to shape our proposal ahead of final submission. Challenge sessions will take place from the end of June onwards.

Ahead of any challenge sessions taking place, we will need to submit a snapshot of our developing proposals. The snapshot should be in a format which we can use to pitch to ministers and should – as a minimum – outline our thoughts on the overall amount of Local Growth Fund we will be seeking (broken down into our main themes), an indication of what this ‘buys’ (e.g. jobs, housing, leverage), and any interventions we want to draw ministers attention to in particular. This is not a draft proposal, and they are not expecting a project list to be submitted at this point, however it is an important part of the submission process.

Those LEPs who have later challenge sessions will have an opportunity to provide any significant updates to their pitches nearer the time of the session, however, for consistency, Government will expect to see a **snapshot from all LEPs by 12 noon on Friday 24 June**

Finally we have been asked to be mindful of our obligations in relation to the Equality Act 2010, and therefore we need to consider in our submission the potential impact of proposals on groups with protected characteristics, in consideration of Section 149(1) of the Act.

It is clear that delivery track-record will inform government decision making in the new LGD round, and with the Solent LEP defraying 98.62% of the 2015/16 LGD award, and with a range of projects either completed or significantly progressed, we have an excellent story to promote. The board has been clear on the need to over-programme to ensure maximum defrayal, and has taken a robust approach to scrutiny of scheme delivery, and this has paid dividends.

Broader discussions with BIS have also established that LGD proposals should set out what the area is seeking to achieve, ambitions for the future, a well-articulated ask of what is requested from this new round, governance arrangements (including any links to devolution discussions), and where the Deal will position the Solent economy moving forward.

It is clear that economic outputs will remain the driver behind investment decision-making, with new housing, jobs, employment floorspace and skills continuing to be the focus, and it is expected that this will inform discussions at the Ministerial Challenge Session.

3. Developing a Pipeline of Projects to Inform the LGD Proposal

Board members will know that the LEP issued a call for Expressions of Interest (EoI's) in autumn 2015 to strengthen the project pipeline, and that, following the launch of the LGD round 3 on 22nd March 2016 by Greg Clark, a call for Outline Business Cases (OBCs) was issued on the 23rd March 2016 and supplemented with a well-attended LGD Briefing Session at the Ageas Bowl on the 27th April 2016. The deadline for submission of OBCs was 12th May 2016 and 40 OBCs were received. It is proposed that the projects for consideration within our Local Growth Deal submission to government are drawn from both these two calls for projects.

4. Update on Prioritised Expressions of Interest Received Through the Autumn 2015 Call

The autumn 2015 EoI call was reported to the board at its January 2016 meeting, and the board agreed to invite nine proposals to come forward with either a Full Business Case (FBC) or Outline Business Case (OBC), depending on how close the project is to delivery. These projects, along with their current status are set out in the table below.

Table 1: Update on the Autumn 2015 Call for projects

| Project | Proposer | Project Status |
|--|-------------------------------|--|
| BAE Marine Engineering Centre ¹ | BAE Systems | FBC <u>not</u> submitted by 29 th April deadline. FBC came in by the 12 th May OBC deadline. Due diligence complete. Consultation closes on 8 th July 2016. |
| Centenary Quay Phase 4 | Crest Nicholson | FBC submitted by 29 th April deadline. Due diligence complete. Consultation closes on 6 th July 2016. |
| Stubbington Bypass | Hampshire County Council | FBC submitted by 29 th April deadline. Due diligence complete. Consultation closes on 30 th June 2016. |
| Botley Bypass | Hampshire County Council | Not in position to submit FBC by 29 th April as project insufficiently developed. OBC submitted by 12 th May deadline as part of the wider OBC call. |
| Portsmouth City Centre Critical Infrastructure | Portsmouth City Council | Not in position to submit FBC by 29 th April as project insufficiently developed. OBC submitted by 12 th May deadline as part of the wider OBC call. |
| Partial Relocation of Warsash Maritime Academy - OBC | Southampton Solent University | Not in position to submit FBC by 29 th April as project insufficiently developed. OBC submitted by 12 th May deadline as part of the wider OBC call. |
| Ocean Quay / James Wharf, Southampton | Ocean Quay Investments Ltd | No longer being progressed by the applicant, and withdrawn from the pipeline. |
| Royal Clarence Yard, Gosport | Gosport Borough Council | No longer being progressed by the applicant, and withdrawn from the pipeline. |

In accordance with the Solent LEP Assurance Framework versions of each full business case for Centenary Quay phase 4 and Stubbington bypass have been published on the LEP website² for an eight week period to invite comments.

In addition, as outlined in the above table, a FBC has been received for the BAE Marine Engineering Centre as part of the recent call for OBC's, and in recognition of the ability of this project to deliver in year, due diligence has also been completed on this project and the business case³ has been published for an eight week consultation period.

¹ This project combined two EoI submissions from BAE: the Marine Support Centre, and the Marine Workshops.

² Weblink for Stubbington bypass and Centenary Quay-

http://solentlep.org.uk/uploads/documents/Stubbington_Business_Case_27.4_.16_.pdf

http://solentlep.org.uk/uploads/documents/BBP_Regeneration_-_Centenary_Quay_Business_Case_ISSUED_FOR_PUBLICATION_10_MAY16v2.pdf

³ Weblink for BAE Marine Engineering Centre

http://solentlep.org.uk/uploads/documents/Full_Business_Case_Issued_12.5_.16_.pdf

A summary of the proposals are provided below:

Centenary Quay, Southampton - Phase 4

Crest Nicholson PLC is applying to the LEP for £7.676m of funding as part of a £72.1m project to deliver 342 units as part of the fourth phase of the Centenary Quay housing development in Woolston, Southampton. LGF funding would be applied to public infrastructure works including: river works, public realm, ecological works and part of a District Heat Network.

The funding profile for the project is set out in the table below:

Table 2: Centenary Quay – phase 4

| Centenary Quay - Phase 4 | | | | | |
|-----------------------------------|----------------|----------------|----------------|----------------|--------------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | Total |
| Local Growth Deal Funding Request | £1,261,176 | £1,866,862 | £1,515,219 | £3,032,664 | £7,675,921 |
| Local Contributions | TBC | TBC | TBC | TBC | £64,456,079 |
| Total Project Cost | TBC | TBC | TBC | TBC | £72,132,000 |

Stubbington Bypass

Hampshire County Council is applying for £32m of LGD funding as part of a £34m new 3.5km bypass if the B3334 on the Gosport peninsular, connecting Gosport Road to Titchfield Road (including some junction and link improvement work) and circumventing Stubbington Village. A footway and cycleway is included to support sustainable access.

The business case does set out that the County Council is exploring options to increase the level of local contributions through mechanisms including prudential borrowing, Growing Places Loan funding, and use of business rate income from the Solent Enterprise Zone. However, as the project presently stands, just £2m of local contributions have been committed.

The funding profile for the project is set out in the table below:

Table 3: Stubbington Bypass

| Stubbington Bypass | | | | | | |
|-----------------------------------|-------------------|-------------------|-------------------|--------------------|-------------------|--------------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | Total |
| Local Growth Deal Funding Request | £1,000,000 | £1,500,000 | £4,000,000 | £18,000,000 | £7,500,000 | £32,000,000 |
| Local Contributions | £1,000,000 | £1,000,000 | | | | £2,000,000 |
| Total Project Cost | £2,000,000 | £2,500,000 | £4,000,000 | £18,000,000 | £7,500,000 | £34,000,000 |

BAE Marine Support Centre

BAE is applying for £1.05m of LGD funding to deliver new and upgraded workshop facilities from the consolidation of five existing facilities at the Portsmouth Naval Base. The workshop improvements will deliver

enhanced training facilities for Level 3 and 4 apprentices and will improve operational efficiency and capability to deal with heightened demand for services to support the Queen Elizabeth Class (QEC) aircraft carriers.

The funding profile for the project is set out in the table below:

Table 4: BAE Marine Engineering Centre

| BAE Marine Engineering Centre | | | | | |
|--------------------------------------|--------------------|----------------|----------------|----------------|--------------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | Total |
| Local Growth Deal Funding Request | £1,050,000 | - | - | - | £1,800,000 |
| Local Contributions | £7,267,000 | - | - | - | £7,267,000 |
| Total Project Cost | £9,067,000* | - | - | - | £9,067,000* |

The overall total project cost includes £750,000 of Employer Ownership Programme funding from Solent LEP

5. Update on the Spring 2016 Call for Outline Business Cases

As outlined above, the LEP opened a call for Outline Business Cases on 28th March 2016 to inform its LGD submission to government in July 2016. For information, the guidance document for the spring call is available from here: <http://solentlep.org.uk/blog/solent-lep-to-look-for-a-share-of-18-billion>.

A high level overview of all OBCs received including spread across the six strategic priority areas, geography, total quantum of projects, total quantum of grant request, and aggregated outputs is provided in annex 2 a and 2 b

There will be a dual approach to assessment of OBCs. This includes an assessment against the published prioritisation matrix as set out in the table below and an independent assessment of the OBCs by AECOM.

Table 5: Solent LEP Prioritisation Criteria

| Core Criteria | |
|--|--|
| Strategic Fit | The extent to which a site supports one or more of the strategic priorities in Solent LEP Strategic Economic Plan and/or raise productivity levels |
| Productivity | How the proposal will support an increase in productivity. |
| Deliverability | The ability to demonstrate that the project is deliverable including: the extent to which it has planning permissions and other legal consents in place; the adequacy of the funding package; the financial standing of the delivery partners, and the risks to timely delivery. |
| Start Dates | Applicants should identify whether the project is expected to come forward in the short-term (by March 2017) or whether it is expected to come forward in the medium term (between April 2017 and 2020). |
| Private Sector / Other Leverage | The ability to lever other funding, in particular, private sector funding and the scale of the Investment. |
| Jobs | The value (quality i.e. permanent vs. temporary jobs) and number of the jobs created. |
| Homes | Delivery of new housing provision (where applicable). |
| Skills | Delivery of skills outcomes (where applicable) |
| Additionality | The extent to which a site's benefits will be realised without the funding (deadweight); the impact of the funding on the speed of delivery of the economic benefits; and the extent to which the funding will shift economic activity from other areas (displacement). |

| Supplementary Criteria | |
|------------------------|---|
| Wider Economic Impacts | The wider impact on the economy of the Solent LEP area (i.e. will it help unlock or bring forward other development sites or economic activity; will it help grow the priority sectors; and the knock-on impacts to other companies in a supply-chain). |
| Social Impact | The extent to which the project will have wider social or environmental benefits to the Solent (e.g. providing employment opportunities in deprived city areas, supporting people into work through apprenticeships and other access to employment routes). |

A Cross-Panel Advisory Group has convened to provide valuable additional advice alongside advice that will come from the Solent Growth Forum which will meet on 7 June 2016.

Based on the internal and external assessment, and on the advice of the Cross-Panel Advisory Group, and Solent Growth Forum, the board will be asked to finalise a proposal to support local growth ambitions and the key priorities set out in the Strategic Economic Plan and Productivity and growth supplement. Critically the proposal also needs to align with the proposed Solent devolution deal which seeks to secure devolution of responsibilities and powers in the following areas:

- Business support and innovation
- Learning, Skills and Employment
- Housing and Planning
- Transport
- Public Service Reform

In addition further to item 5 of the agenda, the Board will note that an Innovation Fund has been established to utilise £3m of the unallocated 2016/17 capital programme. Details of the call are available here: http://solentlep.org.uk/uploads/documents/Innovation_Fund_Guidance_Note_-_April_2016.pdf. The call closes on Friday 3rd June and a summary of the FBCs received will be considered once the deadline has passed.

6. Conclusions and recommendations

The invitation to submit a proposal in the new Local Growth Deal round advises that all proposals will be reviewed against the following criteria:

- The proposal should include a **specific figure for funding** and describe the purpose to which it will be put and the supporting narrative should show how this investment will address barriers to growth (for example in skills, housing and transport); and
- The proposal should show **strong collaboration** between the LEP and the local area and the work must be owned by politicians and business Leaders in the area; and
- The need for **stronger, reformed governance** implies that proposals should align with any emerging devolution proposals in the area and we are asked to set out our role in any development work in this regard; and
- The proposal should demonstrate a **higher level of business engagement** and deliver **higher levels of private sector investment** than in previous rounds; and
- Our investment strategy should engage with the government's key objectives within **the wider local growth context** – such as plans for housing delivery and area reviews; and
- **Delivery of existing growth deals** will play a key part in the consideration of new proposals.

Therefore the board will be asked to agree an initial proposal that reflect this criteria and this will be shared with government ahead of the challenge session with Minister.

10.06.2016

Item 6: Annex 1



Department for Communities and Local Government

Gary Jeffries
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The Rt Hon Greg Clark MP
*Secretary of State for Communities
and Local Government*

Department for Communities and Local Government

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2 Marsham Street
London
SW1P 4DF

Tel: 0303 444 3450
Fax: 020 7035 0018
Email:

greg.clark@communities.gsi.gov.uk

www.gov.uk/dclg

Dear Gary

12 April 2016

Competing for Growth – Further Growth Deals

Across the country, Local Enterprise Partnerships have used the existing Growth Deals to build stronger local economies. Every new job created as a result of a Growth Deal makes someone's life better: there's little more important work than this.

I am delighted, therefore, to invite proposals for the **next round of Growth Deals**.

We are looking for even more ambition in this round: the competition is open to every LEP, but no area is entitled to a particular share of funding. We'll make the awards on the basis of the merits of the cases you make, in light of the criteria I outline below. The stronger your proposal, the greater your chance of success - it's that simple.

Here are the criteria we will use in our review:

- You should explain how new funding will help to increase growth in your area, over and above the impact of your existing Growth Deal. What barriers (in transport, skills, housing supply, for example) could be overcome by new investment? **Propose a specific figure** for funding, and describe the purpose to which it would be put. (The e-mail you received from Mike Wiltshire, the BIS Local Deputy Director for South Central and West, made clear the funding for which everyone is competing). As in previous rounds, I will look for you to provide details on what your proposals will deliver in terms of job creation, investment and housing, as well as what will be required to achieve this in terms of cost and capacity.
- **Strong collaboration between your partnership and the local area** must underpin your proposal. This work must be owned by both political and business leaders in your area.

- The need for **stronger, reformed governance structures** implies that proposals that are aligned with mayoral Combined Authorities (or proposed Combined Authorities) will have an advantage. You would do well to outline the positive role your partnership is taking in strengthening local governance.
- As your Partnership will be more engaged with local business now than was the case in 2014, your proposal should include **a greater level of private sector investment** than in previous rounds, as well as match funding from other bodies such as universities. My expectation is that LEPs will have SME representation on their Board and I would like to see a proposition on how you will implement this in your proposal.
- Your strategy should **engage with government's key objectives within the wider local context** (such as plans for housing delivery and the area reviews into further education).
- And, of course, the **delivery of existing Growth Deals** will play a part in my consideration of proposals. We expect your proposals to set out the systems in place to ensure value for money and proper use of public money.

Your proposal will also be seen in the context of your bid, should you make one, for Local Transport Majors funding. Local Transport Majors funding allows several areas to fund transport projects beyond that which individual Local Enterprise Partnerships have previously delivered. Ministerial colleagues in the Department for Transport will write to you shortly to explain how that funding will be awarded.

Your new Growth Deal proposal should be submitted by summer recess, and my officials will contact you in due course regarding your challenge session. I intend to announce the winners of this competition around the time of this year's Autumn Statement. BIS Local teams are ready to support you in preparing your proposals — make good use of them.

To support this round of funding, I was pleased to announce continued core funding for LEPs into 2017-18, to enable you to plan for the future with confidence. We will provide further guidance on this in due course.

I hope you share my excitement about this new round of Growth Deals, and look forward to reading your proposals.

A handwritten signature in black ink that reads "Greg Clark". The signature is written in a cursive, slightly slanted style.

Rt Hon Greg Clark MP

CC: Anne-Marie Mountifield, Chief Executive Solent LEP

10.06.2016

Item 6: Annex 2A

Solent LEP

Local Growth Deal Update – Review of Outline Business Case (OBC) Submissions

17th May 2016

1. Introduction

AECOM were commissioned to collate the information provided from Outline Business Cases (OBC) submitted to Solent LEP prior to and on 12th and 13th May 2016. AECOM developed a bespoke template¹ for capturing the details of each scheme and completed some initial analysis on the basis of the “face value” of information provided by the applicants. This analysis of submissions included:

- a) the alignment with LEP strategic areas;
- b) the location of the schemes;
- c) the potential aggregate and average impacts and costs across the submissions; and
- d) the start timing of each project (which generally aligns with when an initial tranche of LGF monies are required).

Further due diligence of these OBCs will be completed separately including assessment against Solent LEP’s prioritisation matrix and against SoS CLG guidance.

2. Conflict of Interest Disclosure

AECOM have a development advisory role to Southampton Solent University in connection with the “Partial Relocation of Warsash Maritime Academy” scheme. AECOM has a conflict management approach which has been agreed with Solent LEP and used to manage these conflicts in earlier business case assessments.

¹ Drawing on the guidance in the SoS for Communities and Local Government letter to Solent LEP (12 April 2016).

3. Overview of OBC Submissions

The LEP has received a total of 40 Outline Business Cases from the following 32-34² applicants:

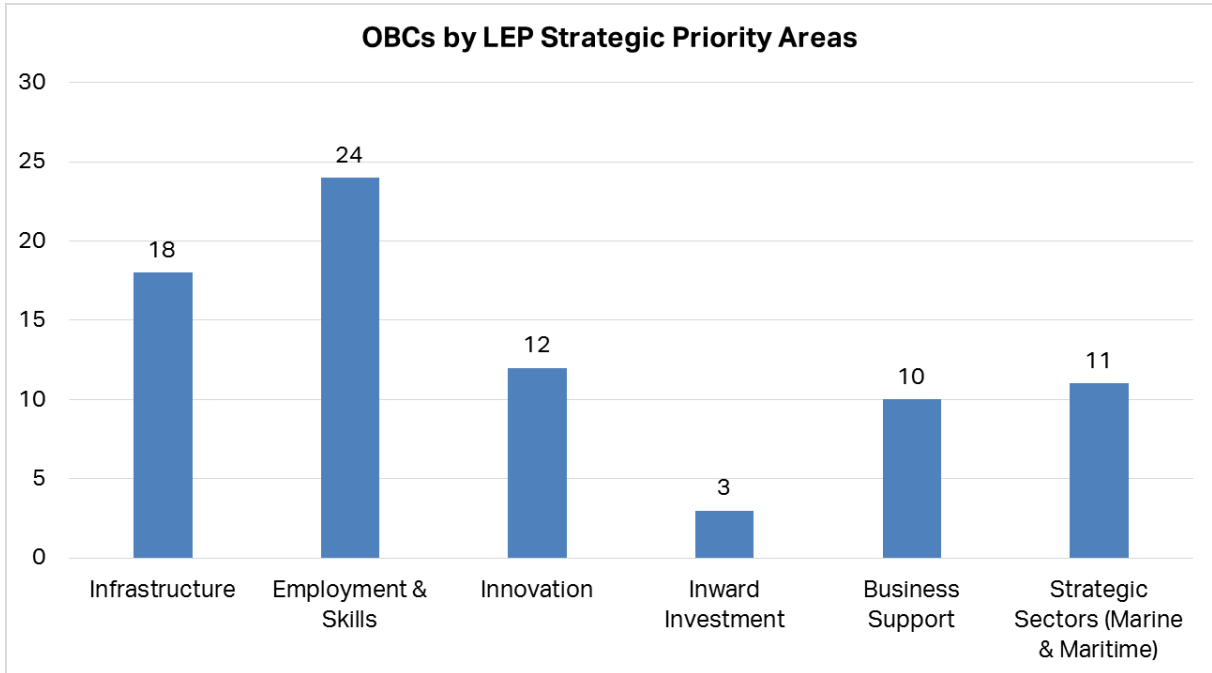
1. BAE Systems
2. Barton Peveril Sixth Form College
3. Brockenhurst College
4. Captec Ltd
5. East Hampshire District Council
6. Eastleigh College
7. Fareham Borough Council
8. Fareham College
9. Fawley Waterside Ltd.
10. Hampshire County Council
11. Havant Borough Council
12. HCA
13. Highbury College, Portsmouth
14. Isle of Wight College
15. Isle of Wight Council
16. MJH Development
17. National Oceanography Centre
18. Offsite Build Group
19. Perpetuus Tidal Energy Centre Ltd
20. Polymer Sciences Ltd
21. Portsmouth City Council
22. Portsmouth City Council (Eastern Solent Coastal Partnership)
23. Solent Refit Ltd
24. Solent Transport (with Southampton City Council as Lead Authority)
25. Solent Transport (with Portsmouth City Council as Lead Authority)
26. South Downs College
27. Southampton City Council
28. Southampton Solent University
29. St Vincent 6th Form College
30. Supermarine Investments Limited
31. University Hospital Southampton NHS Foundation Trust
32. University of Portsmouth
33. University of Southampton
34. WS Group

Of the 40 OBC submissions, 11 OBCs have come from the private sector, nine from Further Education (FE) or Sixth Form Colleges, eight from Local Authorities (Boroughs, Districts and Unitaries), five from universities, five from the County Council and Solent Transport together. There are also bids from the NHS and the HCA.

Three projects were submitted as “commercial in confidential” and these are identified in annex 2a.

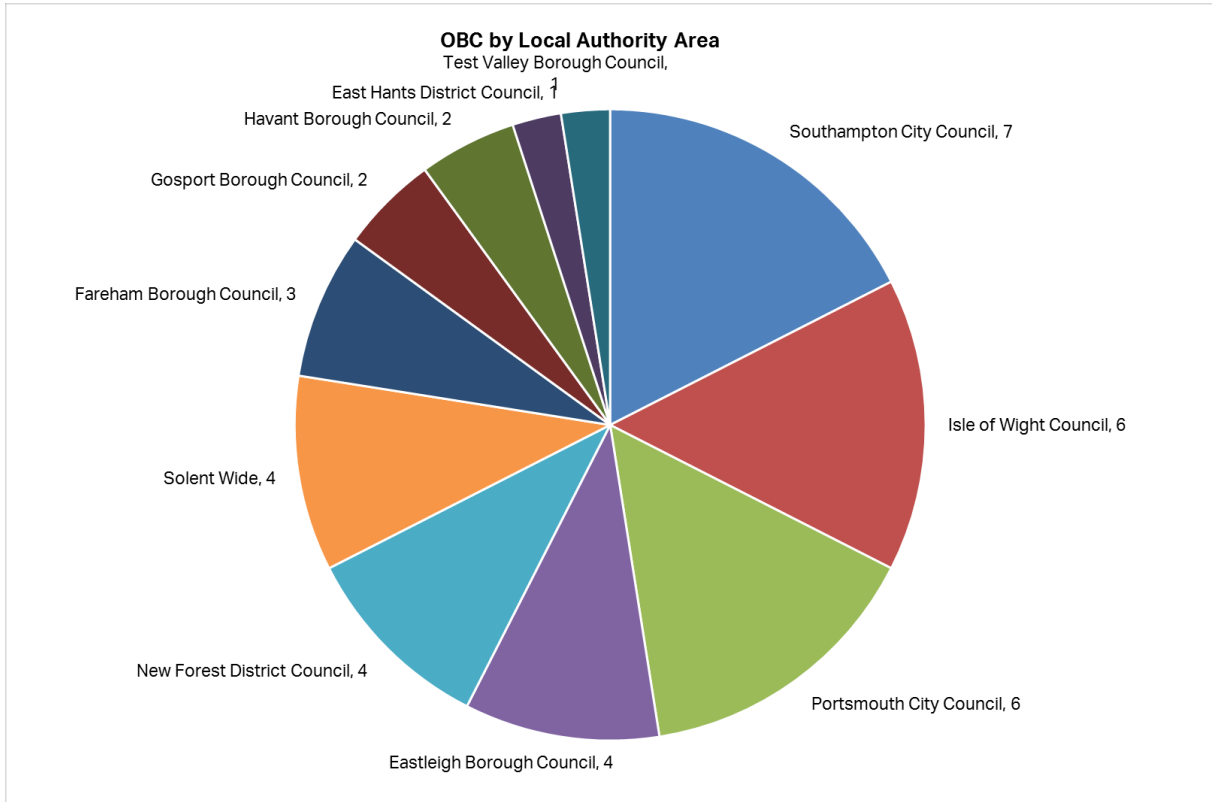
There was a good spread across the LEP’s five of the Strategic Priority Areas with about half of all proposed projects investment in infrastructure or the generation of employment and skills. Fewer projects aligned with inward investment outcomes.

² The two Solent Transport bids have Portsmouth and Southampton as lead authorities. One PCC bid is under the Eastern Solent Coastal Partnership banner.



NB. A project can align with more than one Strategic Priority Area

There were OBCs with a primary delivery location in all Local Authority areas across the Solent LEP area with the exception of Winchester City Council. The impacts of four proposed projects were “Solent wide” although many of the larger projects will have cross boundary and sub-regional impacts. The highest number of bids were in Southampton (7), followed by Portsmouth and the Isle of Wight (both 6).



In total the submitted OBCs would have the potential to bring forward 26,800 new direct jobs (at a gross OBC level), 29,600 new indirect jobs and deliver or support the delivery of 29,900 houses. While in aggregate 677,500 jobs would be safeguarded, this is affected by some very large Solent-wide transport schemes and also double counting with the same jobs being safeguarded in different projects. Nearly 540,000 sqm of new employment or education floorspace would be brought forward. Just under 1,000 apprenticeships would be provided and 2,600 new learners would result from the potential portfolio.

On average³ a proposed project creates 670 direct jobs and 740 indirect jobs.

| Impacts | Total | OBC Average (40) |
|---|--------------|-------------------------|
| New Direct Jobs (gross) | 26,756 | 669 |
| New Indirect Jobs (gross) | 29,552 | 739 |
| Safeguarded Jobs | 677,472 | 16,937 |
| New Housing (units) | 29,922 | 748 |
| Education / Employment Floorspace (sqm) | 539,614 | 13,490 |
| Estates Improved (sqm) | 32,160 | 804 |
| Skills: Apprenticeships | 997 | 25 |
| Skills: Learners | 2,621 | 66 |

NB Safeguarded jobs are the total across all submitted OBCs and so will involve substantial duplication and also be affected by specific schemes (e.g. one transport OBC reports safeguarding 483,600 jobs).

³ It should be noted that the range of outcome categories vary by project and as some very high impacts are claimed for specific projects that averages will be affected by these outliers and should be viewed with caution.

The total investment value across 39⁴ OBCs assessed at “face value” is £1 billion with £226.6 million requested as LGF support, about 22% of all costs⁵. In terms of leverage this suggests that every £1 of LGF is leveraging £3.46 of other local funding (e.g. public, private and other combined). This is slightly below Solent LEP’s target ratio of 4:1.

Just under £396 million of private funding has or could be triggered across the 39 OBCs, amounting to 39% of all investment costs. In terms of private sector leverage this suggests that every £1 of LGF could leverage £1.75 of private funding. The public/other leverage is very similar with every £1 of LGF leveraging £1.71 (£387.2 million in total),

The “average” proposed OBC stage project is around £26 million, requiring £5.8 million of LGF (22%) with the remaining funds coming from private and public/other local sources (about £10 million each).

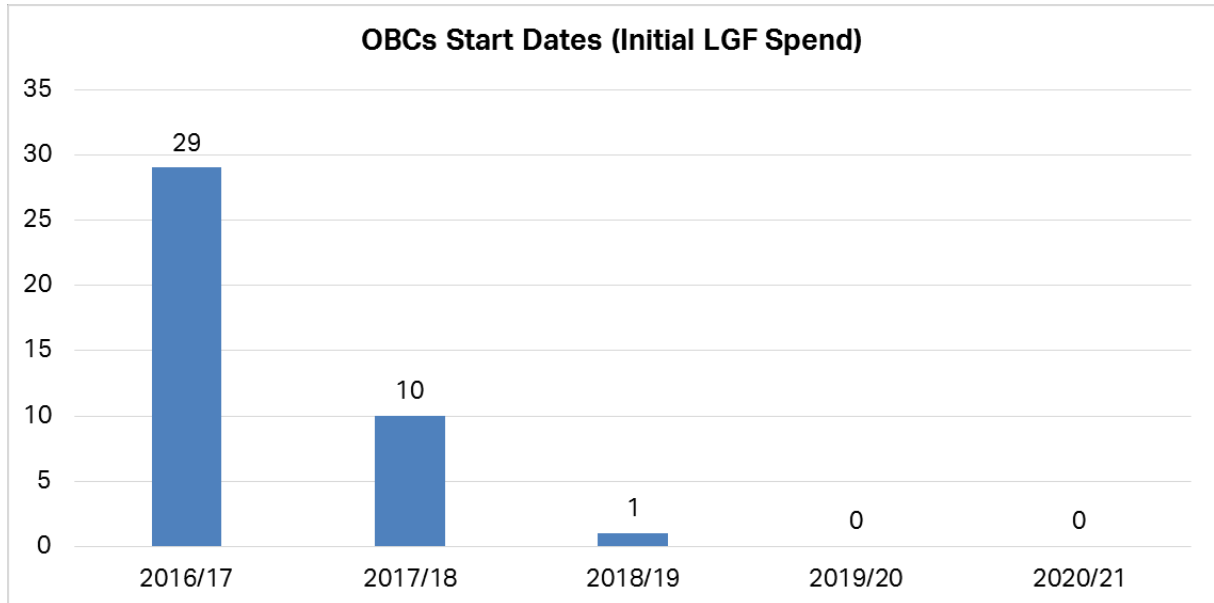
Six projects have provided formal Benefit Cost ratios to show their potential impacts and four projects have attempted to calculate their local GVA impact.

| Funding / Costs | Total (39) | OBC Average (39) |
|---|-------------------|-------------------------|
| Total Cost | £1,009,863,574 | £25,893,938 |
| LGF Request | £226,552,125 | £5,809,029 |
| Local Contribution (Public and Private) | £783,061,449 | £20,078,499 |
| Local % | 78% | |
| Private Sector Contribution | £395,911,449 | £10,151,576 |
| Private Sector £ | 39% | |
| Leverage: All local (public / other + private) £ per £1 LGF | £3.46 | |
| Leverage: private sector £ per £1 LGF | £1.75 | |
| Leverage: Public / other £ per £1 LGF | £1.71 | |

⁴ Inadequate financial detail was provided for one OBC to allow its inclusion in the analysis and a number of OBCs have financial totalling errors in their submissions.

⁵ The LEP has a minimum local funding target of 30% at the project level.

Three quarters of projects have a start date in 2016/17, which normally requires LGF spend in that year. Eleven projects would not start until 2017/18 or later.



10.06.2016

Item 6: Annex 2B

10.06.2016

Item 7
Executive Update



SOLENT
LOCAL
ENTERPRISE
PARTNERSHIP

Item: 7
Title: Executive update
Date: 10 June 2016
Purpose: For information and action

1. Introduction

This report provides an opportunity for issues which are significant, to be brought to the attention of the Board for a decision or for information.

2. LEP Executive team

At the March meeting the board considered a proposed new organisational structure for the organisation that would seek to strengthen executive capacity to ensure that going forward we have the resource in place to deliver on all LEP commitments.

The wider review has taken account of changes in work requirements with the confirmation of the Local Growth Deal capital programme for 2016/17 as well as 2015/16 and the now confirmed conclusion of the RGF programmes by 31 March 2016 (with final close down in June 2016) and an update report will be circulated to the Board during week commencing 6 June 2016.

3. Update on Local Growth and Devolution

At the last Board meeting, Board members were advised that work was at an advanced stage in relation to the development of a Solent devolution deal and the Board considered a draft document. It had been expected that the deal would have subsequently been agreed with Central government. At the time of writing the proposed deal is still under negotiation with central government who have requested that local partners undertake a governance review which will look at a range of options (and the supporting timelines) when compared with the status quo. This is under development now and there remains an ambition to agree a deal with government before the end of July 2016.

In addition it can be advised that on 13 May 2016 Hampshire County Council wrote to key partners, (see Annex A) including Solent LEP, to advise that they had commissioned Deloitte's to under take work to explore how services could be better provided across the whole of the County Council area. A number of options for local government reorganisation have emerged and they are proposing to consult on these. As a result they have advised that they are not currently in a position to support any of the proposed devolution deals that are under development in their area. The full report can be accessed through the following web link:

<http://documents.hants.gov.uk/communications/HampshireCountyCouncilFullReport.pdf>

The development of a devolution deal is much broader and is also distinctive from this review of service delivery and really focuses on setting out the terms of a proposed agreement between Government and the leaders of the Solent to devolve a range of powers and responsibilities to the proposed Solent Combined Authority and a new directly elected Mayor for the Solent. The deal looks at local growth and its agreement will enable the Solent to accelerate the delivery of the Solent Strategic Economic Plan (SEP), increasing productivity in the area and enabling the economy and people of the Solent to achieve their full potential.

A further update will be provided at the board meeting.

4. Skills for growth update - Solent Area Review update

The Solent Area Review commenced in early November 2015 and seeks to ensure the skills provision in the Solent delivers the following outcomes:

- Institutions which are financially viable, sustainable, resilient and efficient, and deliver maximum value for public investment.
- An offer that meets each area's educational and economic needs.
- Providers with strong reputations and greater specialisation, including potential for Institutes of Technology and Sixth Form College academisation.
- Sufficient access to high quality and relevant education and training for all, including learners with all levels of need.
- Colleges well-equipped to respond to the reform and expansion of the apprenticeship programme.

The review takes account of all post-16 education and training across the area and assesses how well this fits with local economic and educational need; however the colleges that are covered specifically by the area review are as follows:

- Brockenhurst College (general FE college)
- Fareham College (general FE college)
- Eastleigh College (general FE college)
- Highbury College (general FE college)
- Isle of Wight College (general FE college)
- South Downs College (general FE college)
- Southampton City College (general FE college)
- Barton Peveril College (sixth form college)
- Havant College (sixth form college)
- Itchen College (sixth form college)
- Portsmouth College (sixth form college)
- Richard Taunton Sixth Form College (sixth form college)
- St Vincent College (sixth form college)

A steering group was established to engage key stakeholders through all stages of the work, monitor progress and discuss emerging findings. The steering group comprises of: the Principals and Chairs of Corporation from all 13 colleges; representatives from the four local authorities (Hampshire County Council, Isle of Wight Council, Portsmouth City Council and Southampton City Council); a representative from the Solent Local Enterprise Partnership (LEP); the FE Commissioner, a representative of the Sixth Form College Commissioner; the Regional Schools Commissioner, and representatives from the Education Funding Agency, the Skills Funding Agency and BIS.

It was originally intended to draw to a close in mid-March 2015, but the timeframe was extended and the final meeting is scheduled for the 9th June 2016. A final summary report will be published following this meeting.

5. Business support

a. Solent Growth Hub

At the Board meeting in January, Board Members agreed to extend the contract with Hampshire Chamber of Commerce to continue operating the Solent Growth Hub model in advance of confirmation on additional funding from Government. This contract extension is in place and will ensure continued service provision until 30th June 2016.

In the interim to this, the Solent LEP, in partnership with Portsmouth City Council as accountable body, have administered a procurement process to secure a new service provider for the period to 2017/18, at which point the service will transition to a self-sustaining model.

Two responses to the ITT were received: from Hampshire Chamber of Commerce and WSX Enterprise. Each proposer offered match funding to support the service and had complementary strengths in terms of delivery capability.

In addition, the organisations are co-located at offices in Fareham and both have a stated commitment to work together through their commitment to the Hampshire and Isle of Wight Business Alliance (HIBA).

In response to this, the Solent LEP has engaged both organisations and invited them to re-submit a joint proposal which maximises value for money from both offers and secures the capability and expertise of both HIBA Members.

Both organisations have now provided formal confirmation that they will work together to deliver the service and are developing a joint proposal for consideration of the LEP which is extremely positive. A submission deadline of Tuesday 7th June 2016 has been provided and a further update will be available at the Board meeting.

b. Solent LEP RGF Programmes – Year end review

Further to updates provided at the March 2016 Board meeting, the LEP Executive has been working with all RGF funded businesses to ensure the maximum possible defrayal of funds prior to the 31st May 2016 deadline. Board members will recall that the negotiations between Solent LEP and the Departments of Business, Innovation and Skills (BIS) and Communities and Local Government (DCLG) concluded successfully, with the LEP able to meet all of its funding commitments within the available 2015/16 ¹funding envelope.

6. Innovation

a. Science and Innovation Audit

¹ 2015/16 RGF financial year ending 31 May 2016

Board members will recall that the Solent LEP submitted an application to be involved in the initial wave of Science and Innovation Audits (SIAs) on behalf of a Broader Solent Consortium, and that, following that process, no applications from the south east (including the Broader Solent proposal) were successful.

The Executive has now received feedback on the submission from BIS. 26 Expressions of Interest were received, with only five being taken forward. Feedback from BIS officials advised that in the initial wave BIS were looking for a cross-section of proposals, rather the best applications, to inform the pilot and the development of a methodology.

Moving forward, a second round of applications to undertake a SIA is expected to be launched in June. In this regard, the Executive has discussed with Enterprise M3 LEP the potential for developing a joint submission with Dorset and Thames Valley Berkshire LEP's to build critical mass, and it is recommended that the LEP moves forward on this basis.

b. Innovation Strategy - Phase 1 Commission

The Solent LEP Innovation and Business Support Delivery Panel has commissioned PACEC to take forward an initial phase of activity to provide the underpinning evidence base on which an independent innovation strategy for the Solent will be developed. The focus will be on those innovation strengths that have the potential to be commercialised and generate economic value in the Solent - both mature and embryonic. This phase will:

- Identify and validate areas of potential global competitive and comparative advantage that represent smart specialisations in the short and longer-term, as identified by the Solent Innovation and Business Support Delivery Panel;
- Confirm if any sectors of potential have been missed and if so, what they are;
- Rank the Solent's innovation strengths within a UK, European and Global context;
- Identify embryonic innovation strengths in which the Solent has some early seeds of expertise, capacity and capability that may have the potential to realise economic value for the Solent in the future
- Map the presence of the identified potential global competitive and comparative advantage and their links to other geographic areas;
- Quantify economic growth potential of identified potential global competitive and comparative advantage, both short term through to longer term;

A key stakeholder workshop is planned for w/c 6th June 2016, although the stakeholder engagement phase took an early opportunity to leverage off the recent Composites Conference, which took place on 19th May 2016, to engage with industry and HE colleagues involved in the development of advanced materials.

An interim report has been received and, at the time of writing, is being reviewed by a sub-group of the Innovation and Business Support Delivery Panel. A final report is expected to be available for review at the end of June and will inform phase 2, which will provide an Innovation Strategy for the Solent, and be developed in parallel to the refresh of the Strategic Economic Plan.

c. National Innovation Plan Consultation

BIS launched an online [survey](#) to seek views on how the UK develops an innovation framework that:

- builds and supports an open business environment that encourages innovation

- promotes collaboration and the sharing of ideas to drive innovation opportunities
- provides businesses with the confidence to invest in R&D and supports them to diffuse and scale the best ideas
- uses the power of procurement and customer demand to stimulate the development of innovative products

Views were sought on seven areas: Regulation, Procurement, Open Data, Infrastructure, Access to Finance, Challenger Business, and Intellectual Property.

The online survey closed on 31st May 2016. In consultation with the Board lead for Innovation and the Chair of the Innovation and Business Support Delivery Panel, a response was submitted that focussed on regulatory issues associated with the development of large structure advanced materials, given this was identified in the BIS commissioned [Transforming Solent: Marine and Maritime Supplement](#)

7. Logistics Commission

An invitation to tender was approved by a sub-group of the Land, Property and Infrastructure Delivery Panel (LDIDP) and issued on 21st March. Seven tenders were received, and the successful proposal is due to be confirmed very shortly.

The next step will be to mobilise the successful bidder and organise a sub-group meeting to initiate the commission. The consultants are due to prepare a final draft report in July and report to the LEP Board in October and subject to meeting dates, there will be an opportunity to present findings to the LPIDP before completion of the contract.

The commission will result in a report that will provide: A definition of the logistics and distributions sector; A baseline of the sector in the Solent; An overview of the sector (key players, market niches, key locations, transport network, relationship to the UK and beyond), the economic baseline and strengths and weaknesses; Analysis of trends in the sector for the next ten and twenty years taking into consideration, planned investments, technology changes, demographic changes, air, sea and rail logistics, and urban logistics; Understanding potential market demand including existing forecasts and market growth trends to 2026 and 2036; Opportunities and threats to growth of the sector in the Solent, including consideration of training and skills, investment and land use and planning. The report will also make recommendations to inform the refresh of the Solent Strategic Economic Plan.

8. Governance

There are a number of governance issues to be brought to the attention of the Board and they are documented as follows:

a. Solent LEP Business (B) Director Election

Further to the email update provided on 12th April 2016, the Solent LEP and Company Secretary have administered an election process. Voting closed on Monday 23rd May 2016 in the election process to facilitate our Business (B) Members selection of two new Board Director Representatives to fill the vacant seats on the Solent LEP Board.

As per the outcome notification on 24th May 2016, the B Membership have elected Nick Gross, Coffin Mew LLP, and Sandra Sassow, SEaB Energy.

The Board may wish to note that the LEP secured 11 new Business Members through this process, bringing the total number to 77.

b. Solent Marine and Maritime Steering Group (SMMSG) Chairman

Following his appointment to the Solent LEP Board of Directors, Brian Johnson has discussed the role of SMMSG Chairman with the Solent LEP Executive and, in order to bring the Governance of this group in line with the Assurance Framework and LEPs standard practice of recruiting an independent private sector chairman to the panel, Brian has stepped down from the role as Chairman and overseen a recruitment process for his replacement.

Through the open application process, the Solent LEP secured four applications for the role and Ian Millen was identified as an exceptional candidate through the interview process and has been offered, and accepted, the role. Ian is the Chief Operating Officer for Dryad Maritime Ltd, an award winning Portsmouth-based maritime operations company with a high grade intelligence capability that specialises in managing risk and uncertainty in the maritime environment.

Brian Johnson has confirmed his continued commitment to supporting the work of the group and it has been agreed that he will continue to attend the SMMSG as the Solent LEP B Director lead for Marine and Maritime.

c. Register of Interest Declarations

As previously reported to the Board, the National Audit Office (NAO) report on LEPs, published on 23 March 2016, outlined a number of recommendations to Government, including that the Department (DCLG) "tests the implementation of local assurance frameworks before confirming future funding allocations, and works with LEPs to ensure that the required standards of governance and transparency are being met."

As Board Members are aware, the Solent LEP is already responding to the recommendations and developing a public version of the Company register of interest. This will be published in early June 2016.

The Solent LEP Executive will shortly be working to create a public register of interest for all Panel Members to ensure that best practice in transparency is rolled out across the LEPs Governance structure.

d. Solent LEP Ltd Articles of Association Review

As Board Members are aware, the Solent LEP Articles of Association govern the process for management of the Company. These were originally developed and incorporated in 2011 and subsequently reviewed and updated on two occasions during the course of 2012 to reflect changes relating to Director retirements and the creation of an Executive "E" Director role.

There is now a need to review the Solent LEP Articles of Association in relation to a number of developments including;

- The need to ensure SME representation on the LEP Board as required by Secretary of State Greg Clark's April 2016 correspondence, and;
- The need to reflect the requirements of any Devolution Deal agreed for the area which requires a seat on the Solent LEP Board for a Directly Elected Mayor.

This will be considered further at the board meeting.

8. Forward Plan

Further to the previous Board meeting the forward plan has been updated as follows:

Friday 21 October 2016 - board meeting and strategy day timings to be confirmed

- Executive update
- Innovation strategy draft for consideration
- Solent Logistics study draft for consideration
- LGD Update
- Presentation on Portsmouth University Master plan
- Mid year finance review and budget update for 2016/17

Friday 16 December 2016 - BAE Systems , Portsmouth Naval Base

- Executive update
- Inward investment update
- Employment and skills update from the ESB
- Innovation strategy and operational plan – draft report
- Local growth deal update
- Infrastructure update to include Enterprise Zone update and Solent logistics study

Board members are asked to;

- **CONSIDER** and **AGREE** the updated forward plan.

10.06.2016

Item 8

Finance Report and Budget Forecast

SOLENT LOCAL ENTERPRISE PARTNERSHIP - BUDGET FORECAST TO 2020/21

| ENTERPRISE (BUSINESS SUPPORT) | | Actual Expenditure to end 2014/15 | Outturn 2015/16 | Budget 2016/17 | Budget 2017/18 | Budget 2018/19 | Budget 2019/20 | Budget 2020/21 | Total Budget | Total Forecast Expenditure | Variance |
|---|--|--|------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------------|-----------------------------------|-----------------|
| Solent RGF - Bridging the Gap: | | | | | | | | | | | |
| Awards | | 2,596,751 | 1,999,455 | 325,652 | 0 | 0 | 0 | 0 | 4,921,858 | 4,921,858 | - |
| Due Diligence | | 236,865 | 95,041 | 18,094 | 0 | 0 | 0 | 0 | 350,000 | 350,000 | - |
| RGF Solent EZ expansion Fund - Gosport Borough Council - Fund | | - | 800,000 | 0 | 0 | 0 | 0 | 0 | 800,000 | 800,000 | - |
| RGF Solent EZ expansion Fund - Gosport Borough Council - Due Diligence | | 65,691 | 16,414 | 0 | 0 | 0 | 0 | 0 | 82,105 | 82,105 | - |
| RGF 3 IOW Private Sector Support - Fund | | - | 475,000 | 0 | 0 | 0 | 0 | 0 | 475,000 | 475,000 | - |
| RGF 3 IOW Private Sector Support - Due Diligence | | 50,800 | 59,402 | 0 | 0 | 0 | 0 | 0 | 110,202 | 110,202 | - |
| Solent Growth Fund (Growth deal - 2015/16 to 2021) | | - | 355,932 | 3,344,068 | 1,850,000 | 1,850,000 | 1,850,000 | 1,850,000 | 11,100,000 | 11,100,000 | - |
| Solent Growth Fund (Growth deal - 2015/16 to 2021) - Programme Management | | - | 150,500 | 149,500 | 150,000 | 150,000 | 150,000 | 150,000 | 900,000 | 900,000 | - |
| Solent Growth Hub (Growth deal - 2015/16 to 2021) | | - | 247,100 | 207,900 | 205,000 | 0 | 0 | 0 | 660,000 | 660,000 | - |
| Improving Digital Capability for SME's | | 111,715 | 787 | 0 | 0 | 0 | 0 | 0 | 112,502 | 112,502 | - |
| Enterprise Total | | 3,061,823 | 4,199,631 | 4,045,214 | 2,205,000 | 2,000,000 | 2,000,000 | 2,000,000 | 19,511,667 | 19,511,667 | 0 |
| INFRASTRUCTURE (Land & Property) | | Actual Expenditure to end 2014/15 | Outturn 2015/16 | Budget 2016/17 | Budget 2017/18 | Budget 2018/19 | Budget 2019/20 | Budget 2020/21 | Total Budget | Total Forecast Expenditure | Variance |
| Growing Places Fund: Original Capital Allocation | | | | | | | | | | | |
| CEMAST | | 3,000,000 | - | - | - | - | - | - | 3,000,000 | 3,000,000 | - |
| Solent EZ Infrastructure package | | 8,000,000 | - | - | - | - | - | - | 8,000,000 | 8,000,000 | - |
| Red Funnel Ferry (earmarked) | | - | - | 3,000,000 | - | - | - | - | 3,000,000 | 3,000,000 | - |
| Griffon Hoverwork | | 1,000,000 | 1,000,000 | - | - | - | - | - | 2,000,000 | 2,000,000 | - |
| Loans Out (Round 2): | | | | | | | | | | | |
| Amount set aside for GPL tranche 5 | | - | - | - | - | - | - | - | 0 | 0 | - |
| Growing Places Loan Fund: Capital Loans Advanced / Available | | 12,000,000 | 1,000,000 | 3,000,000 | | | | | 16,000,000 | 16,000,000 | - |
| Grants allocated (not repayable) | | | | | | | | | | | |
| IoW Core Composites College Contingency | | - | - | 750,000 | - | - | - | - | 750,000 | 750,000 | - |
| Use of Fund for other Purposes (not repayable): | | | | | | | | | | | |
| - Growing Places Loan Fund Programme Management Costs | | - | 75,000 | 125,000 | 100,000 | - | - | - | 300,000 | 300,000 | - |
| Growing Places Loan Fund: Fund used and not repayable | | | | | | | | | | | |
| | | - | 75,000 | 875,000 | 100,000 | - | - | - | 1,050,000 | 1,050,000 | - |
| Solent Growth Deal confirmed funding: | | | | | | | | | | | |
| The Hard Interchange (PCC) | | - | 4,832,000 | - | - | - | - | - | 4,832,000 | 4,832,000 | - |
| Dunsbury Hill Farm Link Road (PCC) | | - | 4,540,000 | - | - | - | - | - | 4,540,000 | 4,540,000 | - |
| Station Quarter North (SCC) | | - | 4,185,001 | - | - | - | - | - | 4,185,001 | 4,185,001 | - |
| Station Roundabout / Gudge Heath Lane (HCC) | | - | 2,065,000 | 2,893,000 | - | - | - | - | 4,958,000 | 4,958,000 | - |
| Peel Common Roundabout and St Margarets Roundabout | | - | 4,340,000 | - | - | - | - | - | 4,340,000 | 4,340,000 | - |
| Newgate Lane South | | - | - | 373,000 | 5,067,766 | 3,352,544 | 206,690 | - | 9,000,000 | 9,000,000 | - |
| A27 Dualling (St Margarets Roundabout / Titchfield Gyratory / Segensworth Roundabout) | | - | - | 4,127,000 | 3,198,000 | - | - | - | 7,325,000 | 7,325,000 | - |
| Design and Construction of M27 Junction 10 | | - | - | - | - | - | 7,075,000 | 7,075,000 | 14,150,000 | 14,150,000 | - |
| Solent Gateways (Isle of Wight Floating Bridge) | | - | - | 3,776,782 | - | - | - | - | 3,776,782 | 3,776,782 | - |
| Solent Gateways (East Cowes and Trafalgar Dock) | | - | - | 621,000 | 7,791,078 | 2,811,140 | - | - | 11,223,218 | 11,223,218 | - |
| North Whiteley Transport improvements | | - | - | 2,500,000 | 8,810,000 | 2,690,000 | - | - | 14,000,000 | 14,000,000 | - |
| Cancer Immunology Centre | | - | 4,500,000 | - | - | - | - | - | 4,500,000 | 4,500,000 | - |
| Environmental Mitigation - Solent Mitigation Disturbance project | | - | 1,355,000 | - | - | - | - | - | 1,355,000 | 1,355,000 | - |
| Capitalisation Costs for Solent Growth Deal Programme Management and Capacity funding | | - | 300,000 | 300,000 | 300,000 | 300,000 | 250,000 | 242,261 | 1,692,261 | 1,692,261 | - |
| Temporary Local Growth Deal Switch with PCC Capital Resources | | - | 1,000,000 | - | - | - | - | - | 1,000,000 | 1,000,000 | - |
| Local Large majors (Solent Metro and SAEG) | | - | - | 255,000 | - | - | - | - | 255,000 | 255,000 | - |
| National Maritime Systems Centre | | - | - | 542,503 | 598,203 | 699,630 | 1,578,960 | 1,580,705 | 5,000,000 | 5,000,000 | - |
| Unallocated Funding | | - | - | - | - | 1,025,600 | - | - | 1,025,600 | 1,025,600 | - |
| Under / (Over) Programming | | - | - | 14,422,316 | (8,858,018) | (2,061,054) | (1,857,964) | (1,645,280) | (0) | (0) | - |
| <i>Growth deal provisional allocation for M27 Junction 10 (post 2016)</i> | | - | - | 5,350,000 | 2,500,000 | 3,500,000 | 3,550,000 | - | 14,900,000 | 14,900,000 | - |
| SUB TOTAL: Solent Growth Deal: | | - | 27,117,001 | 35,160,601 | 19,407,029 | 12,317,860 | 10,802,686 | 7,252,686 | 112,057,861 | 112,057,861 | - |

| | | | | | | | | | | |
|--|--|------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------------|-----------------------------------|-----------------|
| Building Foundations for Growth Capital Grant for EZ | - | 4,446,867 | 2,643,133 | - | - | - | - | 7,090,000 | 7,090,000 | - |
| Capacity Funding | 33,855 | 16,145 | 100,000 | 50,000 | 50,000 | - | - | 250,000 | 250,000 | - |
| One Public Estate | | 14,950 | 385,050 | - | - | - | - | 400,000 | 400,000 | - |
| Transport Delivery Excellence Funding | | - | 42,000 | - | - | - | - | 42,000 | 42,000 | - |
| Infrastructure (Land & Property) Total | 12,033,855 | 32,669,962 | 42,205,784 | 19,557,029 | 12,367,860 | 10,802,686 | 7,252,686 | 136,889,861 | 136,889,861 | |
| INWARD INVESTMENT | Actual Expenditure to end 2014/15 | Outturn 2015/16 | Budget 2016/17 | Budget 2017/18 | Budget 2018/19 | Budget 2019/20 | Budget 2020/21 | Total Budget | Total Forecast Expenditure | Variance |
| Capacity funding | 50,000 | 45,000 | 100,000 | 80,000 | - | - | - | 275,000 | 275,000 | - |
| Inward Investment Total | 50,000 | 45,000 | 100,000 | 80,000 | 0 | 0 | 0 | 275,000 | 275,000 | 0 |
| SKILLS | Actual Expenditure to end 2014/15 | Outturn 2015/16 | Budget 2016/17 | Budget 2017/18 | Budget 2018/19 | Budget 2019/20 | Budget 2020/21 | Total Budget | Total Forecast Expenditure | Variance |
| CEMAST - Fareham College | 3,000,000 | - | - | - | - | - | - | 3,000,000 | 3,000,000 | - |
| CEMAST - Due Diligence | 57,974 | 5,806 | - | - | - | - | - | 63,780 | 63,780 | - |
| <u>Solent Growth deal FE Capital (2015/16 - 2021)</u> | | | | | | | | | | |
| Eastleigh College Estates Renewal | - | 6,810,000 | 2,190,000 | - | - | - | - | 9,000,000 | 9,000,000 | - |
| IOW College Composites Centre | - | 5,400,000 | 5,500,000 | - | - | - | - | 10,900,000 | 10,900,000 | - |
| Capacity funding | 30,000 | 42,394 | 63,445 | 65,000 | 65,000 | - | - | 265,838 | 265,838 | - |
| Solent Employer Ownership Programme | 26,299 | 38,701 | 1,435,000 | - | - | - | - | 1,500,000 | 1,500,000 | - |
| Solent Employer Ownership Programme - Local Growth Deal contribution | | | 129,400 | - | - | - | - | 129,400 | 129,400 | - |
| Enterprise Adviser Network | - | 49,007 | 150,993 | - | - | - | - | 200,000 | 200,000 | - |
| Skills Total | 3,114,273 | 12,345,907 | 9,468,838 | 65,000 | 65,000 | 0 | 0 | 25,059,018 | 25,059,018 | 0 |
| STRATEGIC SECTORS | Actual Expenditure to end 2014/15 | Outturn 2015/16 | Budget 2016/17 | Budget 2017/18 | Budget 2018/19 | Budget 2019/20 | Budget 2020/21 | Total Budget | Total Forecast Expenditure | Variance |
| <u>Solent Futures RGF Round 3:</u> | | | | | | | | | | |
| Training Scheme - Awards | 800,000 | 462,000 | 38,000 | - | - | - | - | 1,300,000 | 1,300,000 | - |
| Training Scheme - Due Diligence | 121,540 | 33,551 | 3,909 | - | - | - | - | 159,000 | 159,000 | - |
| Supply Chain - Awards | - | 217,011 | 1,059,773 | - | - | - | - | 1,276,784 | 1,276,784 | - |
| Supply Chain - Due Diligence | 80,003 | 33,847 | 3,150 | - | - | - | - | 117,000 | 117,000 | - |
| <u>MARITIME SUPPLEMENT</u> | | | | | | | | | | |
| Capacity funding | 16,143 | 59,341 | 49,515 | 50,000 | - | - | - | 175,000 | 175,000 | - |
| Strategic Sectors Total | 1,017,687 | 805,751 | 1,154,347 | 50,000 | 0 | 0 | 0 | 3,027,784 | 3,027,784 | 0 |
| INNOVATION | Actual Expenditure to end 2014/15 | Outturn 2015/16 | Budget 2016/17 | Budget 2017/18 | Budget 2018/19 | Budget 2019/20 | Budget 2020/21 | Total Budget | Total Forecast Expenditure | Variance |
| Local Growth Deal Fund - Innovation Projects | | | 3,075,000 | 75,000 | - | - | - | 3,150,000 | 3,150,000 | - |
| Capacity Funding | - | 20,000 | 40,000 | 40,000 | - | - | - | 100,000 | 100,000 | - |
| Innovation | 0 | 20,000 | 3,115,000 | 115,000 | 0 | 0 | 0 | 3,250,000 | 3,250,000 | 0 |
| OPERATIONAL CENTRAL COSTS | Actual Expenditure to end 2014/15 | Outturn 2015/16 | Budget 2016/17 | Budget 2017/18 | Budget 2018/19 | Budget 2019/20 | Budget 2020/21 | Total Budget | Total Forecast Expenditure | Variance |
| Staffing costs | 630,353 | 150,457 | 500,000 | 500,000 | 500,000 | 466,426 | 300,000 | 3,047,236 | 3,047,236 | - |
| Office costs | 203,546 | 82,538 | 95,000 | 95,000 | 95,000 | 75,881 | 72,500 | 719,465 | 719,465 | - |
| Finance costs incl forecast costs for Democratic Services for future years | 153,757 | 26,390 | 80,000 | 80,000 | 80,000 | 80,000 | 73,154 | 573,301 | 573,301 | - |
| Legal support | 87,628 | 29,594 | 50,000 | 50,000 | 50,000 | 49,999 | 25,000 | 342,221 | 342,221 | - |
| Marketing & Communication costs | 88,807 | 65,042 | 50,000 | 50,000 | 50,000 | 46,027 | 25,000 | 374,876 | 374,876 | - |
| Contingency | - | - | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 | 1,250,000 | 1,250,000 | - |
| Solent Economic Plan and Structural Investment Fund | 273,990 | 157,215 | 242,785 | 150,000 | - | - | - | 823,990 | 823,990 | - |
| SEEDA legacy funding for business engagement | - | - | 131,396 | 100,000 | - | - | - | 231,396 | 231,396 | - |
| LEP Network | 8,256 | 4,744 | 19,256 | - | - | - | - | 32,256 | 32,256 | - |
| Operational Central Costs Total | 1,446,337 | 515,981 | 1,418,437 | 1,275,000 | 1,025,000 | 968,333 | 745,654 | 7,394,741 | 7,394,741 | 0 |

| | |
|-------------------------------|--|
| LEP BUDGET GRAND TOTAL | Actual Expenditure to end 2014/15 |
| | 20,723,973 |

| |
|------------------------|
| Outturn 2015/16 |
| 50,602,232 |

| | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Budget 2016/17 | Budget 2017/18 | Budget 2018/19 | Budget 2019/20 | Budget 2020/21 |
| 61,507,620 | 23,347,029 | 15,457,860 | 13,771,019 | 9,998,340 |

| | | |
|---------------------|-----------------------------------|-----------------|
| Total Budget | Total Forecast Expenditure | Variance |
| 195,408,071 | 195,408,071 | 0 |

| FUNDING SUMMARY | Actual Expenditure to end 2014/15 |
|---|--|
| Bridging the Gap Phase 1 | 1,536,749 |
| Bridging the Gap ERGF (Solent Wide) | 30,185 |
| Bridging the Gap Phase 2 | 1,236,479 |
| RGF Solent EZ expansion Fund - Gosport Borough Council | 65,691 |
| RGF 3 IOW SME Support Fund | 50,800 |
| Solent Growth Deal | - |
| Temporary Local Growth Deal Switch with PCC Capital Resources | - |
| J10 M27 Highways England Retained Scheme | - |
| Solent Growth Hub | - |
| Solent Futures RGF Round 3 | 1,057,974 |
| Growing Places Fund - Revenue | - |
| Growing Places Fund - Capital | 12,000,000 |
| Growing Places Fund - funds issued on a non-repayment basis | - |
| Solent Futures | 3,000,000 |
| Solent Employer Ownership Programme (Wave 2 City Deal) | 52,598 |
| The Careers & Enterprise Co. - Enterprise Adviser Network | - |
| Earned Interest - Enterprise Adviser Network (Match Funding) | - |
| Cabinet Office - One Public Estate | - |
| Enterprise Zone Capital Grant | - |
| DfT - LTB Funding | 131,580 |
| SEP | 268,130 |
| Transport Excellence | 36,000 |
| BIS - Capacity Fund | 65,900 |
| BIS - Core Funding | 614,354 |
| BAE Contribution to future of Portsmouth | - |
| PUSH | 30,000 |
| Push Inward investment contribution | - |
| Growing Places Capital - CEMAST admin fee | 75,000 |
| LEP Network | 13,900 |
| Interest earned on funding yet to pay out | 73,633 |
| Local Authority Funding - PUSH, Hampshire & IOW | 275,000 |
| SEEDA legacy funding for business engagement | - |
| BIS - Digital Capability for SME's | 110,000 |
| Transport Delivery Excellence Funding | - |
| Grant Total - Funding | 20,723,973 |

| Outturn 2015/16 | Budget 2016/17 | Budget 2017/18 | Budget 2018/19 | Budget 2019/20 | Budget 2020/21 | Total Budget |
|------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------------|
| 432,929 | - | - | - | - | - | 1,969,678 |
| 1,012,469 | 283,889 | - | - | - | - | 1,326,543 |
| 645,502 | - | - | - | - | - | 1,881,981 |
| 816,414 | - | - | - | - | - | 882,105 |
| 534,402 | - | - | - | - | - | 585,202 |
| 39,833,433 | 43,198,568 | 18,982,028 | 10,817,860 | 9,252,686 | 9,252,686 | 131,337,261 |
| - | 1,000,000 | - | - | - | - | 1,000,000 |
| - | 5,350,000 | 2,500,000 | 3,500,000 | 3,550,000 | - | 14,900,000 |
| 247,100 | 207,900 | 205,000 | - | - | - | 660,000 |
| 752,215 | 1,200,031 | - | - | - | - | 3,010,220 |
| 361,790 | 84,159 | 455,000 | - | 383,258 | 130,473 | 1,414,680 |
| 1,000,000 | 3,000,000 | 0 | - | - | - | 16,000,000 |
| 305,839 | 917,000 | 217,262 | 736,193 | 525,000 | 525,000 | 3,226,294 |
| 3,000,000 | - | - | - | - | - | 3,000,000 |
| 38,701 | 1,408,701 | - | - | - | - | 1,500,000 |
| 14,007 | 85,993 | - | - | - | - | 100,000 |
| 35,000 | 40,000 | - | - | - | - | 75,000 |
| 14,950 | 385,050 | - | - | - | - | 400,000 |
| 4,446,867 | 2,643,133 | - | - | - | - | 7,090,000 |
| - | - | - | - | - | - | - |
| 131,580 | - | - | - | - | - | 131,580 |
| 268,130 | 449,554 | 79,220 | 50,000 | 47,420 | 30,961 | 1,000,000 |
| 36,000 | - | - | - | - | - | 36,000 |
| 65,900 | 250,000 | - | - | - | - | 326,800 |
| 614,354 | 484,347 | 250,000 | - | - | - | 1,348,701 |
| - | - | - | - | - | - | - |
| 30,000 | - | - | - | - | - | 30,000 |
| - | - | - | - | - | - | - |
| 75,000 | - | - | - | - | - | 75,000 |
| 13,900 | - | - | - | - | - | 13,900 |
| 73,633 | 345,899 | 558,518 | 353,807 | 12,655 | 59,220 | 1,403,729 |
| 275,000 | 25,000 | - | - | - | - | 300,000 |
| - | 131,396 | 100,000 | - | - | - | 231,396 |
| 110,000 | - | - | - | - | - | 110,000 |
| - | 42,000 | - | - | - | - | 42,000 |
| 50,602,232 | 61,507,620 | 23,347,028 | 15,457,860 | 13,771,019 | 9,998,340 | 195,408,070 |

| | |
|---|-------------------|
| Growing Places Fund - Forecast Reserve for Future Projects | |
| Total Growing Places Reserve Forecast from Loan Repayments | |
| TOTAL FUNDING TO SUPPORT LEP ACTIVITY | 20,723,973 |

| | | | | | | |
|------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------------|
| Outturn 2015/16 | Budget 2016/17 | Budget 2017/18 | Budget 2018/19 | Budget 2019/20 | Budget 2020/21 | Total Budget |
| | 5,591,371 | 1,582,738 | 1,588,807 | 875,000 | 3,875,000 | 13,512,916 |
| 50,602,232 | 67,098,991 | 24,929,766 | 17,046,667 | 14,646,019 | 13,873,340 | 208,920,986 |